

Journal of the Senate

SIXTY-EIGHTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Thursday, May 3, 2018, 10:00 a.m.

The Senate was called to order by President Susan Wagle.
The roll was called with 40 senators present.
Invocation by Reverend Cecil T. Washington:

Lord, we're nearing the end of our labors here. And the focus of our efforts will be shifting. But we don't want to lose sight of Your guidance. Today is the National Day of Prayer, established to encourage the exercise of looking to You in all that we do.

Guided by Your Holy Spirit, You inspired the Apostle Paul to give us these words in 1 Timothy 2:1-2; "The first thing I want you to do is pray. Pray every way you know how, for everyone you know. Pray especially for rulers and their governments to rule well so we can be quietly about our business of living simply, in humble contemplation."

So Lord, keep us humble enough to keep us prayerful enough to seek You enough, that as our Divine GPS, You'll give us wisdom and guidance enough.

Thank You Lord, for the privilege of prayer. In Jesus' Name, I pray, Amen.

The Pledge of Allegiance was led by President Wagle.

MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report on **H Sub SB 179**.

The House adopts the Conference Committee report on **SB 199**.

The House adopts the Conference Committee report on **SB 310**.

The House adopts the Conference Committee report on **H Sub SB 374**.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senator Tyson introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1794—

A RESOLUTION recognizing Kansas' celebration
of the 100th anniversary of the 19th Amendment.

WHEREAS, August 20, 2020, signifies the 100th anniversary of the ratification of the 19th Amendment to the Constitution of the United States of America; and

WHEREAS, The ratification of this amendment not only allowed women the right to vote, but it also allowed women to accomplish successes in every industry; and

WHEREAS, Women play a critical leadership role in our country, and there are numerous former, current and future women leaders from the state of Kansas who should be recognized; and

WHEREAS, The Jan Henrie Women's Leadership Foundation of Wichita State University will host a statewide, three-day event on August 13, 14 and 15, 2020, to foster unity, provide training and promote women's leadership throughout the state of Kansas: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we recognize August 13 through 15, 2020, as Kansas' celebration of the 100th anniversary of the ratification of the 19th Amendment to the Constitution of the United States of America and call upon the people of Kansas to unite as we support the success of women and recognize Kansas women in leadership roles with the appropriate activities, events and programs; and

Be it further resolved: That the Secretary of the Senate shall send five enrolled copies of this resolution to Senator Tyson.

On emergency motion of Senator Tyson **SR 1794** was adopted unanimously.

On motion of Senator Denning, the Senate recessed until the sound of the gavel.

The Senate met pursuant to recess with Vice President Longbine in the chair.

CHANGE OF CONFERENCE

The Vice President appointed Senators Tyson, Kerschen, and Holland to replace Senators Wilborn, Lynn, and Haley as members of the conference committee on **SB 296**.

ORIGINAL MOTION

Senator Denning moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **H Sub SB 179; SB 199, SB 310; H Sub SB 374; Sub HB 2194; HB 2067**.

CONSIDERATION OF MOTIONS TO CONCUR AND NONCONCUR

Senator Tyson moved the Senate concur in House amendments to **SB 415**.

SB 415, AN ACT concerning the Kansas state fair; relating to state sales tax revenues collected on the Kansas state fairgrounds; deposit of revenues in state fair capital improvements fund; amending K.S.A. 2017 Supp. 2-223 and repealing the existing section.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The Senate concurred.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 179 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 179, as follows:

On page 1, in line 10, by striking "that causes the juvenile to be" and inserting "and is";

On page 2, in line 22, after the comma by inserting "the managed care organization, if the juvenile is a medicaid recipient, and"; also in line 22, by striking all after "center"; in line 23, by striking all before "discharged" and inserting "serving the area where the juvenile is being"; in line 26, after the comma by inserting "the managed care organization, if the juvenile is a medicaid recipient, and the"; also in line 26, by striking all after "center"; in line 27, by striking all before "discharged" and inserting "serving the area where the juvenile is being"; in line 29, by striking all after "(1)"; by striking all in lines 30 through 36; in line 37, by striking all before the period and inserting "Upon admission to a juvenile crisis intervention center, and if the juvenile is a medicaid recipient, the managed care organization shall approve services as recommended by the head of the juvenile crisis intervention center. Within 14 days after admission, the head of the juvenile crisis intervention center shall develop a plan of treatment for the juvenile in collaboration with the managed care organization";

On page 3, in line 4, by striking all after "center"; in line 5, by striking "(1)"; in line 37, after "(1)" by inserting ""Head of a juvenile crisis intervention center" means the administrative director of a juvenile crisis intervention center or such person's designee; (2)";

Also on page 3, in line 39, after "disorder" by inserting "or mental condition";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 16, following line 25, by inserting:

"Sec. 8. K.S.A. 2017 Supp. 38-2202 is hereby amended to read as follows: 38-2202. As used in the revised Kansas code for care of children, unless the context otherwise indicates:

(a) "Abandon" or "abandonment" means to forsake, desert or, without making appropriate provision for substitute care, cease providing care for the child.

(b) "Adult correction facility" means any public or private facility, secure or nonsecure, which is used for the lawful custody of accused or convicted adult criminal offenders.

(c) "Aggravated circumstances" means the abandonment, torture, chronic abuse, sexual abuse or chronic, life threatening neglect of a child.

(d) "Child in need of care" means a person less than 18 years of age at the time of filing of the petition or issuance of an ex parte protective custody order pursuant to K.S.A. 2017 Supp. 38-2242, and amendments thereto, who:

(1) Is without adequate parental care, control or subsistence and the condition is not due solely to the lack of financial means of the child's parents or other custodian;

(2) is without the care or control necessary for the child's physical, mental or emotional health;

(3) has been physically, mentally or emotionally abused or neglected or sexually

abused;

(4) has been placed for care or adoption in violation of law;

(5) has been abandoned or does not have a known living parent;

(6) is not attending school as required by K.S.A. 72-977 or 72-1111, and amendments thereto;

(7) except in the case of a violation of K.S.A. 41-727, K.S.A. 74-8810(j), K.S.A. 79-3321(m) or (n), or K.S.A. 2017 Supp. 21-6301(a)(14), and amendments thereto, or, except as provided in paragraph (12), does an act which, when committed by a person under 18 years of age, is prohibited by state law, city ordinance or county resolution but which is not prohibited when done by an adult;

(8) while less than 10 years of age, commits any act which if done by an adult would constitute the commission of a felony or misdemeanor as defined by K.S.A. 2017 Supp. 21-5102, and amendments thereto;

(9) is willfully and voluntarily absent from the child's home without the consent of the child's parent or other custodian;

(10) is willfully and voluntarily absent at least a second time from a court ordered or designated placement, or a placement pursuant to court order, if the absence is without the consent of the person with whom the child is placed or, if the child is placed in a facility, without the consent of the person in charge of such facility or such person's designee;

(11) has been residing in the same residence with a sibling or another person under 18 years of age, who has been physically, mentally or emotionally abused or neglected, or sexually abused;

(12) while less than 10 years of age commits the offense defined in K.S.A. 2017 Supp. 21-6301(a)(14), and amendments thereto;

(13) has had a permanent custodian appointed and the permanent custodian is no longer able or willing to serve; or

(14) has been subjected to an act which would constitute human trafficking or aggravated human trafficking, as defined by K.S.A. 2017 Supp. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 2017 Supp. 21-6422, and amendments thereto, or has committed an act which, if committed by an adult, would constitute selling sexual relations, as defined by K.S.A. 2017 Supp. 21-6419, and amendments thereto.

(e) "Citizen review board" is a group of community volunteers appointed by the court and whose duties are prescribed by K.S.A. 2017 Supp. 38-2207 and 38-2208, and amendments thereto.

(f) "Civil custody case" includes any case filed under chapter 23 of the Kansas Statutes Annotated, and amendments thereto, the Kansas family law code, article 11; of chapter 38 of the Kansas Statutes Annotated, and amendments thereto, determination of parentage, article 21 of chapter 59 of the Kansas Statutes Annotated, and amendments thereto, adoption and relinquishment act, or article 30 of chapter 59 of the Kansas Statutes Annotated, and amendments thereto, guardians and conservators.

(g) "Court-appointed special advocate" means a responsible adult other than an attorney guardian ad litem who is appointed by the court to represent the best interests of a child, as provided in K.S.A. 2017 Supp. 38-2206, and amendments thereto, in a proceeding pursuant to this code.

(h) "Custody" whether temporary, protective or legal, means the status created by

court order or statute which vests in a custodian, whether an individual or an agency, the right to physical possession of the child and the right to determine placement of the child, subject to restrictions placed by the court.

(i) "Extended out of home placement" means a child has been in the custody of the secretary and placed with neither parent for 15 of the most recent 22 months beginning 60 days after the date at which a child in the custody of the secretary was removed from the child's home.

(j) "Educational institution" means all schools at the elementary and secondary levels.

(k) "Educator" means any administrator, teacher or other professional or paraprofessional employee of an educational institution who has exposure to a pupil specified in K.S.A. 72-89b03(a), and amendments thereto.

(l) "Harm" means physical or psychological injury or damage.

(m) "Interested party" means the grandparent of the child, a person with whom the child has been living for a significant period of time when the child in need of care petition is filed, and any person made an interested party by the court pursuant to K.S.A. 2017 Supp. 38-2241, and amendments thereto, or Indian tribe seeking to intervene that is not a party.

(n) "Jail" means:

(1) An adult jail or lockup; or

(2) a facility in the same building or on the same grounds as an adult jail or lockup, unless the facility meets all applicable standards and licensure requirements under law and there is: (A) Total separation of the juvenile and adult facility spatial areas such that there could be no haphazard or accidental contact between juvenile and adult residents in the respective facilities; (B) total separation in all juvenile and adult program activities within the facilities, including recreation, education, counseling, health care, dining, sleeping and general living activities; and (C) separate juvenile and adult staff, including management, security staff and direct care staff such as recreational, educational and counseling.

(o) "Juvenile detention facility" means any secure public or private facility used for the lawful custody of accused or adjudicated juvenile offenders which must not be a jail.

(p) "Juvenile intake and assessment worker" means a responsible adult authorized to perform intake and assessment services as part of the intake and assessment system established pursuant to K.S.A. 75-7023, and amendments thereto.

(q) "Kinship care placement" means the placement of a child in the home of ~~the child's relative or in the home of another~~ an adult with whom the child or the child's parent already has a close emotional attachment ties.

(r) "Law enforcement officer" means any person who by virtue of office or public employment is vested by law with a duty to maintain public order or to make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes.

(s) "Multidisciplinary team" means a group of persons, appointed by the court under K.S.A. 2017 Supp. 38-2228, and amendments thereto, which has knowledge of the circumstances of a child in need of care.

(t) "Neglect" means acts or omissions by a parent, guardian or person responsible for the care of a child resulting in harm to a child, or presenting a likelihood of harm, and the acts or omissions are not due solely to the lack of financial means of the child's

parents or other custodian. Neglect may include, but shall not be limited to:

(1) Failure to provide the child with food, clothing or shelter necessary to sustain the life or health of the child;

(2) failure to provide adequate supervision of a child or to remove a child from a situation which requires judgment or actions beyond the child's level of maturity, physical condition or mental abilities and that results in bodily injury or a likelihood of harm to the child; or

(3) failure to use resources available to treat a diagnosed medical condition if such treatment will make a child substantially more comfortable, reduce pain and suffering, or correct or substantially diminish a crippling condition from worsening. A parent legitimately practicing religious beliefs who does not provide specified medical treatment for a child because of religious beliefs shall not for that reason be considered a negligent parent; however, this exception shall not preclude a court from entering an order pursuant to K.S.A. 2017 Supp. 38-2217(a)(2), and amendments thereto.

(u) "Parent" when used in relation to a child or children, includes a guardian and every person who is by law liable to maintain, care for or support the child.

(v) "Party" means the state, the petitioner, the child, any parent of the child and an Indian child's tribe intervening pursuant to the Indian child welfare act.

(w) "Permanency goal" means the outcome of the permanency planning process which may be reintegration, adoption, appointment of a permanent custodian or another planned permanent living arrangement.

(x) "Permanent custodian" means a judicially approved permanent guardian of a child pursuant to K.S.A. 2017 Supp. 38-2272, and amendments thereto.

(y) "Physical, mental or emotional abuse" means the infliction of physical, mental or emotional harm or the causing of a deterioration of a child and may include, but shall not be limited to, maltreatment or exploiting a child to the extent that the child's health or emotional well-being is endangered.

(z) "Placement" means the designation by the individual or agency having custody of where and with whom the child will live.

(aa) "Reasonable and prudent parenting standard" means the standard characterized by careful and sensible parental decisions that maintain the health, safety and best interests of a child while at the same time encouraging the emotional and developmental growth of the child, that a caregiver shall use when determining whether to allow a child in foster care under the responsibility of the state to participate in extracurricular, enrichment, cultural and social activities.

(bb) "Relative" means a person related by blood, marriage or adoption ~~but, when referring to a relative of a child's parent, does not include the child's other parent.~~

(cc) "Runaway" means a child who is willfully and voluntarily absent from the child's home without the consent of the child's parent or other custodian.

(dd) "Secretary" means the secretary for children and families or the secretary's designee.

(ee) "Secure facility" means a facility, other than a staff secure facility which is operated or structured so as to ensure that all entrances and exits from the facility are under the exclusive control of the staff of the facility, whether or not the person being detained has freedom of movement within the perimeters of the facility, or which relies on locked rooms and buildings, fences or physical restraint in order to control behavior of its residents. No secure facility shall be in a city or county jail.

(ff) "Sexual abuse" means any contact or interaction with a child in which the child is being used for the sexual stimulation of the perpetrator, the child or another person. Sexual abuse shall include, but is not limited to, allowing, permitting or encouraging a child to:

(1) Be photographed, filmed or depicted in pornographic material; or
 (2) be subjected to aggravated human trafficking, as defined in K.S.A. 2017 Supp. 21-5426(b), and amendments thereto, if committed in whole or in part for the purpose of the sexual gratification of the offender or another, or be subjected to an act which would constitute conduct proscribed by article 55 of chapter 21 of the Kansas Statutes Annotated or K.S.A. 2017 Supp. 21-6419 or 21-6422, and amendments thereto.

(gg) "Shelter facility" means any public or private facility or home, other than a juvenile detention facility or staff secure facility, that may be used in accordance with this code for the purpose of providing either temporary placement for children in need of care prior to the issuance of a dispositional order or longer term care under a dispositional order.

(hh) "Staff secure facility" means a facility described in K.S.A. 2017 Supp. 65-535, and amendments thereto: (1) That does not include construction features designed to physically restrict the movements and activities of juvenile residents who are placed therein; (2) that may establish reasonable rules restricting entrance to and egress from the facility; and (3) in which the movements and activities of individual juvenile residents may, for treatment purposes, be restricted or subject to control through the use of intensive staff supervision. No staff secure facility shall be in a city or county jail.

(ii) "Transition plan" means, when used in relation to a youth in the custody of the secretary, an individualized strategy for the provision of medical, mental health, education, employment and housing supports as needed for the adult and, if applicable, for any minor child of the adult, to live independently and specifically provides for the supports and any services for which an adult with a disability is eligible including, but not limited to, funding for home and community based services waivers.

(jj) "Youth residential facility" means any home, foster home or structure which provides 24-hour-a-day care for children and which is licensed pursuant to article 5 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 9. On and after July 1, 2019, K.S.A. 2017 Supp. 38-2202, as amended by section 8 of this act, is hereby amended to read as follows: 38-2202. As used in the revised Kansas code for care of children, unless the context otherwise indicates:

(a) "Abandon" or "abandonment" means to forsake, desert or, without making appropriate provision for substitute care, cease providing care for the child.

(b) "Adult correction facility" means any public or private facility, secure or nonsecure, which is used for the lawful custody of accused or convicted adult criminal offenders.

(c) "Aggravated circumstances" means the abandonment, torture, chronic abuse, sexual abuse or chronic, life threatening neglect of a child.

(d) "Child in need of care" means a person less than 18 years of age at the time of filing of the petition or issuance of an ex parte protective custody order pursuant to K.S.A. 2017 Supp. 38-2242, and amendments thereto, who:

(1) Is without adequate parental care, control or subsistence and the condition is not due solely to the lack of financial means of the child's parents or other custodian;

(2) is without the care or control necessary for the child's physical, mental or

emotional health;

(3) has been physically, mentally or emotionally abused or neglected or sexually abused;

(4) has been placed for care or adoption in violation of law;

(5) has been abandoned or does not have a known living parent;

(6) is not attending school as required by K.S.A. 72-977 or 72-1111, and amendments thereto;

(7) except in the case of a violation of K.S.A. 41-727, K.S.A. 74-8810(j), K.S.A. 79-3321(m) or (n), or K.S.A. 2017 Supp. 21-6301(a)(14), and amendments thereto, or, except as provided in paragraph (12), does an act which, when committed by a person under 18 years of age, is prohibited by state law, city ordinance or county resolution but which is not prohibited when done by an adult;

(8) while less than 10 years of age, commits any act which if done by an adult would constitute the commission of a felony or misdemeanor as defined by K.S.A. 2017 Supp. 21-5102, and amendments thereto;

(9) is willfully and voluntarily absent from the child's home without the consent of the child's parent or other custodian;

(10) is willfully and voluntarily absent at least a second time from a court ordered or designated placement, or a placement pursuant to court order, if the absence is without the consent of the person with whom the child is placed or, if the child is placed in a facility, without the consent of the person in charge of such facility or such person's designee;

(11) has been residing in the same residence with a sibling or another person under 18 years of age, who has been physically, mentally or emotionally abused or neglected, or sexually abused;

(12) while less than 10 years of age commits the offense defined in K.S.A. 2017 Supp. 21-6301(a)(14), and amendments thereto;

(13) has had a permanent custodian appointed and the permanent custodian is no longer able or willing to serve; or

(14) has been subjected to an act which would constitute human trafficking or aggravated human trafficking, as defined by K.S.A. 2017 Supp. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 2017 Supp. 21-6422, and amendments thereto, or has committed an act which, if committed by an adult, would constitute selling sexual relations, as defined by K.S.A. 2017 Supp. 21-6419, and amendments thereto.

(e) "Citizen review board" is a group of community volunteers appointed by the court and whose duties are prescribed by K.S.A. 2017 Supp. 38-2207 and 38-2208, and amendments thereto.

(f) "Civil custody case" includes any case filed under chapter 23 of the Kansas Statutes Annotated, and amendments thereto, the Kansas family law code, article 11 of chapter 38 of the Kansas Statutes Annotated, and amendments thereto, determination of parentage, article 21 of chapter 59 of the Kansas Statutes Annotated, and amendments thereto, adoption and relinquishment act, or article 30 of chapter 59 of the Kansas Statutes Annotated, and amendments thereto, guardians and conservators.

(g) "Court-appointed special advocate" means a responsible adult other than an attorney guardian ad litem who is appointed by the court to represent the best interests of a child, as provided in K.S.A. 2017 Supp. 38-2206, and amendments thereto, in a

proceeding pursuant to this code.

(h) "Custody" whether temporary, protective or legal, means the status created by court order or statute which vests in a custodian, whether an individual or an agency, the right to physical possession of the child and the right to determine placement of the child, subject to restrictions placed by the court.

(i) "Extended out of home placement" means a child has been in the custody of the secretary and placed with neither parent for 15 of the most recent 22 months beginning 60 days after the date at which a child in the custody of the secretary was removed from the child's home.

(j) "Educational institution" means all schools at the elementary and secondary levels.

(k) "Educator" means any administrator, teacher or other professional or paraprofessional employee of an educational institution who has exposure to a pupil specified in K.S.A. 72-89b03(a), and amendments thereto.

(l) "Harm" means physical or psychological injury or damage.

(m) "Interested party" means the grandparent of the child, a person with whom the child has been living for a significant period of time when the child in need of care petition is filed, and any person made an interested party by the court pursuant to K.S.A. 2017 Supp. 38-2241, and amendments thereto, or Indian tribe seeking to intervene that is not a party.

(n) "Jail" means:

(1) An adult jail or lockup; or

(2) a facility in the same building or on the same grounds as an adult jail or lockup, unless the facility meets all applicable standards and licensure requirements under law and there is: (A) Total separation of the juvenile and adult facility spatial areas such that there could be no haphazard or accidental contact between juvenile and adult residents in the respective facilities; (B) total separation in all juvenile and adult program activities within the facilities, including recreation, education, counseling, health care, dining, sleeping and general living activities; and (C) separate juvenile and adult staff, including management, security staff and direct care staff such as recreational, educational and counseling.

(o) "Juvenile detention facility" means any secure public or private facility used for the lawful custody of accused or adjudicated juvenile offenders which must not be a jail.

(p) "Juvenile intake and assessment worker" means a responsible adult authorized to perform intake and assessment services as part of the intake and assessment system established pursuant to K.S.A. 75-7023, and amendments thereto.

(q) "Kinship care placement" means the placement of a child in the home of an adult with whom the child or the child's parent already has close emotional ties.

(r) "Law enforcement officer" means any person who by virtue of office or public employment is vested by law with a duty to maintain public order or to make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes.

(s) "Multidisciplinary team" means a group of persons, appointed by the court under K.S.A. 2017 Supp. 38-2228, and amendments thereto, which has knowledge of the circumstances of a child in need of care.

(t) "Neglect" means acts or omissions by a parent, guardian or person responsible for the care of a child resulting in harm to a child, or presenting a likelihood of harm,

and the acts or omissions are not due solely to the lack of financial means of the child's parents or other custodian. Neglect may include, but shall not be limited to:

(1) Failure to provide the child with food, clothing or shelter necessary to sustain the life or health of the child;

(2) failure to provide adequate supervision of a child or to remove a child from a situation which requires judgment or actions beyond the child's level of maturity, physical condition or mental abilities and that results in bodily injury or a likelihood of harm to the child; or

(3) failure to use resources available to treat a diagnosed medical condition if such treatment will make a child substantially more comfortable, reduce pain and suffering, or correct or substantially diminish a crippling condition from worsening. A parent legitimately practicing religious beliefs who does not provide specified medical treatment for a child because of religious beliefs shall not for that reason be considered a negligent parent; however, this exception shall not preclude a court from entering an order pursuant to K.S.A. 2017 Supp. 38-2217(a)(2), and amendments thereto.

(u) "Parent" when used in relation to a child or children, includes a guardian and every person who is by law liable to maintain, care for or support the child.

(v) "Party" means the state, the petitioner, the child, any parent of the child and an Indian child's tribe intervening pursuant to the Indian child welfare act.

(w) "Permanency goal" means the outcome of the permanency planning process which may be reintegration, adoption, appointment of a permanent custodian or another planned permanent living arrangement.

(x) "Permanent custodian" means a judicially approved permanent guardian of a child pursuant to K.S.A. 2017 Supp. 38-2272, and amendments thereto.

(y) "Physical, mental or emotional abuse" means the infliction of physical, mental or emotional harm or the causing of a deterioration of a child and may include, but shall not be limited to, maltreatment or exploiting a child to the extent that the child's health or emotional well-being is endangered.

(z) "Placement" means the designation by the individual or agency having custody of where and with whom the child will live.

(aa) "Reasonable and prudent parenting standard" means the standard characterized by careful and sensible parental decisions that maintain the health, safety and best interests of a child while at the same time encouraging the emotional and developmental growth of the child, that a caregiver shall use when determining whether to allow a child in foster care under the responsibility of the state to participate in extracurricular, enrichment, cultural and social activities.

(bb) "Relative" means a person related by blood, marriage or adoption.

(cc) "Runaway" means a child who is willfully and voluntarily absent from the child's home without the consent of the child's parent or other custodian.

(dd) "Secretary" means the secretary for children and families or the secretary's designee.

(ee) "Secure facility" means a facility, other than a staff secure facility or juvenile detention facility which is operated or structured so as to ensure that all entrances and exits from the facility are under the exclusive control of the staff of the facility, whether or not the person being detained has freedom of movement within the perimeters of the facility, or which relies on locked rooms and buildings, fences or physical restraint in order to control behavior of its residents. No secure facility shall be in a city or county

jail.

(ff) "Sexual abuse" means any contact or interaction with a child in which the child is being used for the sexual stimulation of the perpetrator, the child or another person. Sexual abuse shall include, but is not limited to, allowing, permitting or encouraging a child to:

- (1) Be photographed, filmed or depicted in pornographic material; or
- (2) be subjected to aggravated human trafficking, as defined in K.S.A. 2017 Supp. 21-5426(b), and amendments thereto, if committed in whole or in part for the purpose of the sexual gratification of the offender or another, or be subjected to an act which would constitute conduct proscribed by article 55 of chapter 21 of the Kansas Statutes Annotated or K.S.A. 2017 Supp. 21-6419 or 21-6422, and amendments thereto.

(gg) "Shelter facility" means any public or private facility or home, other than a juvenile detention facility or staff secure facility, that may be used in accordance with this code for the purpose of providing either temporary placement for children in need of care prior to the issuance of a dispositional order or longer term care under a dispositional order.

(hh) "Staff secure facility" means a facility described in K.S.A. 2017 Supp. 65-535, and amendments thereto: (1) That does not include construction features designed to physically restrict the movements and activities of juvenile residents who are placed therein; (2) that may establish reasonable rules restricting entrance to and egress from the facility; and (3) in which the movements and activities of individual juvenile residents may, for treatment purposes, be restricted or subject to control through the use of intensive staff supervision. No staff secure facility shall be in a city or county jail.

(ii) "Transition plan" means, when used in relation to a youth in the custody of the secretary, an individualized strategy for the provision of medical, mental health, education, employment and housing supports as needed for the adult and, if applicable, for any minor child of the adult, to live independently and specifically provides for the supports and any services for which an adult with a disability is eligible including, but not limited to, funding for home and community based services waivers.

(jj) "Youth residential facility" means any home, foster home or structure which provides 24-hour-a-day care for children and which is licensed pursuant to article 5 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 10. K.S.A. 2017 Supp. 38-2254 is hereby amended to read as follows: 38-2254. (a) Unless waived by the persons entitled to notice, the court shall require notice of the time and place of the dispositional hearing be given to the parties and interested parties.

(b) The court shall require notice and the right to be heard as to proposals for living arrangements for the child, the services to be provided the child and the child's family, and the proposed permanency goal for the child to the following:

- (1) The child's foster parent or parents or permanent custodian providing care for the child;
- (2) preadoptive parents for the child, if any;
- (3) the child's grandparents at their last known addresses or if no grandparent is living or if no living grandparent's address is known, to the closest relative of each of the child's parents whose address is known;
- (4) the person having custody of the child; and
- (5) upon request, by any person having close emotional ties with the child and who

is deemed by the court to be essential to the deliberations before the court.

(c) The notice required by this subsection shall be given by first class mail, not less than 10 business days before the hearing.

(d) Individuals receiving notice pursuant to subsection (b) shall not be made a party or interested party to the action solely on the basis of this notice and the right to be heard. The right to be heard shall be at a time and in a manner determined by the court and does not confer an entitlement to appear in person at government expense.

(e) The provisions of this subsection shall not require additional notice to any person otherwise receiving notice of the hearing pursuant to K.S.A. 2017 Supp. 38-2239, and amendments thereto.

Sec. 11. K.S.A. 2017 Supp. 38-2255 is hereby amended to read as follows: 38-2255. (a) *Considerations*. Prior to entering an order of disposition, the court shall give consideration to:

- (1) The child's physical, mental and emotional condition;
- (2) the child's need for assistance;
- (3) the manner in which the parent participated in the abuse, neglect or abandonment of the child;

- (4) any relevant information from the intake and assessment process; and

- (5) the evidence received at the dispositional hearing.

(b) *Custody with a parent*. The court may place the child in the custody of either of the child's parents subject to terms and conditions which the court prescribes to assure the proper care and protection of the child, including, but not limited to:

- (1) Supervision of the child and the parent by a court services officer;

- (2) participation by the child and the parent in available programs operated by an appropriate individual or agency; and

- (3) any special treatment or care which the child needs for the child's physical, mental or emotional health and safety.

(c) *Removal of a child from custody of a parent*. The court shall not enter the initial order removing a child from the custody of a parent pursuant to this section unless the court first finds probable cause that: (1) (A) The child is likely to sustain harm if not immediately removed from the home;

- (B) allowing the child to remain in home is contrary to the welfare of the child; or

- (C) immediate placement of the child is in the best interest of the child; and

- (2) reasonable efforts have been made to maintain the family unit and prevent the unnecessary removal of the child from the child's home or that an emergency exists which threatens the safety to the child.

The court shall not enter an order removing a child from the custody of a parent pursuant to this section based solely on the finding that the parent is homeless.

(d) *Custody of a child removed from the custody of a parent*. If the court has made the findings required by subsection (c), the court shall enter an order awarding custody to: A relative of the child or to a person with whom the child has close emotional ties who shall not be required to be licensed under article 5 of chapter 65 of the Kansas Statutes Annotated, and amendments thereto; any other suitable person; a shelter facility; a youth residential facility; a staff secure facility, notwithstanding any other provision of law, if the child has been subjected to human trafficking or aggravated human trafficking, as defined by K.S.A. 2017 Supp. 21-5426, and amendments thereto, or commercial sexual exploitation of a child, as defined by K.S.A. 2017 Supp. 21-6422,

and amendments thereto, or the child committed an act which, if committed by an adult, would constitute a violation of K.S.A. 2017 Supp. 21-6419, and amendments thereto; or, if the child is 15 years of age or younger, or 16 or 17 years of age if the child has no identifiable parental or family resources or shows signs of physical, mental, emotional or sexual abuse, to the secretary. Custody awarded under this subsection shall continue until further order of the court.

(1) When custody is awarded to the secretary, the secretary shall consider any placement recommendation by the court and notify the court of the placement or proposed placement of the child within 10 days of the order awarding custody. After providing the parties or interested parties notice and opportunity to be heard, the court may determine whether the secretary's placement or proposed placement is contrary to the welfare or in the best interests of the child. In making that determination the court shall consider the health and safety needs of the child and the resources available to meet the needs of children in the custody of the secretary. If the court determines that the placement or proposed placement is contrary to the welfare or not in the best interests of the child, the court shall notify the secretary, who shall then make an alternative placement.

(2) The custodian designated under this subsection shall notify the court in writing at least 10 days prior to any planned placement with a parent. The written notice shall state the basis for the custodian's belief that placement with a parent is no longer contrary to the welfare or best interest of the child. Upon reviewing the notice, the court may allow the custodian to proceed with the planned placement or may set the date for a hearing to determine if the child shall be allowed to return home. If the court sets a hearing on the matter, the custodian shall not return the child home without written consent of the court.

(3) The court may grant any person reasonable rights to visit the child upon motion of the person and a finding that the visitation rights would be in the best interests of the child.

(4) The court may enter an order restraining any alleged perpetrator of physical, mental or emotional abuse or sexual abuse of the child from residing in the child's home; visiting, contacting, harassing or intimidating the child, other family member or witness; or attempting to visit, contact, harass or intimidate the child, other family member or witness. Such restraining order shall be served by personal service pursuant to ~~subsection (a) of~~ K.S.A. 2017 Supp. 38-2237(a), and amendments thereto, on any alleged perpetrator to whom the order is directed.

(5) The court shall provide a copy of any orders entered within 10 days of entering the order to the custodian designated under this subsection.

(e) *Further determinations regarding a child removed from the home.* If custody has been awarded under subsection (d) to a person other than a parent, a permanency plan shall be provided or prepared pursuant to K.S.A. 2017 Supp. 38-2264, and amendments thereto. If a permanency plan is provided at the dispositional hearing, the court may determine whether reintegration is a viable alternative or, if reintegration is not a viable alternative, whether the child should be placed for adoption or a permanent custodian appointed. In determining whether reintegration is a viable alternative, the court shall consider:

(1) Whether a parent has been found by a court to have committed one of the following crimes or to have violated the law of another state prohibiting such crimes or

to have aided and abetted, attempted, conspired or solicited the commission of one of these crimes: (A) Murder in the first degree, K.S.A. 21-3401, prior to its repeal, or K.S.A. 2017 Supp. 21-5402, and amendments thereto; (B) murder in the second degree, K.S.A. 21-3402, prior to its repeal, or K.S.A. 2017 Supp. 21-5403, and amendments thereto; (C) capital murder, K.S.A. 21-3439, prior to its repeal, or K.S.A. 2017 Supp. 21-5401, and amendments thereto; (D) voluntary manslaughter, K.S.A. 21-3403, prior to its repeal, or K.S.A. 2017 Supp. 21-5404, and amendments thereto; or (E) a felony battery that resulted in bodily injury;

(2) whether a parent has subjected the child or another child to aggravated circumstances;

(3) whether a parent has previously been found to be an unfit parent in proceedings under this code or in comparable proceedings under the laws of another state or the federal government;

(4) whether the child has been ~~in extended out of home placement~~ the custody of the secretary and placed with neither parent for 15 of the most recent 22 months beginning 60 days after the date on which a child in the secretary's custody was removed from the child's home;

(5) whether the parents have failed to work diligently toward reintegration;

(6) whether the secretary has provided the family with services necessary for the safe return of the child to the home; and

(7) whether it is reasonable to expect reintegration to occur within a time frame consistent with the child's developmental needs.

(f) *Proceedings if reintegration is not a viable alternative.* If the court determines that reintegration is not a viable alternative, proceedings to terminate parental rights and permit placement of the child for adoption or appointment of a permanent custodian shall be initiated unless the court finds that compelling reasons have been documented in the case plan why adoption or appointment of a permanent custodian would not be in the best interests of the child. If compelling reasons have not been documented, the county or district attorney shall file a motion within 30 days to terminate parental rights or a motion to appoint a permanent custodian within 30 days and the court shall hold a hearing on the motion within 90 days of its filing. No hearing is required when the parents voluntarily relinquish parental rights or consent to the appointment of a permanent custodian.

(g) *Additional Orders.* In addition to or in lieu of any other order authorized by this section:

(1) The court may order the child and the parents of any child who has been adjudicated a child in need of care to attend counseling sessions as the court directs. The expense of the counseling may be assessed as an expense in the case. No mental health provider shall charge a greater fee for court-ordered counseling than the provider would have charged to the person receiving counseling if the person had requested counseling on the person's own initiative.

(2) If the court has reason to believe that a child is before the court due, in whole or in part, to the use or misuse of alcohol or a violation of K.S.A. 2017 Supp. 21-5701 through 21-5717, and amendments thereto, by the child, a parent of the child, or another person responsible for the care of the child, the court may order the child, parent of the child or other person responsible for the care of the child to submit to and complete an alcohol and drug evaluation by a qualified person or agency and comply with any

recommendations. If the evaluation is performed by a community-based alcohol and drug safety program certified pursuant to K.S.A. 8-1008, and amendments thereto, the child, parent of the child or other person responsible for the care of the child shall pay a fee not to exceed the fee established by that statute. If the court finds that the child and those legally liable for the child's support are indigent, the fee may be waived. In no event shall the fee be assessed against the secretary.

(3) If child support has been requested and the parent or parents have a duty to support the child, the court may order one or both parents to pay child support and, when custody is awarded to the secretary, the court shall order one or both parents to pay child support. The court shall determine, for each parent separately, whether the parent is already subject to an order to pay support for the child. If the parent is not presently ordered to pay support for any child who is subject to the jurisdiction of the court and the court has personal jurisdiction over the parent, the court shall order the parent to pay child support in an amount determined under K.S.A. 2017 Supp. 38-2277, and amendments thereto. Except for good cause shown, the court shall issue an immediate income withholding order pursuant to K.S.A. 2017 Supp. 23-3101 et seq., and amendments thereto, for each parent ordered to pay support under this subsection, regardless of whether a payor has been identified for the parent. A parent ordered to pay child support under this subsection shall be notified, at the hearing or otherwise, that the child support order may be registered pursuant to K.S.A. 2017 Supp. 38-2279, and amendments thereto. The parent shall also be informed that, after registration, the income withholding order may be served on the parent's employer without further notice to the parent and the child support order may be enforced by any method allowed by law. Failure to provide this notice shall not affect the validity of the child support order.

Sec. 12. K.S.A. 2017 Supp. 38-2268 is hereby amended to read as follows: 38-2268. (a) Prior to a hearing to consider the termination of parental rights, if the child's permanency plan is either adoption or appointment of a custodian, with the ~~consent approval~~ of the guardian ad litem and acceptance and approval of the secretary, either or both parents may: Relinquish parental rights to the child; to the secretary; consent to an adoption; or consent to appointment of a permanent custodian.

(b) *Relinquishment of child to secretary.* (1) Any parent or parents may relinquish a child to the secretary, and if the secretary accepts the relinquishment in writing, the secretary shall stand in loco parentis to the child and shall have and possess over the child all rights of a parent, including the power to place the child for adoption and give consent thereto.

(2) All relinquishments to the secretary shall be in writing, in substantial conformity with the form for relinquishment contained in the appendix of forms following K.S.A. 59-2143, and amendments thereto, and shall be executed by either parent of the child.

(3) The relinquishment shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If the relinquishment is acknowledged before a judge of a court of record, it shall be the duty of the court to advise the relinquishing parent of the consequences of the relinquishment.

(4) Except as otherwise provided, in all cases where a parent has relinquished a child to the agency pursuant to K.S.A. 59-2111 through 59-2143, and amendments

thereto, all the rights of the parent shall be terminated, including the right to receive notice in a subsequent adoption proceeding involving the child. Upon such relinquishment, all the rights of the parents to such child, including such parent's right to inherit from or through such child, shall cease.

(5) If a parent has relinquished a child to the secretary based on a belief that the child's other parent would relinquish the child to the secretary or would be found unfit, and this does not occur, the rights of the parent who has relinquished a child to the secretary shall not be terminated.

(6) A parent's relinquishment of a child shall not terminate the right of the child to inherit from or through the parent.

(c) *Permanent custody.* (1) A parent may consent to appointment of an individual as permanent custodian and if the individual accepts the consent, such individual shall stand in loco parentis to the child and shall have and possess over the child all the rights of a legal guardian.

(2) All consents to appointment of a permanent custodian shall be in writing and shall be executed by either parent of the child.

(3) The consent shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If the consent is acknowledged before a judge of a court of record, it shall be the duty of the court to advise the consenting parent of the consequences of the consent.

(4) If a parent has consented to appointment of a permanent custodian based upon a belief that the child's other parent would so consent or would be found unfit, and this does not occur, the consent shall be null and void.

(d) *Adoption.* If the child is in the custody of the secretary and the parental rights of both parents have been terminated or the parental rights of one parent have been terminated or that parent has relinquished parental rights to the secretary, ~~the other parent may consent to the adoption of the child~~ may be adopted by persons approved by the secretary ~~or approved by~~ and the court. If the child is no longer in the custody of the secretary, the court may approve adoption of the child by persons who: (1) Both parents consent to adopt; or (2) one parent consents to adopt, if the parental rights of the other parent have been terminated. The consent shall follow the form contained in the appendix of forms following K.S.A. 59-2143, and amendments thereto.

Sec. 13. K.S.A. 2017 Supp. 38-2269 is hereby amended to read as follows: 38-2269. (a) When the child has been adjudicated to be a child in need of care, the court may terminate parental rights or appoint a permanent custodian when the court finds by clear and convincing evidence that the parent is unfit by reason of conduct or condition which renders the parent unable to care properly for a child and the conduct or condition is unlikely to change in the foreseeable future.

(b) In making a determination of unfitness the court shall consider, but is not limited to, the following, if applicable:

(1) Emotional illness, mental illness, mental deficiency or physical disability of the parent, of such duration or nature as to render the parent unable to care for the ongoing physical, mental and emotional needs of the child;

(2) conduct toward a child of a physically, emotionally or sexually cruel or abusive nature;

(3) the use of intoxicating liquors or narcotic or dangerous drugs of such duration or nature as to render the parent unable to care for the ongoing physical, mental or

emotional needs of the child;

- (4) physical, mental or emotional abuse or neglect or sexual abuse of a child;
- (5) conviction of a felony and imprisonment;
- (6) unexplained injury or death of another child or stepchild of the parent or any child in the care of the parent at the time of injury or death;
- (7) failure of reasonable efforts made by appropriate public or private agencies to rehabilitate the family;
- (8) lack of effort on the part of the parent to adjust the parent's circumstances, conduct or conditions to meet the needs of the child; and
- (9) ~~whether the child has been in extended out of home placement~~, as a result of the actions or inactions attributable to the parent and one or more of the factors listed in subsection (c) apply, the child has been in the custody of the secretary and placed with neither parent for 15 of the most recent 22 months beginning 60 days after the date on which a child in the secretary's custody was removed from the child's home.

(c) In addition to the foregoing, when a child is not in the physical custody of a parent, the court, shall consider, but is not limited to, the following:

- (1) Failure to assure care of the child in the parental home when able to do so;
- (2) failure to maintain regular visitation, contact or communication with the child or with the custodian of the child;
- (3) failure to carry out a reasonable plan approved by the court directed toward the integration of the child into a parental home; and
- (4) failure to pay a reasonable portion of the cost of substitute physical care and maintenance based on ability to pay.

In making the above determination, the court may disregard incidental visitations, contacts, communications or contributions.

(d) A finding of unfitness may be made as provided in this section if the court finds that the parents have abandoned the child, the custody of the child was surrendered pursuant to K.S.A. 2017 Supp. 38-2282, and amendments thereto, or the child was left under such circumstances that the identity of the parents is unknown and cannot be ascertained, despite diligent searching, and the parents have not come forward to claim the child within three months after the child is found.

(e) If a person is convicted of a felony in which sexual intercourse occurred, or if a juvenile is adjudicated a juvenile offender because of an act which, if committed by an adult, would be a felony in which sexual intercourse occurred, and as a result of the sexual intercourse, a child is conceived, a finding of unfitness may be made.

(f) The existence of any one of the above factors standing alone may, but does not necessarily, establish grounds for termination of parental rights.

(g) (1) If the court makes a finding of unfitness, the court shall consider whether termination of parental rights as requested in the petition or motion is in the best interests of the child. In making the determination, the court shall give primary consideration to the physical, mental and emotional health of the child. If the physical, mental or emotional needs of the child would best be served by termination of parental rights, the court shall so order. A termination of parental rights under the code shall not terminate the right of a child to inherit from or through a parent. Upon such termination all rights of the parent to such child, including, such parent's right to inherit from or through such child, shall cease.

(2) If the court terminates parental rights, the court may authorize adoption

pursuant to K.S.A. 2017 Supp. 38-2270, and amendments thereto, appointment of a permanent custodian pursuant to K.S.A. 2017 Supp. 38-2272, and amendments thereto, or continued permanency planning.

(3) If the court does not terminate parental rights, the court may authorize appointment of a permanent custodian pursuant to K.S.A. 2017 Supp. 38-2272, and amendments thereto, or continued permanency planning.

(h) If a parent is convicted of an offense as provided in ~~subsection (a)(7) of~~ K.S.A. 2017 Supp. 38-2271~~(a)(7)~~, and amendments thereto, or is adjudicated a juvenile offender because of an act which if committed by an adult would be an offense as provided in ~~subsection (a)(7) of~~ K.S.A. 2017 Supp. 38-2271~~(a)(7)~~, and amendments thereto, and if the victim was the other parent of a child, the court may disregard such convicted or adjudicated parent's opinions or wishes in regard to the placement of such child.

(i) A record shall be made of the proceedings.

(j) When adoption, proceedings to appoint a permanent custodian or continued permanency planning has been authorized, the person or agency awarded custody of the child shall within 30 days submit a written plan for permanent placement which shall include measurable objectives and time schedules.

Sec. 14. K.S.A. 2017 Supp. 38-2282 is hereby amended to read as follows: 38-2282. (a) This section shall be known and may be cited as the newborn infant protection act. The purpose of this section is to protect newborn children from injury and death caused by abandonment by a parent, and to provide safe and secure alternatives to such abandonment.

(b) As used in this section:

(1) "Non-relinquishing parent" means the biological parent of an infant who does not leave the infant with any person listed in subsection (c) in accordance with this section; and

(2) "relinquishing parent" means the biological parent or person having legal custody of an infant who leaves the infant with any person listed in subsection (c) in accordance with this section.

(c) A person purporting to be an infant's parent or other person having lawful custody of an infant ~~which is 45~~ who is 60 days old or younger and ~~which who~~ has not suffered bodily harm may surrender physical custody of the infant to any employee who is on duty at a police station, sheriff's office, law enforcement center, fire station, city or county health department or medical care facility as defined by K.S.A. 65-425, and amendments thereto. Such employee shall, without a court order, take physical custody of an infant surrendered pursuant to this section. A relinquishing parent or other person voluntarily surrendering an infant under this subsection shall not be required to reveal personally identifiable information, but may be offered the opportunity to provide information concerning the infant's familial or medical history.

~~(e)(d)~~ A person or Any employee of a facility described in subsection (c) to whom an infant is delivered pursuant to this ~~subsection~~ section shall not reveal the name or other personally identifiable information of the person who delivered the infant unless there is a reasonable suspicion that the infant has been abused or neglected, and such person or such facility and its employees shall be immune from administrative, civil or criminal liability for any action taken pursuant to this subsection. Such immunity shall not extend to any acts or omissions, including negligent or intentional acts or omissions.

occurring after the acceptance of the infant.

(e) If an infant is delivered pursuant to this section to any facility described in subsection (c) that is not a medical care facility, the employee of such facility who takes physical custody of the infant shall arrange for the immediate transportation of the infant to the nearest medical care facility as defined by K.S.A. 65-425, and amendments thereto. The medical care facility, its employees, agents and medical staff shall perform treatment in accordance with the prevailing standard of care as necessary to protect the physical health and safety of the infant and shall be immune from administrative, civil and criminal liability for treatment performed consistent with such standard.

(~~e~~)(f) As soon as possible after a person an employee of any facility described in subsection (c) takes physical custody of an infant under without a court order pursuant to this section, such person shall notify a local law enforcement agency that the person has taken physical custody of an infant pursuant to this section. Upon receipt of such notice a law enforcement officer from such law enforcement agency shall take custody of the infant as an abandoned infant. The law enforcement agency shall deliver the infant to a facility or person designated by the secretary pursuant to K.S.A. 2017 Supp. 38-2232, and amendments thereto.

(~~e~~)(g) Any person, city or county or agency thereof or medical care facility taking physical custody of an infant surrendered pursuant to this section shall perform any act necessary to protect the physical health or safety of the infant, and shall be immune from liability for any injury to the infant that may result therefrom.

(h) (1) A relinquishing parent shall be immune from civil or criminal liability for action taken pursuant to this section only if:

(A) The relinquishing parent voluntarily delivered the infant safely to the physical custody of an employee at a facility described in subsection (c);

(B) the infant was no more than 60 days old when delivered by the relinquishing parent to the physical custody of an employee at a facility described in subsection (c); and

(C) the infant was not abused or neglected by the relinquishing parent prior to such delivery.

(2) The relinquishing parent's voluntary delivery of an infant in accordance with this section shall constitute the parent's implied consent to the adoption of such infant and a voluntary relinquishment of such parent's parental rights.

(i) (1) In any termination of parental rights proceeding initiated after the relinquishment of an infant pursuant to this section, the state shall publish notice pursuant to chapter 60 of the Kansas Statutes Annotated, and amendments thereto, that an infant has been relinquished, including the sex of the infant and the date and location of such relinquishment. Within 30 days after publication of such notice, a non-relinquishing parent seeking to establish parental rights shall notify the court where the termination of parental rights proceeding is filed and state such parent's intentions regarding the infant. The court shall initiate proceedings to establish parentage if no person notifies the court within 30 days. There shall be an examination of the putative father registry to determine whether attempts have previously been made to preserve parental rights to the infant. If such attempts have been made, the state shall make reasonable efforts to provide notice of the abandonment of the infant to such putative father.

(2) If a relinquishing parent of an infant relinquishes custody of the infant in

accordance with this section, to preserve the parental rights of the non-relinquishing parent, the non-relinquishing parent shall take the steps necessary to establish parentage within 30 days after the published notice or specific notice provided in paragraph (1).

(3) If a non-relinquishing parent fails to take the steps necessary to establish parentage within the 30-day period specified in paragraph (2), the non-relinquishing parent may have all of such parent's rights terminated with respect to the child.

(4) If a non-relinquishing parent inquires at a facility described in subsection (c) regarding an infant whose custody was relinquished pursuant to this section, such facility shall refer the non-relinquishing parent to the Kansas department for children and families and the court exercising jurisdiction over the child.

~~(j)~~ Upon request, all medical records of the infant shall be made available to the Kansas department for children and families and given to the person awarded custody of such infant. The medical facility providing such records shall be immune from liability for such records release.

Sec. 15. K.S.A. 2017 Supp. 39-708c is hereby amended to read as follows: 39-708c. (a) The secretary for children and families shall develop state plans, as provided under the federal social security act, whereby the state cooperates with the federal government in its program of assisting the states financially in furnishing assistance and services to eligible individuals. The secretary shall undertake to cooperate with the federal government on any other federal program providing federal financial assistance and services in the field of social welfare not inconsistent with this act. The secretary is not required to develop a state plan for participation or cooperation in all federal social security act programs or other federal programs that are available. The secretary shall also have the power, but is not required, to develop a state plan in regard to assistance and services in which the federal government does not participate.

(b) The secretary shall have the power and duty to determine the general policies relating to all forms of social welfare which are administered or supervised by the secretary and to adopt the rules and regulations therefor.

(c) The secretary shall hire, in accordance with the provisions of the Kansas civil service act, such employees as may be needed, in the judgment of the secretary, to carry out the provisions of this act. The secretary shall advise the governor and the legislature on all social welfare matters covered in this act.

(d) The secretary shall establish and maintain intake offices throughout the state. The secretary may establish and create area offices to coordinate and supervise the administration of the intake offices located within the area. The number and location of intake offices and area offices shall be within the discretion of the secretary. Each intake office shall be open at least 12 hours of each working week on a regularly scheduled basis. The secretary shall supervise all social welfare activities of the intake offices and area offices. The secretary may lease office or business space, but no lease or rental contract shall be for a period to exceed 10 years. A person desiring public assistance, or if the person is incapable or incapacitated, a relative, friend, personal representative or conservator of the person shall make application at the intake office. When it is necessary, employees may take applications elsewhere at any time. The applications shall contain a statement of the amount of property, both personal and real, in which the applicant has an interest and of all income which the applicant may have at the time of the filing of the application and such other information as may be required by the secretary. When a husband and wife are living together the combined income or

resources of both shall be considered in determining the eligibility of either or both for assistance unless otherwise prohibited by law. The form of application, the procedure for the determination of eligibility and the amount and kind of assistance or service shall be determined by the secretary.

(e) The secretary shall provide special inservice training for employees of the secretary and may provide the training as a part of the job or at accredited educational institutions.

(f) The secretary shall establish an adequate system of financial records. The secretary shall make annual reports to the governor and shall make any reports required by federal agencies.

(g) The secretary shall sponsor, operate or supervise community work experience programs whereby recipients of assistance shall work out a part or all of their assistance and conserve work skills and develop new skills. The compensation credited to recipients for the programs shall be based upon an hourly rate equal to or in excess of the federal minimum wage hourly rate. The programs shall be administered by the secretary. In the programs, the secretary shall provide protection to the recipient under the workmen's compensation act or shall provide comparable protection and may enter into cooperative arrangements with other public officials and agencies or with private not-for-profit corporations providing assistance to needy persons in developing, subject to the approval of the secretary, the programs under this section.

(h) The secretary may receive, have custody of, protect, administer, disburse, dispose of and account for federal or private commodities, equipment, supplies and any kind of property, including food stamps or coupons, which are given, granted, loaned or advanced to the state of Kansas for social welfare works, and for any other purposes provided for by federal laws or rules and regulations or by private devise, grant or loan, or from corporations organized to act as federal agencies, and to do all things and acts which are necessary or required to perform the functions and carry out the provisions of federal laws, rules and regulations under which such commodities, equipment, supplies and other property may be given, granted, loaned or advanced to the state of Kansas, and to act as an agent of the federal government when designated as an agent, and do and perform all things and acts that may be required by the federal laws or rules and regulations not inconsistent with the act.

(i) The secretary may assist other departments, agencies and institutions of the state and federal government and of other states under interstate agreements, when so requested, by performing services in conformity with the purpose of this act.

(j) The secretary shall have authority to lease real and personal property whenever the property is not available through the state or a political subdivision of the state, for carrying on the functions of the secretary.

(k) All contracts shall be made in the name of the secretary for children and families and in that name the secretary may sue and be sued on such contracts. The grant of authority under this subsection shall not be construed to be a waiver of any rights retained by the state under the 11th amendment to the United States constitution and shall be subject to and shall not supersede the provisions of any appropriations act of this state.

(l) All moneys and property of any kind whatsoever received from the Kansas emergency relief committee or from any other state department or political subdivision of the state shall be used by the secretary in the administration and promotion of social

welfare in the state of Kansas. The property may be given, loaned or placed at the disposal of any county, city or state agency engaged in the promotion of social welfare.

(m) The secretary shall prepare annually, at the time and in the form directed by the governor, a budget covering the estimated receipts and expenditures of the secretary for the ensuing year.

(n) The secretary shall have authority to make grants of funds, commodities or other needed property to local units of government under rules and regulations adopted by the secretary for the promotion of social welfare in local units of government.

(o) The secretary shall have authority to sell any property in the secretary's possession received from any source whatsoever for which there is no need or use in the administration or the promotion of social welfare in the state of Kansas.

(p) The secretary shall adopt a seal.

(q) The secretary shall initiate or cooperate with other agencies in developing programs for the prevention of blindness, the restoration of eyesight and the vocational rehabilitation of blind persons and shall establish a division of services for the blind. The secretary may initiate or cooperate with other agencies in developing programs for the prevention and rehabilitation of other handicapped persons.

(r) The secretary shall develop a children and youth service program and shall administer or supervise program activities including the care and protection of ~~children who are deprived, defective, wayward, miscreant, delinquent or children in need of care, as defined in K.S.A. 2017 Supp. 38-2202, and amendments thereto.~~ The secretary shall cooperate with the federal government through its appropriate agency or instrumentality in establishing, extending and strengthening such services and undertake other services to children authorized by law. Nothing in this act shall be construed as authorizing any state official, agent or representative, in carrying out any of the provisions of this act, to take charge of any child over the objection of either of the parents of such child or of the person standing in loco parentis to such child except pursuant to a proper court order.

(s) The secretary shall develop plans financed by federal funds or state funds or both for providing medical care for needy persons. The secretary, in developing the plan, may enter into an agreement with an agent or intermediary for the purpose of performing certain functions, including the making of medical payment reviews, determining the amount due the medical vendors from the state in accordance with standards set by the secretary, preparing and certifying to the secretary lists of medical vendors and the amounts due them and other related functions determined by the secretary. The secretary may also provide medical, remedial, preventive or rehabilitative care and services for needy persons by the payment of premiums to the federal social security system for the purchase of supplemental medical insurance benefits as provided by the federal social security act and amendments thereto. Medicaid recipients who were residents of a nursing facility on September 1, 1991, and who subsequently lost eligibility in the period September 1, 1991, through June 30, 1992, due to an increase in income shall be considered to meet the 300% income cap eligibility test.

(t) The secretary shall carry on research and compile statistics relative to the entire social welfare program throughout the state, ~~including all phases of dependency, defectiveness, delinquency and related problems;~~ develop plans in cooperation with other public and private agencies for the prevention as well as treatment of conditions giving rise to social welfare problems.

(u) The secretary may receive grants, gifts, bequests, money or aid of any character whatsoever, for state welfare work. All moneys coming into the hands of the secretary shall be deposited in the state social welfare fund provided for in this act.

(v) The secretary may enter into agreements with other states or the welfare department of other states, in regard to the manner of determining the state of residence in disputed cases, the manner of returning persons to the place of residence and the bearing or sharing of the costs.

(w) The secretary shall perform any other duties and services necessary to carry out the purposes of this act and promote social welfare in the state of Kansas, not inconsistent with the state law.

(x) The secretary shall establish payment schedules for each group of health care providers. Any payment schedules which are a part of the state medicaid plan shall conform to state and federal law. The secretary shall not be required to make any payments under the state medicaid plan which do not meet requirements for state and federal financial participation.

(1) The secretary shall consider budgetary constraints as a factor in establishing payment schedules so long as the result complies with state and federal law.

(2) The secretary shall establish payment schedules for providers of hospital and adult care home services under the medicaid plan that are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide care and services in conformity with applicable state and federal laws, regulations, and quality and safety standards. The secretary shall not be required to establish rates for any such facility that are in excess of the minimum necessary to efficiently and economically meet those standards regardless of any excess costs incurred by any such facility.

(y) The secretary shall maintain a system of centralized payment for all welfare expenditures.

Sec. 16. K.S.A. 39-713c is hereby amended to read as follows: 39-713c. The secretary shall find suitable homes for children who are ~~deprived, wayward, miscreant, delinquent or~~ children in need of care, as defined in K.S.A. 2017 Supp. 38-2202, and amendments thereto, referred to the secretary by the district court, and place and supervise the children in such homes. This shall not prevent the use of licensed private child-placing agencies by the secretary or district court when desired.";

Also on page 16, in line 26, before "K.S.A." by inserting "K.S.A. 39-713c and"; also in line 26, after "Supp." by inserting "38-2202,"; also in line 26, after the fourth comma by inserting "38-2254, 38-2255, 38-2268, 38-2269, 38-2282,"; in line 27, after "2330" by inserting ", 39-708c"; following line 27, by inserting:

"Sec. 18. On and after July 1, 2019, K.S.A. 2015 Supp. 38-2202, as amended by section 23 of chapter 46 of the 2016 session laws of Kansas, and K.S.A. 2017 Supp. 38-2202, as amended by section 8 of this act, are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after the semicolon by inserting "the revised Kansas code for care of children; newborn infant protection act; powers and duties of the secretary for children and families"; also in line 2, after "amending" by inserting "K.S.A. 39-713c and"; in line 3, after "Supp." by inserting "38-2202, 38-2202, as amended by section 8 of this act,"; also in line 3, after the fourth comma by inserting "38-2254, 38-2255, 38-2268, 38-2269, 38-2282,"; also in line 3, after "38-2330" by

inserting ", 39-708c"; in line 4, after "sections" by inserting "; also repealing K.S.A. 2015 Supp. 38-2202, as amended by section 23 of chapter 46 of the 2016 session laws of Kansas";

BLAINE FINCH
BRAD RALPH
JOHN CARMICHAEL
Conferees on part of House

RICHARD WILBORN
JULIE LYNN
DAVID HALEY
Conferees on part of Senate

Senator Wilborn moved the Senate adopt the Conference Committee Report on **H Sub SB 179**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 199 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed with House Committee amendments, as follows:

On page 2, in line 42, by striking "(B) and"; also in line 42, after "(C)" by inserting "and (D)";

On page 3, in line 12, after "(B)" by inserting "(i) There shall be a rebuttable presumption that an appellant will suffer an undue hardship pursuant to subparagraph (A) when the:

- (a) Judgment amount exceeds \$2,500,000;
- (b) defendant is a small business; and
- (c) judgment is for a claim arising from activities within the appellant's ordinary course of business.

(ii) For the purposes of this subparagraph, "small business" means a sole proprietorship, partnership, limited liability company, corporation or other business entity, whether for-profit or not-for-profit, that has between two and 50 employees and is not a corporate affiliate or subsidiary of, or owned in whole or in part by, any other business.

(C)";

Also on page 3, in line 15, by striking "paragraph" and inserting "subparagraph"; also in line 15, by striking "or" and inserting a comma; also in line 15, after "(B)" by

inserting "or (C)"; in line 16, by striking the colon; in line 17, by striking "(i)"; in line 19, after "business" by inserting ", or is likely to purposefully dissipate or divert assets outside of the ordinary course of its business,"; also in line 19, after the second "the" by inserting "primary"; in line 20, by striking ", and" and inserting a period; in line 23, by striking all after "judgment"; by striking all in lines 28 through 31; in line 32, by striking "judgment";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

BLAINE FINCH
BRAD RALPH
JOHN CARMICHAEL

Conferees on part of House

RICHARD WILBORN
JULIA LYNN
DAVID HALEY

Conferees on part of Senate

Senator Wilborn moved the Senate adopt the Conference Committee Report on **SB 199**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 310 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed with House Committee amendments, as follows:

On page 1, by striking all in lines 7 through 36;

By striking all on page 2;

On page 3, by striking all in lines 1 through 13 and inserting:

"New Section 1. (a) No antique amusement ride, limited-use amusement ride or registered agritourism activity shall be operated in this state unless a valid permit for such ride has been issued by the department. The owner of any such ride shall make application for a permit for such ride to the secretary on such form and in such manner as prescribed by the secretary. The application for a permit shall include, but is not limited to, the following:

- (1) The name of the owner and operator of the antique amusement ride, limited-use amusement ride or registered agritourism activity;
- (2) the location of the ride, or the location where such ride is stored when not in

use;

- (3) valid certificate of inspection; and
- (4) proof of insurance.

(b) Each applicant shall submit a permit fee of \$50 along with the application.

(c) Upon approval of an application and receipt of the required fee, the secretary shall issue a permit for the antique amusement ride, limited-use amusement ride or registered agritourism activity. Such permit shall be valid for one year from the date of issuance. Any permit fee paid by an applicant shall be returned to the applicant if the application is denied.

(d) In addition to the permit fee required under subsection (b), no antique amusement ride, limited-use amusement ride or registered agritourism activity shall be operated in this state unless the owner of such ride has registered as an antique amusement ride, limited-use amusement ride or registered agritourism activity owner with the department. Registration shall be valid for a period of one year. The owner of an antique amusement ride, limited-use amusement ride or registered agritourism activity shall register with the department in such form and in such manner as prescribed by the secretary and by paying a registration fee of \$50. The fee required under this subsection shall be an annual fee paid by the owner, regardless of the number of rides owned by such owner.

(e) All fees received by the secretary pursuant to this section shall be remitted by the secretary 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 amusement ride safety fund.

Sec. 2. K.S.A. 2017 Supp. 40-4801 is hereby amended to read as follows: 40-4801. As used in K.S.A. 40-4802 and 40-4803, and amendments thereto, the terms "amusement ride," "antique amusement ride." "limited-use amusement ride." "operator," ~~and~~ "owner" ~~and~~ "registered agritourism activity" shall have the same meanings as those terms are defined in K.S.A. 2017 Supp. 44-1601, and amendments thereto.

Sec. 3. K.S.A. 2017 Supp. 40-4802 is hereby amended to read as follows: 40-4802. No amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity shall be operated in this state unless at the time of operation the owner has in effect an insurance policy insuring the owner and operator against liability for bodily injury to persons arising out of the operation of the amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity. The insurance policy shall be written by an insurance company doing business in Kansas, or by a surplus lines insurer. Such insurance policy shall:

(a)(1) For an owner or operator of an amusement ride, provide for coverage in an amount not less than \$1,000,000 per occurrence with a \$2,000,000 annual aggregate, except that this requirement shall be satisfied if the owner of such amusement ride is the state or any subdivision of the state and such owner self-insures, or participates in a public entity self-insurance pool in accordance with K.S.A. 75-6111, and amendments thereto; ~~and or~~

(2) for an owner or operator of an antique amusement ride, limited-use amusement ride or registered agritourism activity, provide for coverage in an amount not less than \$750,000 per occurrence with a \$1,000,000 annual aggregate; and

(b) name as an additional insured any person contracting with the owner for the

~~amusement ride's operation of the amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity.~~

Sec. 4. K.S.A. 2017 Supp. 44-1601 is hereby amended to read as follows: 44-1601. As used in this act:

(a) (1) "Amusement ride" means any mechanical or electrical device that carries or conveys passengers along, around or over a fixed or restricted route or course or within a defined area for the purpose of giving its passengers amusement, pleasure, thrills or excitement ~~and shall include all rides and devices included under ASTM international F24 committee standards~~, including, but not be limited to:

(A) Rides commonly known as ferris wheels, carousels, parachute towers, bungee jumping, reverse bungee jumping, tunnels of love, roller coasters, boat rides, water slides, inflatable devices, commercial zip lines, trampoline courts and go-karts;

(B) equipment generally associated with winter activities, such as ski lifts, ski tows, j-bars, t-bars, chair lifts and aerial tramways; and

(C) equipment not originally designed to be used as an amusement ride, such as cranes or other lifting devices, when used as part of an amusement ride.

(2) "Amusement ride" does not include:

(A) Games, concessions and associated structures;

(B) any single passenger coin-operated ride that: (i) Is manually, mechanically or electrically operated; (ii) is customarily placed in a public location; and (iii) does not normally require the supervision or services of an operator;

(C) nonmechanized playground equipment, including, but not limited to, swings, seesaws, stationary spring-mounted animal features, rider-propelled merry-go-rounds, climbers, slides and physical fitness devices; ~~or~~

(D) ~~home-owned antique amusement rides;~~

(E) limited-use amusement rides;

(F) registered agritourism activities;

(G) any ride commonly known as a hayrack ride in which patrons sit in a wagon or cart that is then pulled by horses or a tractor or other motor vehicle;

(H) any ride commonly known as a barrel train, which has a series of handmade cars fashioned from barrels that are connected and pulled by a tractor or other motor vehicle; or

(I) any amusement ride owned by an individual and operated solely within a single county for strictly private use.

(b) "Antique amusement ride" means an amusement ride, as defined in subsection (a)(1), manufactured prior to January 1, 1930.

(c) "Certificate of inspection" means a certificate, signed and dated by a qualified inspector, showing that an amusement ride has satisfactorily passed inspection by such inspector.

~~(e)~~(d) "Class A amusement ride" means an amusement ride designed for use primarily by individuals aged 12 or less.

~~(d)~~(e) "Class B amusement ride" means an amusement ride that is not classified as a class A amusement ride.

~~(e)~~(f) "Department" means the department of labor.

~~(f)~~(g) "Home-owned Limited-use amusement ride" means an amusement ride, as defined in subsection (a)(1), owned by an individual and operate solely within a single county for strictly private use and operated by a nonprofit, community-based

organization that is operated for less than 20 days, or 160 hours, in a year and is operated at only one location each year.

~~(g)~~(h) "Nondestructive testing" means the development and application of technical methods in accordance with ASTM F747 standards such as radiographic, magnetic particle, ultrasonic, liquid penetrant, electromagnetic, neutron radiographic, acoustic emission, visual and leak testing to:

- (1) Examine materials or components in ways that do not impair the future usefulness and serviceability in order to detect, locate, measure and evaluate discontinuities, defects and other imperfections;
- (2) assess integrity, properties and composition; and
- (3) measure geometrical characters.

~~(h)~~(i) "Operator" means a person actually supervising, or engaged in or directly controlling the operations of an amusement ride.

~~(i)~~(j) "Owner" means a person who owns, leases, controls or manages the operations of an amusement ride and may include the state or any political subdivision of the state.

~~(j)~~(k) "Parent or guardian" means any parent, guardian or custodian responsible for the control, safety, training or education of a minor or an adult or minor with an impairment in need of a guardian or a conservator, or both, as those terms are defined by K.S.A. 59-3051, and amendments thereto.

~~(k)~~(l) (1) "Patron" means any individual who is:

- (A) Waiting in the immediate vicinity of an amusement ride to get on the ride;
- (B) getting on an amusement ride;
- (C) using an amusement ride;
- (D) getting off an amusement ride; or
- (E) leaving an amusement ride and still in the immediate vicinity of the ride.

(2) "Patron" does not include employees, agents or servants of the owner while engaged in the duties of their employment.

~~(l)~~(m) "Person" means any individual, association, partnership, corporation, limited liability company, government or other entity.

~~(m)~~(n) "Qualified inspector" means a person who:

(1) Is a licensed professional engineer, as defined in K.S.A. 74-7003, and amendments thereto, and has completed at least two years of experience in the amusement ride field, consisting of at least one year of actual inspection of amusement rides under a qualified inspector for a manufacturer, governmental agency, amusement park, carnival or insurance underwriter, and an additional year of practicing any combination of amusement ride inspection, design, fabrication, installation, maintenance, testing, repair or operation;

(2) provides satisfactory evidence of completing a minimum of five years of experience in the amusement ride field, at least two years of which consisted of actual inspection of amusement rides under a qualified inspector for a manufacturer, governmental agency, amusement park, carnival or insurance underwriter, and the remaining experience consisting of any combination of amusement ride inspection, design, fabrication, installation, maintenance, testing, repair or operation; ~~or~~

(3) has received qualified training from a third party, such as attainment of level ~~H~~I certification from the national association of amusement ride safety officials (NAARSO), attainment of level ~~H~~I certification from the amusement industry

manufacturers and suppliers international (AIMS), attainment of a qualified inspector certification from the association for challenge course technology (ACCT), ~~Pennsylvania department of agriculture — general qualified inspector status, when applicable,~~ or other similar qualification from another nationally recognized organization; or

(4) for purposes of inspecting inflatable devices that are rented on a regular basis and erected at temporary locations, provides satisfactory evidence of completing a minimum of five years of experience working with inflatable devices and has received qualified training from a third party, such as attainment of an advanced inflatable safety operations certification from the safe inflatable operators training organization or other nationally recognized organization.

(o) "Registered agritourism activity" means an amusement ride, as defined in subsection (a)(1), that is a registered agritourism activity, as defined in K.S.A. 2017 Supp. 32-1432, and amendments thereto.

~~(n)(p)~~ "Secretary" means the secretary of labor.

~~(o)(q)~~ "Serious injury" means an injury that results in:

(1) Death, dismemberment, significant disfigurement or permanent loss of the use of a body organ, member, function or system;

(2) a compound fracture; or

(3) other injury or illness that requires immediate ~~medical treatment~~ admission and overnight hospitalization, and observation by a licensed physician.

~~(p)(r)~~ "Sign" means any symbol or language reasonably calculated to communicate information to patrons or their parents or guardians, including placards, prerecorded messages, live public address, stickers, pictures, pictograms, guide books, brochures, videos, verbal information and visual signals.

~~(q)(s)~~ "Water slide" means a slide that is at least ~~15~~ 35 feet in height and that uses water to propel the patron through the ride.

Sec. 5. K.S.A. 2017 Supp. 44-1602 is hereby amended to read as follows: 44-1602.

(a) No amusement ride shall be operated in this state unless such ride has a valid certificate of inspection. An amusement ride erected in this state shall be inspected by a qualified inspector at least every 12 months.

The certificate of an inspection required by this subsection shall be signed and dated by the inspector and shall be available to any person contracting with the owner for the ~~amusement ride's operation of such amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity.~~ In addition, a visible inspection decal provided by the department or other evidence of inspection shall be posted in plain view on or near the amusement ride, ~~antique amusement ride, limited-use amusement ride or registered agritourism activity~~ in a location where it can easily be seen.

(b) Inspections performed pursuant to this section shall be paid for by the owner of the amusement ride, ~~antique amusement ride, limited-use amusement ride or registered agritourism activity,~~ or in the case of a state agency or political subdivision of the state, such governmental entity shall pay for the inspection.

(c) In addition to the annual inspection required by subsection (a), the operator of an amusement ride, ~~antique amusement ride, limited-use amusement ride or registered agritourism activity~~ shall perform and record daily inspections of the ~~amusement~~ ride. The daily inspection shall include an inspection of equipment identified for daily

inspection in accordance with the applicable codes and the manufacturer's recommendations.

(d) The secretary shall conduct random compliance audits of amusement rides erected both at permanent locations and at temporary locations. A warning citation for violation of this act shall be issued against any owner or operator for a first violation.

(e) The secretary shall develop an inspection checklist, which shall be posted on the department's website.

Sec. 6. K.S.A. 2017 Supp. 44-1603 is hereby amended to read as follows: 44-1603. The owner of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity shall retain at all times current records relating to the construction, repair and maintenance of its operation, including safety, inspection, maintenance records and ride operator training activities for such ride. Such records shall be available to any person contracting with the owner for the ~~amusement ride's~~ operation of such ride, and shall be made available to the department at reasonable times, including during an inspection upon the department's request. Records of daily inspections must be available for inspection at the location where the ride or device is operated. All records must be maintained for a period of three years.

Sec. 7. K.S.A. 2017 Supp. 44-1605 is hereby amended to read as follows: 44-1605. (a) No amusement ride shall be operated in this state unless the operator has satisfactorily completed training that includes, at a minimum:

- (1) Instruction on operating procedures for the ride, the specific duties of the operator, general safety procedures and emergency procedures;
- (2) demonstration of physical operation of the ride; and
- (3) supervised observation of the operator's physical operation of the ride.

(b) No amusement ride shall be operated in this state unless the name of each operator trained to operate the ride and the certificate of each such operator's satisfactory completion of such training, signed and dated by the trainer, is available to any person contracting with the owner for the amusement ride's operation on the premises where the amusement ride is operated, during the hours of operation of the ride.

(c) No inflatable device that is rented on a regular basis and erected at a temporary location shall be operated in this state unless the operator has been trained by a person who has attained a basic inflatable safety operations certification from the safe inflatable operators training organization or other nationally recognized organization.

(d) No slide that uses water to propel the patron through the ride and that is at least 15 feet in height shall be operated in this state unless there is an attendant stationed at such slide to ensure patrons are properly adhering to the safety standards in place.

Sec. 8. K.S.A. 2017 Supp. 44-1606 is hereby amended to read as follows: 44-1606. No amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity shall be operated in this state unless there is posted in plain view on or near the ride, in a location where they can be easily read, all safety instructions for the ride.

Sec. 9. K.S.A. 2017 Supp. 44-1607 is hereby amended to read as follows: 44-1607.

(a) Each patron of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity, by participation, accepts the risks inherent in such participation of which an ordinary prudent person is or should be aware.

(b) Each patron of ~~an amusement a~~ ride has a duty to:

(1) Exercise the judgment and act in the manner of an ordinary prudent person while participating in ~~an amusement a ride~~;

(2) obey all instructions and warnings, written or oral, prior to and during participation in ~~an amusement a ride~~;

(3) refrain from participation in ~~an amusement a ride~~ while under the influence of alcohol or drugs;

(4) engage all safety devices that are provided;

(5) refrain from disconnecting or disabling any safety device except at the express direction of the owner's agent or employee; and

(6) refrain from extending arms and legs beyond the carrier or seating area except at the express direction of the owner's agent or employee.

(c) Any parent or guardian of a patron shall have a duty to reasonably ensure that the patron complies with all provisions of this act.

Sec. 10. K.S.A. 2017 Supp. 44-1608 is hereby amended to read as follows: 44-1608. Any person contracting with an owner for the ~~amusement ride's~~ operation of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity shall ensure that:

(a) Inspection certificates required by K.S.A. 2017 Supp. 44-1602, and amendments thereto, are available;

(b) maintenance and inspection records required by K.S.A. 2017 Supp. 44-1603, and amendments thereto, are available; and

(c) safety instructions for the ride are posted as required by K.S.A. 2017 Supp. 44-1606, and amendments thereto.

Sec. 11. K.S.A. 2017 Supp. 44-1609 is hereby amended to read as follows: 44-1609. Whenever a serious injury results from the operation of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity:

(a) Operation of the ride shall immediately be discontinued;

(b) operation of the ride shall not be resumed until it has been inspected and the qualified inspector has approved resumption of operation; and

(c) the owner, within 30 days after the injury, shall notify the manufacturer of the ride, if the manufacturer is known and in existence at the time of the injury.

Sec. 12. K.S.A. 2017 Supp. 44-1610 is hereby amended to read as follows: 44-1610. (a) It is a class B misdemeanor for an owner or operator of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity knowingly to operate, or cause or permit to be operated, any amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity without a valid permit issued by the secretary.

(b) A notice of violation may be issued by the department when an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity is found to be out of compliance with the provisions of this act, or any rules or regulations adopted pursuant thereto. The notice of violation may include an order to cease and desist operation of the specific ~~amusement~~ ride until all violations are satisfactorily corrected.

(c) Within 10 business days after a notice of violation has been issued, the person issued such notice may file a written request with the department for an informal conference regarding the notice. If the person issued the notice of violation does not request an informal conference within this time frame, all provisions of the notice shall

become final. If the notice of violation is not resolved within the prescribed time frame, the department may seek judicial enforcement of the notice of violation, or an enforcement order may be issued.

(d) The secretary may impose a fine of not more than \$1,000 for any violation of the provisions of this act, or any rules or regulations adopted pursuant thereto. All fines received by the secretary pursuant to this section shall be remitted by the secretary 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 amusement ride safety fund.

(e) Each day a violation continues shall constitute a separate offense.

(f) The provisions of this section shall be subject to the Kansas administrative procedure act.

~~(g) No prosecution for an offense described in subsection (a) shall be brought prior to January 1, 2018. The provisions of this subsection shall expire on June 30, 2018.~~

Sec. 13. K.S.A. 2017 Supp. 44-1611 is hereby amended to read as follows: 44-1611. The attorney general, or the county or district attorney in a county in which an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity is located or operated, may apply to the district court for an order enjoining operation of any amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity operated in violation of this act.

Sec. 14. K.S.A. 2017 Supp. 44-1612 is hereby amended to read as follows: 44-1612. The governing body of any city or county may establish and enforce safety standards for amusement rides, antique amusement ride, limited-use amusement rides or registered agritourism activities in addition to, but not in conflict with, the standards established by this act.

Sec. 15. K.S.A. 2017 Supp. 44-1613 is hereby amended to read as follows: 44-1613. The provisions of K.S.A. 2017 Supp. 44-1601 through 44-1619, and section 1, and amendments thereto, shall be known as the Kansas amusement ride act.

Sec. 16. K.S.A. 2017 Supp. 44-1614 is hereby amended to read as follows: 44-1614. (a) The secretary of labor shall adopt rules and regulations necessary to implement provisions of the Kansas amusement ride act, K.S.A. 2017 Supp. 44-1601 et seq., and amendments thereto.

(b) (1) On or before January 1, 2018, the secretary shall adopt rules and regulations necessary to implement the amendments made to the Kansas amusement ride act, K.S.A. 2017 Supp. 44-1601 et seq., and amendments thereto, and the amusement ride insurance act, K.S.A. 40-4801 et seq., and amendments thereto, by this act.

(2) The secretary shall adopt rules and regulations specifying nationally recognized organizations that issue certifications or other evidence of qualification to inspect amusement rides, and that require education, experience and training at least equivalent to that required for a level-~~H~~I certification from NAARSO as of July 1, 2017.

(3) All references to the American society for testing and materials (ASTM) standards shall be to those standards ~~adopted~~ developed by the ASTM international F24 committee, as published in ASTM international standards volume 15.07, or any later version adopted by the secretary in rules and regulations.

Sec. 17. K.S.A. 2017 Supp. 44-1616 is hereby amended to read as follows: 44-1616. (a) No amusement ride shall be operated in this state unless a valid permit for

such ride has been issued by the department. The owner of an amusement ride shall make application for a permit for such amusement ride to the secretary on such form and in such manner as prescribed by the secretary. The application for a permit shall include, but is not limited to, the following:

- (1) The name of the owner and operator of the amusement ride;
- (2) the location of the amusement ride, or the location where such ride is stored when not in use;
- (3) valid certificate of inspection;
- (4) proof of insurance; and
- (5) (A) for amusement rides manufactured prior to July 1, 2018, certification that such ride qualifies as service proven, as that term is used in the applicable ASTM international F24 committee standards; and
(B) for amusement rides manufactured on and after July 1, 2018, certification that such ride meets the applicable ASTM international F24 committee standards pertaining to ride maintenance and operation.

(b) Each applicant shall submit a permit fee along with the application in an amount as follows:

- (1) For amusement rides erected at a permanent location, \$75 for a class A amusement ride, and \$100 for a class B amusement ride;
- (2) for amusement rides erected at a temporary location, \$30; and
- (3) for amusement rides owned or operated by a municipality or a nonprofit entity, whether erected at a permanent or temporary location, \$10.

(c) Upon approval of an application and receipt of the required fee, the secretary shall issue a permit for the amusement ride. Such permit shall be valid for one year from the date of issuance. Any permit fee paid by an applicant shall be returned to the applicant if the application is denied.

(d) In addition to the permit fees required under subsection ~~(a)~~ (b), no amusement ride shall be operated in this state unless the owner of such ride has registered as an amusement ride owner with the department. Registration shall be valid for a period of one year. The owner of an amusement ride shall register with the department in such form and in such manner as prescribed by the secretary, and by paying a registration fee as follows:

- (1) For amusement rides erected at a permanent location, \$500;
- (2) for amusement rides erected at a temporary location, \$250; and
- (3) for amusement rides owned by a municipality or nonprofit entity, whether erected at a permanent or temporary location, \$50.

The fee required under this subsection shall be an annual fee paid by the owner, regardless of the number of amusement rides owned by such owner.

(e) All fees received by the secretary pursuant to this section shall be remitted by the secretary 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 amusement ride safety fund.

Sec. 18. K.S.A. 2017 Supp. 44-1617 is hereby amended to read as follows: 44-1617. There is hereby established in the state treasury the amusement ride safety fund, which shall be administered by the department of labor. The amusement ride safety fund shall consist of those moneys credited to the amusement ride safety fund pursuant to

K.S.A. 44-1610, and amendments thereto, and K.S.A. 2017 Supp. 44-1616 and section 1, and amendments thereto. All expenditures from the amusement ride safety fund shall be for the administration and enforcement of the Kansas amusement ride act, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary, or the secretary's designee.

Sec. 19. K.S.A. 2017 Supp. 44-1618 is hereby amended to read as follows: 44-1618. (a) (1) A patron, or a patron's parent or guardian on a patron's behalf, shall report in writing to the owner any injury sustained on an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity before leaving the premises. Such report shall include:

- (A) The name, address and phone number of the injured person;
 - (B) a full description of the incident, the injuries claimed, any treatment received and the location, date and time of the injury;
 - (C) the cause of the injury, if known; and
 - (D) the names, addresses and phone numbers of any witnesses to the incident.
- (2) If a patron, or a patron's parent or guardian, is unable to file a report because of the severity of the patron's injuries, the patron or the patron's parent or guardian shall file the report as soon as reasonably possible.

(3) The owner shall prominently display signage at the point of admission or ticket sale and at least two other locations in close proximity to the amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity explaining a patron's duty to report injuries sustained on such ~~amusement~~-ride. Such signage shall include instructions on how to contact the owner's representatives if immediate assistance is needed and how to make an injury report.

(4) The failure of a patron, or the patron's parent or guardian, to report an injury under this subsection shall have no effect on the patron's right to commence a civil action.

(b) The owner of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity shall notify the department of any serious injury reported by a patron, or any injury caused by a malfunction or failure of ~~an amusement~~ a ride or caused by an operator or patron error. Such notification shall be submitted to the department within 72 hours of the time that the operator becomes aware of the injury.

(c) If a serious injury occurs, the equipment or conditions that caused the injury shall be preserved for the purpose of an investigation by the department and such ~~amusement~~-ride shall be immediately removed from service ~~until an investigation is completed or deemed unnecessary by the secretary~~. Except as provided in subsection (d), if upon notification, the department shall acknowledge receipt of such notice and determine if an investigation of a serious injury is necessary. If an investigation is not commenced within 24 hours after the department receives notification of such injury, then an investigation shall be deemed unnecessary.

(d) If the serious injury results in the death of a patron, the owner shall notify the department of the injury as soon as possible. Such notification shall be by telephone initially with a written notification sent within 24 hours after the initial notice. If the patron's death is related to a major malfunction of the ~~amusement~~-ride, an investigation shall be required and the department shall commence such investigation within 24 hours

after receiving initial notice of the injury. No part of the ~~amusement~~ ride or the ride itself, shall be moved or repaired without the written approval of the secretary, or the secretary's designee, except that nothing in this subsection shall be construed so as to hinder emergency response personnel from performing their duties, or to prevent the elimination of an obvious safety hazard. The owner shall provide the department with complete access to the ~~amusement~~ ride and all related premises for the purposes of the investigation and shall provide all information related to the cause of the injury to the department.

Sec. 20. K.S.A. 2017 Supp. 44-1619 is hereby amended to read as follows: 44-1619. The provisions of this act shall not be enforced by the secretary prior to the date of publication of the rules and regulations adopted by the secretary pursuant to K.S.A. 2017 Supp. 44-1614(b), and amendments thereto. Prior to taking any action pursuant to K.S.A. 2017 Supp. 44-1610, and amendments thereto, the secretary shall provide the owner or operator of an amusement ride, antique amusement ride, limited-use amusement ride or registered agritourism activity a reasonable period of time to comply with the provisions of K.S.A. 2017 Supp. 44-1601 et seq., and amendments thereto, and K.S.A. 40-4801 et seq., and amendments thereto.

Sec. 21. K.S.A. 2017 Supp. 40-4801, 40-4802, 44-1601, 44-1602, 44-1603, 44-1605, 44-1606, 44-1607, 44-1608, 44-1609, 44-1610, 44-1611, 44-1612, 44-1613, 44-1614, 44-1616, 44-1617, 44-1618 and 44-1619 are hereby repealed.

Sec. 22. On and after July 1, 2018, section 1 of House Substitute for Senate Bill No. 307 and K.S.A. 2017 Supp. 40-4801, as amended by section 2 of 2018 House Substitute for Senate Bill No. 307, 40-4802, as amended by section 3 of 2018 House Substitute for Senate Bill No. 307, 44-1601, as amended by section 4 of 2018 House Substitute for Senate Bill No. 307, 44-1602, as amended by section 5 of 2018 House Substitute for Senate Bill No. 307, 44-1603, as amended by section 6 of 2018 House Substitute for Senate Bill No. 307, 44-1605, as amended by section 7 of 2018 House Substitute for Senate Bill No. 307, 44-1606, as amended by section 8 of 2018 House Substitute for Senate Bill No. 307, 44-1607, as amended by section 9 of 2018 House Substitute for Senate Bill No. 307, 44-1608, as amended by section 10 of 2018 House Substitute for Senate Bill No. 307, 44-1609, as amended by section 11 of 2018 House Substitute for Senate Bill No. 307, 44-1610, as amended by section 12 of 2018 House Substitute for Senate Bill No. 307, 44-1611, as amended by section 13 of 2018 House Substitute for Senate Bill No. 307, 44-1612, as amended by section 14 of 2018 House Substitute for Senate Bill No. 307, 44-1613, as amended by section 15 of 2018 House Substitute for Senate Bill No. 307, 44-1614, as amended by section 16 of 2018 House Substitute for Senate Bill No. 307, 44-1616, as amended by section 17 of 2018 House Substitute for Senate Bill No. 307, 44-1617, as amended by section 18 of 2018 House Substitute for Senate Bill No. 307, 44-1618, as amended by section 19 of 2018 House Substitute for Senate Bill No. 307, and 44-1619, as amended by section 20 of 2018 House Substitute for Senate Bill No. 307, are hereby repealed.";

Also on page 3, in line 15, by striking "statute book" and inserting "Kansas register";

And by redesignating sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in lines 2 and 3; in line 4, by striking all before the period and inserting "amusement rides; relating to the Kansas amusement ride act; relating to antique amusement rides, limited-use amusement rides and registered agritourism activities; amending K.S.A. 2017 Supp.

40-4801, 40-4802, 44-1601, 44-1602, 44-1603, 44-1605, 44-1606, 44-1607, 44-1608, 44-1609, 44-1610, 44-1611, 44-1612, 44-1613, 44-1614, 44-1616, 44-1617, 44-1618 and 44-1619 and repealing the existing sections; also repealing section 1 of 2018 House Substitute for Senate Bill No. 307 and K.S.A. 2017 Supp. 40-4801, as amended by section 2 of 2018 House Substitute for Senate Bill No. 307, 40-4802, as amended by section 3 of 2018 House Substitute for Senate Bill No. 307, 44-1601, as amended by section 4 of 2018 House Substitute for Senate Bill No. 307, 44-1602, as amended by section 5 of 2018 House Substitute for Senate Bill No. 307, 44-1603, as amended by section 6 of 2018 House Substitute for Senate Bill No. 307, 44-1605, as amended by section 7 of 2018 House Substitute for Senate Bill No. 307, 44-1606, as amended by section 8 of 2018 House Substitute for Senate Bill No. 307, 44-1607, as amended by section 9 of 2018 House Substitute for Senate Bill No. 307, 44-1608, as amended by section 10 of 2018 House Substitute for Senate Bill No. 307, 44-1609, as amended by section 11 of 2018 House Substitute for Senate Bill No. 307, 44-1610, as amended by section 12 of 2018 House Substitute for Senate Bill No. 307, 44-1611, as amended by section 13 of 2018 House Substitute for Senate Bill No. 307, 44-1612, as amended by section 14 of 2018 House Substitute for Senate Bill No. 307, 44-1613, as amended by section 15 of 2018 House Substitute for Senate Bill No. 307, 44-1614, as amended by section 16 of 2018 House Substitute for Senate Bill No. 307, 44-1616, as amended by section 17 of 2018 House Substitute for Senate Bill No. 307, 44-1617, as amended by section 18 of 2018 House Substitute for Senate Bill No. 307, 44-1618, as amended by section 19 of 2018 House Substitute for Senate Bill No. 307, and 44-1619, as amended by section 20 of 2018 House Substitute for Senate Bill No. 307";

BLAINE FINCH

BRAD RALPH

JOHN CARMICHAEL

Conferees on part of House

RICHARD WILBORN

JULIE LYNN

DAVID HALEY

Conferees on part of Senate

Senator Billinger moved the Senate adopt the Conference Committee Report on **SB 310**.

On roll call, the vote was: Yeas 39; Nays 1; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

Nays: Olson.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on

House amendments to SB 374 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 374, as follows:

On page 1, following line 9, by inserting:

"WHEREAS, The Legislature intends that the provisions of this act related to comparability of an out-of-jurisdiction offense to a Kansas offense shall be liberally construed to allow comparable offenses, regardless of whether the elements are identical to or narrower than the corresponding Kansas offense, to be included in a person's criminal history; and

WHEREAS, The Legislature intends to promote the inclusion of convictions for such offenses in a person's criminal history, including, but not limited to, any violation of: Wichita municipal ordinance section 11.38.150; Missouri, V.A.M.S. § 577.010 or V.A.M.S. § 577.012; Oklahoma, 47 Okl. St. Ann. § 11-902; Colorado, C.R.S.A. § 42-4-1301(1); and Nebraska, Neb. Rev. St. § 60-6,196.

Now, therefore:"

On page 5, by striking lines 24 through 43;

By striking all on page 6;

On page 7, by striking all in lines 1 through 9; following line 9, by inserting:

"Sec. 3. K.S.A. 2017 Supp. 8-262, as amended by section 3 of 2018 House Bill No. 2439, is hereby amended to read as follows: 8-262. (a) (1) Any person who drives a motor vehicle on any highway of this state at a time when such person's privilege to do is canceled, suspended or revoked or while such person's privilege to obtain a driver's license is suspended or revoked pursuant to K.S.A. 8-252a, and amendments thereto, shall be guilty of a class B nonperson misdemeanor on the first conviction and a class A nonperson misdemeanor on the second or subsequent conviction.

(2) No person shall be convicted under this section if such person was entitled at the time of arrest under K.S.A. 8-257, and amendments thereto, to the return of such person's driver's license.

(3) Except as otherwise provided by subsection (a)(4) or (c), every person convicted under this section shall be sentenced to at least five days' imprisonment and fined at least \$100 and upon a second conviction shall not be eligible for parole until completion of five days' imprisonment.

(4) Except as otherwise provided by subsection (c), if a person: (A) Is convicted of a violation of this section, committed while the person's privilege to drive or privilege to obtain a driver's license was suspended or revoked for a violation of K.S.A. 8-2,144 or 8-1567 or K.S.A. 2017 Supp. 8-1025, and amendments thereto, or any ordinance of any city or resolution of any county or a law of another state, which ordinance or resolution or law prohibits the acts prohibited by those statutes; and (B) is or has been also convicted of a violation of K.S.A. 8-2,144 or 8-1567 or K.S.A. 2017 Supp. 8-1025, and amendments thereto, or any ordinance of any city or resolution of any county or law of another state, which ordinance or resolution or law prohibits the acts prohibited by those statutes, committed while the person's privilege to drive or privilege to obtain a driver's license was so suspended or revoked, the person shall not be eligible for suspension of sentence, probation or parole until the person has served at least 90 days' imprisonment, and any fine imposed on such person shall be in addition to such a term of imprisonment.

(b) The division, upon receiving a record of the conviction of any person under this section, or any ordinance of any city or resolution of any county or a law of another state which is in substantial conformity with this section, upon a charge of driving a vehicle while the license of such person is revoked or suspended, shall extend the period of such suspension or revocation for an additional period of 90 days.

(c) (1) The person found guilty of a class A nonperson misdemeanor on a third or subsequent conviction of this section shall be sentenced to not less than 90 days' imprisonment and fined not less than \$1,500 if such person's privilege to drive a motor vehicle is canceled, suspended or revoked because such person:

(A) Refused to submit and complete any test of blood, breath or urine requested by law enforcement excluding the preliminary screening test as set forth in K.S.A. 8-1012, and amendments thereto;

(B) was convicted of violating the provisions of K.S.A. 40-3104, and amendments thereto, relating to motor vehicle liability insurance coverage;

(C) was convicted of vehicular homicide, K.S.A. 21-3405, prior to its repeal, or K.S.A. 2017 Supp. 21-5406, and amendments thereto, involuntary manslaughter while driving under the influence of alcohol or drugs, K.S.A. 21-3442, prior to its repeal, or involuntary manslaughter as defined in K.S.A. 2017 Supp. 21-5405(a)(3) and (a)(5), and amendments thereto, or any other murder or manslaughter crime resulting from the operation of a motor vehicle; or

(D) was convicted of being a habitual violator, K.S.A. 8-287, and amendments thereto.

(2) The person convicted shall not be eligible for release on probation, suspension or reduction of sentence or parole until the person has served at least 90 days' imprisonment. The 90 days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, or any municipal ordinance to serve the remainder of the minimum sentence only after such person has served 48 consecutive hours' imprisonment.

(d) For the purposes of determining whether a conviction is a first, second, third or subsequent conviction in sentencing under this section, "conviction" includes a conviction of a violation of any ordinance of any city or resolution of any county or a law of another state which is in substantial conformity with this section.";

On page 11, by striking all in lines 35 through 43;

By striking all on pages 12 through 17;

On page 18, by striking all in lines 1 through 37; following line 37, by inserting:

"Sec. 6. K.S.A. 2017 Supp. 8-2,144, as amended by section 4 of 2018 House Bill No. 2439, is hereby amended to read as follows: 8-2,144. (a) Driving a commercial motor vehicle under the influence is operating or attempting to operate any commercial motor vehicle, as defined in K.S.A. 8-2,128, and amendments thereto, within this state while:

(1) The alcohol concentration in the person's blood or breath, as shown by any competent evidence, including other competent evidence, as defined in K.S.A. 8-1013(f)(1), and amendments thereto, is 0.04 or more;

(2) the alcohol concentration in the person's blood or breath, as measured within three hours of the time of driving a commercial motor vehicle, is 0.04 or more; or

(3) committing a violation of K.S.A. 8-1567(a), and amendments thereto, or the ordinance of a city or resolution of a county which prohibits any of the acts prohibited thereunder or is otherwise comparable.

(b) (1) Driving a commercial motor vehicle under the influence is:

(A) On a first conviction a class B, nonperson misdemeanor. The person convicted shall be sentenced to not less than 48 consecutive hours nor more than six months' imprisonment, or in the court's discretion, 100 hours of public service, and fined not less than \$750 nor more than \$1,000. The person convicted shall serve at least 48 consecutive hours' imprisonment or 100 hours of public service either before or as a condition of any grant of probation, suspension or reduction of sentence or parole or other release;

(B) on a second conviction a class A, nonperson misdemeanor. The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined not less than \$1,250 nor more than \$1,750. The person convicted shall serve at least five consecutive days' imprisonment before the person is granted probation, suspension or reduction of sentence or parole or is otherwise released. The five days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 120 hours of confinement. Such 120 hours of confinement shall be a period of at least 48 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the five days' imprisonment mandated by this subsection only after such person has served 48 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 120 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for in the house arrest agreement shall not be counted as part of the 120 hours; and

(C) on a third or subsequent conviction a nonperson felony. The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined not less than \$1,750 nor more than \$2,500. The person convicted shall not be eligible for release on probation, suspension or reduction of sentence or parole until the person has served at least 90 days' imprisonment. The 90 days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 2,160 hours of confinement. Such 2,160 hours of confinement shall be a period of at least 48 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp.

21-6609, and amendments thereto, to serve the 90 days' imprisonment mandated by this subsection only after such person has served 48 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 2,160 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for in the house arrest agreement shall not be counted as part of the 2,160 hours.

(2) In addition, for any conviction pursuant to subsection (b)(1)(C), at the time of the filing of the judgment form or journal entry as required by K.S.A. 22-3426 or K.S.A. 2017 Supp. 21-6711, and amendments thereto, the court shall cause a certified copy to be sent to the officer having the offender in charge. The court shall determine whether the offender, upon release from imprisonment, shall be supervised by community correctional services or court services based upon the risk and needs of the offender. The risk and needs of the offender shall be determined by use of a risk assessment tool specified by the Kansas sentencing commission. The law enforcement agency maintaining custody and control of a defendant for imprisonment shall cause a certified copy of the judgment form or journal entry to be sent to the supervision office designated by the court and upon expiration of the term of imprisonment shall deliver the defendant to a location designated by the supervision office designated by the court. After the term of imprisonment imposed by the court, the person shall be placed on supervision to community correctional services or court services, as determined by the court, for a mandatory one-year period of supervision, which such period of supervision shall not be reduced. During such supervision, the person shall be required to participate in a multidisciplinary model of services for substance use disorders facilitated by a Kansas department for aging and disability services designated care coordination agency to include assessment and, if appropriate, referral to a community based substance use disorder treatment including recovery management and mental health counseling as needed. The multidisciplinary team shall include the designated care coordination agency, the supervision officer, the aging and disability services department designated treatment provider and the offender. An offender for whom a warrant has been issued by the court alleging a violation of such supervision shall be considered a fugitive from justice if it is found that the warrant cannot be served. If it is found the offender has violated the provisions of this supervision, the court shall determine whether the time from the issuing of the warrant to the date of the court's determination of an alleged violation, or any part of it, shall be counted as time served on supervision. Any violation of the conditions of such supervision may subject such person to revocation of supervision and imprisonment in jail for the remainder of the period of imprisonment, the remainder of the supervision period, or any combination or portion thereof. The term of supervision may be extended at the court's discretion beyond one year, and any violation of the conditions of such extended term of supervision may subject such person to the revocation of supervision and imprisonment in jail of up to the remainder of the original sentence, not the term of the extended supervision.

(3) In addition, prior to sentencing for any conviction pursuant to subsection (b)(1)(A) or (b)(1)(B), the court shall order the person to participate in an alcohol and drug evaluation conducted by a provider in accordance with K.S.A. 8-1008, and amendments

thereto. The person shall be required to follow any recommendation made by the provider after such evaluation, unless otherwise ordered by the court.

(c) Any person 18 years of age or older convicted of a violation of this section, or a violation of a city ordinance or county resolution prohibiting the acts prohibited by this section, who had one or more children under the age of ~~14~~ 18 years in the vehicle at the time of the offense shall have such person's punishment enhanced by one month of imprisonment. This imprisonment shall be served consecutively to any other minimum mandatory penalty imposed for a violation of this section, or a violation of a city ordinance or county resolution prohibiting the acts prohibited by this section. Any enhanced penalty imposed shall not exceed the maximum sentence allowable by law. During the service of the enhanced penalty, the judge may order the person on house arrest, work release or other conditional release.

(d) If a person is charged with a violation of K.S.A. 8-1567(a)(4) or (a)(5), and amendments thereto, as incorporated in this section ~~involving drugs~~, the fact that the person is or has been entitled to use the drug under the laws of this state shall not constitute a defense against the charge.

(e) The court may establish the terms and time for payment of any fines, fees, assessments and costs imposed pursuant to this section. Any assessment and costs shall be required to be paid not later than 90 days after imposed, and any remainder of the fine shall be paid prior to the final release of the defendant by the court.

(f) In lieu of payment of a fine imposed pursuant to this section, the court may order that the person perform community service specified by the court. The person shall receive a credit on the fine imposed in an amount equal to \$5 for each full hour spent by the person in the specified community service. The community service ordered by the court shall be required to be performed not later than one year after the fine is imposed or by an earlier date specified by the court. If by the required date the person performs an insufficient amount of community service to reduce to zero the portion of the fine required to be paid by the person, the remaining balance of the fine shall become due on that date.

(g) Prior to filing a complaint alleging a violation of this section, a prosecutor shall request and shall receive from the: (1) Division a record of all prior convictions obtained against such person for any violations of any of the motor vehicle laws of this state; and (2) Kansas bureau of investigation central repository all criminal history record information concerning such person.

(h) The court shall electronically report every conviction of a violation of this section ~~and every diversion agreement entered into in lieu of further criminal proceedings on a complaint alleging a violation of this section~~ to the division. Prior to sentencing under the provisions of this section, the court shall request and shall receive from the: (1) Division a record of all prior convictions obtained against such person for any violation of any of the motor vehicle laws of this state; and (2) Kansas bureau of investigation central repository all criminal history record information concerning such person.

(i) Upon conviction of a person of a violation of this section or a violation of a city ordinance or county resolution prohibiting the acts prohibited by this section, the division, upon receiving a report of conviction, shall: (1) Disqualify the person from driving a commercial motor vehicle under K.S.A. 8-2,142, and amendments thereto; and (2) suspend, restrict or suspend and restrict the person's driving privileges as

provided by K.S.A. 8-1014, and amendments thereto.

(j) (1) Nothing contained in this section shall be construed as preventing any city from enacting ordinances, or any county from adopting resolutions, declaring acts prohibited or made unlawful by this section as unlawful or prohibited in such city or county and prescribing penalties for violation thereof.

(2) The minimum penalty prescribed by any such ordinance or resolution shall not be less than the minimum penalty prescribed by this section for the same violation, and the maximum penalty in any such ordinance or resolution shall not exceed the maximum penalty prescribed for the same violation.

(3) Any such ordinance or resolution shall authorize the court to order that the convicted person pay restitution to any victim who suffered loss due to the violation for which the person was convicted.

(k) (1) Upon the filing of a complaint, citation or notice to appear alleging a person has violated a city ordinance prohibiting the acts prohibited by this section, and prior to conviction thereof, a city attorney shall request and shall receive from the: (A) Division of vehicles a record of all prior convictions obtained against such person for any violations of any of the motor vehicle laws of this state; and (B) Kansas bureau of investigation central repository all criminal history record information concerning such person.

(2) If the elements of such ordinance violation are the same as the elements of a violation of this section that would constitute, and be punished as, a felony, the city attorney shall refer the violation to the appropriate county or district attorney for prosecution. The county or district attorney shall accept such referral and pursue a disposition of such violation, and shall not refer any such violation back to the city attorney.

(l) No plea bargaining agreement shall be entered into nor shall any judge approve a plea bargaining agreement entered into for the purpose of permitting a person charged with a violation of this section, or a violation of any ordinance of a city or resolution of any county in this state which prohibits the acts prohibited by this section, to avoid the mandatory penalties established by this section or by the ordinance or resolution.

(m) The alternatives set out in ~~subsections (a)(1), (a)(2) and (a)(3)~~ subsection (a) may be pleaded in the alternative, and the state, city or county may, but shall not be required to, elect one or ~~two of the three~~ more of such alternatives prior to submission of the case to the fact finder.

(n) For the purpose of determining whether a conviction is a first, second, third or subsequent conviction in sentencing under this section:

(1) Convictions for a violation of K.S.A. 8-1567, and amendments thereto, or a violation of an ordinance of any city or resolution of any county ~~which that~~ prohibits the acts that such section prohibits, or entering into a diversion agreement in lieu of further criminal proceedings on a complaint alleging any such violations, shall be taken into account, but only convictions or diversions occurring on or after July 1, 2001. Nothing in this provision shall be construed as preventing any court from considering any convictions or diversions occurring during the person's lifetime in determining the sentence to be imposed within the limits provided for a first, second, third, fourth or subsequent offense;

(2) any convictions for a violation of the following sections occurring during a person's lifetime shall be taken into account: (A) This section; (B) ~~refusing to submit to~~

a test to determine the presence of alcohol or drugs, K.S.A. 2017 Supp. 8-1025, and amendments thereto; ~~(C)~~ operating a vessel under the influence of alcohol or drugs, K.S.A. 32-1131, and amendments thereto; ~~(D)~~ (C) involuntary manslaughter while driving under the influence of alcohol or drugs, K.S.A. 21-3442, prior to its repeal, or K.S.A. 2017 Supp. 21-5405(a)(3) or (a)(5), and amendments thereto; ~~(E)~~ (D) aggravated battery as described in K.S.A. 2017 Supp. 21-5413(b)(3) or (b)(4), and amendments thereto; and ~~(F)~~ (E) aggravated vehicular homicide, K.S.A. 21-3405a, prior to its repeal, or vehicular battery, K.S.A. 21-3405b, prior to its repeal, if the crime was committed while committing a violation of K.S.A. 8-1567, and amendments thereto;

(3) "conviction" includes: (A) Entering into a diversion agreement in lieu of further criminal proceedings on a complaint alleging a violation of a crime described in subsection (n)(2); and (B) conviction of a violation of an ordinance of a city in this state, a resolution of a county in this state or any law of another state which would constitute a crime described in subsection (n)(1) or (n)(2); and ~~(C) receiving punishment under the uniform code of military justice or Kansas code of military justice for an act which was committed on a military reservation and which would constitute a crime described in subsection (n)(1) or (n)(2) if committed off a military reservation in this state jurisdiction that would constitute an offense that is comparable to the offense described in subsection (n)(1) or (n)(2);~~

(4) it is irrelevant whether an offense occurred before or after conviction for a previous offense; and

(5) multiple convictions of any crime described in subsection (n)(1) or (n)(2) arising from the same arrest shall only be counted as one conviction.

(o) For the purposes of determining whether an offense is comparable, the following shall be considered:

- (1) The name of the out-of-jurisdiction offense;
- (2) the elements of the out-of-jurisdiction offense; and
- (3) whether the out-of-jurisdiction offense prohibits similar conduct to the conduct prohibited by the closest approximate Kansas offense.

(p) For the purpose of this section:

(1) "Alcohol concentration" means the number of grams of alcohol per 100 milliliters of blood or per 210 liters of breath;

(2) "imprisonment" shall include any restrained environment in which the court and law enforcement agency intend to retain custody and control of a defendant and such environment has been approved by the board of county commissioners or the governing body of a city; and

(3) "drug" includes toxic vapors as such term is defined in K.S.A. 2017 Supp. 21-5712, and amendments thereto.

~~(p)~~ (q) On and after July 1, 2011, the amount of \$250 from each fine imposed pursuant to this section shall be remitted by the clerk of the district court 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 credit the entire amount to the community corrections supervision fund established by K.S.A. 2017 Supp. 75-52,113, and amendments thereto.";

On page 19, in line 6, by striking "manner" and inserting "type";

On page 20, in line 5, by striking all after "of";

On page 21, in line 12, by striking "an emergency"; by striking all in line 13; in line

14, by striking all before "an";

On page 27, by striking all in lines 21 through 43;

On page 28, by striking all in lines 1 through 40; following line 40, by inserting:

"Sec. 9. K.S.A. 2017 Supp. 8-1013, as amended by section 5 of 2018 House Bill No. 2439, is hereby amended to read as follows: 8-1013. As used in K.S.A. 8-1001 through ~~8-1010, 8-1011, 8-1012, 8-1014, 8-1015, 8-1016, 8-1017 and 8-1018~~, and amendments thereto, ~~and this section~~:

(a) "Alcohol concentration" means the number of grams of alcohol per 100 milliliters of blood or per 210 liters of breath.

(b) (1) "Alcohol or drug-related conviction" means any of the following: (A) Conviction of vehicular battery or aggravated vehicular homicide, prior to their repeal, if the crime is committed while committing a violation of K.S.A. 8-1567, and amendments thereto, or the ordinance of a city or resolution of a county in this state which prohibits any acts prohibited by that statute, or conviction of a violation of K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto, conviction of a violation of aggravated battery as described in K.S.A. 2017 Supp. 21-5413(b)(3) or (b)(4), and amendments thereto, or conviction of a violation of involuntary manslaughter as described in K.S.A. 2017 Supp. 21-5405(a)(3) or (a)(5), and amendments thereto; (B) conviction of a violation of a law of another state which would constitute a crime described in subsection (b)(1)(A) if committed in this state; (C) conviction of a violation of an ordinance of a city in this state or a resolution of a county in this state which would constitute a crime described in subsection (b)(1)(A), whether or not such conviction is in a court of record; or (D) conviction of an act which was committed on a military reservation and which would constitute a violation of K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto, or would constitute a crime described in subsection (b)(1)(A) if committed off a military reservation in this state.

(2) For the purpose of determining whether an occurrence is a first, second or subsequent occurrence: (A) "Alcohol or drug-related conviction" also includes entering into a diversion agreement in lieu of further criminal proceedings on a complaint alleging commission of a crime described in subsection (b)(1), including a diversion agreement entered into prior to the effective date of this act; and (B) it is irrelevant whether an offense occurred before or after conviction or diversion for a previous offense.

(c) "Division" means the division of vehicles of the department of revenue.

(d) "Ignition interlock device" means a device which uses a breath analysis mechanism to prevent a person from operating a motor vehicle if such person has consumed an alcoholic beverage.

(e) "Occurrence" means a test refusal, test failure or alcohol or drug-related conviction, or any combination thereof arising from one arrest, including an arrest which occurred prior to the effective date of this act.

(f) "Other competent evidence" includes: (1) Alcohol concentration tests obtained from samples taken three hours or more after the operation or attempted operation of a vehicle; and (2) readings obtained from a partial alcohol concentration test on a breath testing machine.

(g) "Samples" includes breath supplied directly for testing, which breath is not preserved.

(h) "Test failure" or "fails a test" refers to a person's having results of a test administered pursuant to this act, other than a preliminary screening test, which show an alcohol concentration of 0.08 or greater in the person's blood or breath, and includes failure of any such test on a military reservation.

(i) "Test refusal" or "refuses a test" refers to a person's failure to submit to or complete any test of the person's blood, breath, urine or other bodily substance, other than a preliminary screening test, in accordance with this act, and includes refusal of any such test on a military reservation.

(j) "Law enforcement officer" has the meaning provided by K.S.A. 2017 Supp. 21-5111, and amendments thereto, and includes any person authorized by law to make an arrest on a military reservation for an act which would constitute a violation of K.S.A. 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto, if committed off a military reservation in this state.";

On page 32, following line 10, by inserting:

"Sec. 11. K.S.A. 2017 Supp. 8-1024 is hereby amended to read as follows: 8-1024. No medical care facility, clinical laboratory, medical clinic, other medical institution, person licensed to practice medicine or surgery, person acting under the direction of any such licensed person, licensed physician assistant, registered nurse, licensed practical nurse, medical technician, paramedic, advanced emergency medical technician, phlebotomist, health care provider or person who participates in good faith in the obtaining, withdrawal, collection or testing of blood, breath, urine or other bodily substance at the direction of a law enforcement officer pursuant to K.S.A. 8-1001, and amendments thereto, or as otherwise authorized by law, shall incur any civil, administrative or criminal liability as a result of such participation, regardless of whether or not the patient resisted or objected to the administration of the procedure or test.";

Also on page 32, by striking all in lines 21 through 43;

By striking all on pages 33 through 40;

On page 41, by striking all in lines 1 through 40; following line 40, by inserting:

"Sec. 13. K.S.A. 2017 Supp. 8-1567, as amended by section 7 of 2018 House Bill No. 2439, is hereby amended to read as follows: 8-1567. (a) Driving under the influence is operating or attempting to operate any vehicle within this state while:

(1) The alcohol concentration in the person's blood or breath as shown by any competent evidence, including other competent evidence, as defined in K.S.A. 8-1013(f)(1), and amendments thereto, is 0.08 or more;

(2) the alcohol concentration in the person's blood or breath, as measured within three hours of the time of operating or attempting to operate a vehicle, is 0.08 or more;

(3) under the influence of alcohol to a degree that renders the person incapable of safely driving a vehicle;

(4) under the influence of any drug or combination of drugs to a degree that renders the person incapable of safely driving a vehicle; or

(5) under the influence of a combination of alcohol and any drug or drugs to a degree that renders the person incapable of safely driving a vehicle.

(b) (1) Driving under the influence is:

(A) On a first conviction a class B, nonperson misdemeanor. The person convicted shall be sentenced to not less than 48 consecutive hours nor more than six months' imprisonment, or in the court's discretion 100 hours of public service, and fined not less

than \$750 nor more than \$1,000. The person convicted shall serve at least 48 consecutive hours' imprisonment or 100 hours of public service either before or as a condition of any grant of probation or suspension, reduction of sentence or parole. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the remainder of the sentence only after such person has served 48 consecutive hours' imprisonment;

(B) on a second conviction a class A, nonperson misdemeanor. The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined not less than \$1,250 nor more than \$1,750. The person convicted shall serve at least five consecutive days' imprisonment before the person is granted probation, suspension or reduction of sentence or parole or is otherwise released. The five days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 120 hours of confinement. Such 120 hours of confinement shall be a period of at least 48 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the five days' imprisonment mandated by this subsection only after such person has served 48 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 120 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for in the house arrest agreement shall not be counted as part of the 120 hours;

(C) on a third conviction a class A, nonperson misdemeanor, except as provided in subsection (b)(1)(D). The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined not less than \$1,750 nor more than \$2,500. The person convicted shall not be eligible for release on probation, suspension or reduction of sentence or parole until the person has served at least 90 days' imprisonment. The 90 days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 2,160 hours of confinement. Such 2,160 hours of confinement shall be a period of at least 48 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the 90 days' imprisonment mandated by this subsection only after such person has served 48 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 2,160 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for

in the house arrest agreement shall not be counted as part of the 2,160 hours;

(D) on a third conviction a nonperson felony if the person has a prior conviction which occurred within the preceding 10 years, not including any period of incarceration. The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined not less than \$1,750 nor more than \$2,500. The person convicted shall not be eligible for release on probation, suspension or reduction of sentence or parole until the person has served at least 90 days' imprisonment. The 90 days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 48 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 2,160 hours of confinement. Such 2,160 hours of confinement shall be a period of at least 48 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the 90 days' imprisonment mandated by this subsection only after such person has served 48 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 2,160 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for in the house arrest agreement shall not be counted as part of the 2,160 hours; and

(E) on a fourth or subsequent conviction a nonperson felony. The person convicted shall be sentenced to not less than 90 days nor more than one year's imprisonment and fined \$2,500. The person convicted shall not be eligible for release on probation, suspension or reduction of sentence or parole until the person has served at least 90 days' imprisonment. The 90 days' imprisonment mandated by this subsection may be served in a work release program only after such person has served 72 consecutive hours' imprisonment, provided such work release program requires such person to return to confinement at the end of each day in the work release program. The person convicted, if placed into a work release program, shall serve a minimum of 2,160 hours of confinement. Such 2,160 hours of confinement shall be a period of at least 72 consecutive hours of imprisonment followed by confinement hours at the end of and continuing to the beginning of the offender's work day. The court may place the person convicted under a house arrest program pursuant to K.S.A. 2017 Supp. 21-6609, and amendments thereto, to serve the 90 days' imprisonment mandated by this subsection only after such person has served 72 consecutive hours' imprisonment. The person convicted, if placed under house arrest, shall be monitored by an electronic monitoring device, which verifies the offender's location. The offender shall serve a minimum of 2,160 hours of confinement within the boundaries of the offender's residence. Any exceptions to remaining within the boundaries of the offender's residence provided for in the house arrest agreement shall not be counted as part of the 2,160 hours.

(2) The court may order that the term of imprisonment imposed pursuant to subsection (b)(1)(D) or (b)(1)(E) be served in a state facility in the custody of the secretary of corrections in a facility designated by the secretary for the provision of substance abuse treatment pursuant to the provisions of K.S.A. 2017 Supp. 21-6804,

and amendments thereto. The person shall remain imprisoned at the state facility only while participating in the substance abuse treatment program designated by the secretary and shall be returned to the custody of the sheriff for execution of the balance of the term of imprisonment upon completion of or the person's discharge from the substance abuse treatment program. Custody of the person shall be returned to the sheriff for execution of the sentence imposed in the event the secretary of corrections determines: (A) That substance abuse treatment resources or the capacity of the facility designated by the secretary for the incarceration and treatment of the person is not available; (B) the person fails to meaningfully participate in the treatment program of the designated facility; (C) the person is disruptive to the security or operation of the designated facility; or (D) the medical or mental health condition of the person renders the person unsuitable for confinement at the designated facility. The determination by the secretary that the person either is not to be admitted into the designated facility or is to be transferred from the designated facility is not subject to review. The sheriff shall be responsible for all transportation expenses to and from the state correctional facility.

(3) In addition, for any conviction pursuant to subsection (b)(1)(C), (b)(1)(D) or (b)(1)(E), at the time of the filing of the judgment form or journal entry as required by K.S.A. 22-3426 or K.S.A. 2017 Supp. 21-6711, and amendments thereto, the court shall cause a certified copy to be sent to the officer having the offender in charge. The court shall determine whether the offender, upon release from imprisonment, shall be supervised by community correctional services or court services based upon the risk and needs of the offender. The risk and needs of the offender shall be determined by use of a risk assessment tool specified by the Kansas sentencing commission. The law enforcement agency maintaining custody and control of a defendant for imprisonment shall cause a certified copy of the judgment form or journal entry to be sent to the supervision office designated by the court and upon expiration of the term of imprisonment shall deliver the defendant to a location designated by the supervision office designated by the court. After the term of imprisonment imposed by the court, the person shall be placed on supervision to community correctional services or court services, as determined by the court, for a mandatory one-year period of supervision, which such period of supervision shall not be reduced. During such supervision, the person shall be required to participate in a multidisciplinary model of services for substance use disorders facilitated by a Kansas department for aging and disability services designated care coordination agency to include assessment and, if appropriate, referral to a community based substance use disorder treatment including recovery management and mental health counseling as needed. The multidisciplinary team shall include the designated care coordination agency, the supervision officer, the Kansas department for aging and disability services designated treatment provider and the offender. An offender for whom a warrant has been issued by the court alleging a violation of this supervision shall be considered a fugitive from justice if it is found that the warrant cannot be served. If it is found the offender has violated the provisions of this supervision, the court shall determine whether the time from the issuing of the warrant to the date of the court's determination of an alleged violation, or any part of it, shall be counted as time served on supervision. Any violation of the conditions of such supervision may subject such person to revocation of supervision and imprisonment in jail for the remainder of the period of imprisonment, the remainder of the supervision period, or any combination or portion thereof. The term of supervision may be extended

at the court's discretion beyond one year, and any violation of the conditions of such extended term of supervision may subject such person to the revocation of supervision and imprisonment in jail of up to the remainder of the original sentence, not the term of the extended supervision.

(4) In addition, prior to sentencing for any conviction pursuant to subsection (b)(1)(A) or (b)(1)(B), the court shall order the person to participate in an alcohol and drug evaluation conducted by a provider in accordance with K.S.A. 8-1008, and amendments thereto. The person shall be required to follow any recommendation made by the provider after such evaluation, unless otherwise ordered by the court.

(c) Any person 18 years of age or older convicted of violating this section or an ordinance which prohibits the acts that this section prohibits who had one or more children under the age of ~~14~~ 18 years in the vehicle at the time of the offense shall have such person's punishment enhanced by one month of imprisonment. This imprisonment must be served consecutively to any other minimum mandatory penalty imposed for a violation of this section or an ordinance which prohibits the acts that this section prohibits. Any enhanced penalty imposed shall not exceed the maximum sentence allowable by law. During the service of the enhanced penalty, the judge may order the person on house arrest, work release or other conditional release.

(d) If a person is charged with a violation of ~~this section involving drugs~~ subsection (a)(4) or (a)(5), the fact that the person is or has been entitled to use the drug under the laws of this state shall not constitute a defense against the charge.

(e) The court may establish the terms and time for payment of any fines, fees, assessments and costs imposed pursuant to this section. Any assessment and costs shall be required to be paid not later than 90 days after imposed, and any remainder of the fine shall be paid prior to the final release of the defendant by the court.

(f) In lieu of payment of a fine imposed pursuant to this section, the court may order that the person perform community service specified by the court. The person shall receive a credit on the fine imposed in an amount equal to \$5 for each full hour spent by the person in the specified community service. The community service ordered by the court shall be required to be performed not later than one year after the fine is imposed or by an earlier date specified by the court. If by the required date the person performs an insufficient amount of community service to reduce to zero the portion of the fine required to be paid by the person, the remaining balance of the fine shall become due on that date.

(g) Prior to filing a complaint alleging a violation of this section, a prosecutor shall request and shall receive from the:

(1) Division a record of all prior convictions obtained against such person for any violations of any of the motor vehicle laws of this state; and

(2) Kansas bureau of investigation central repository all criminal history record information concerning such person.

(h) The court shall electronically report every conviction of a violation of this section and every diversion agreement entered into in lieu of further criminal proceedings on a complaint alleging a violation of this section to the division including any finding regarding the alcohol concentration in the offender's blood or breath. Prior to sentencing under the provisions of this section, the court shall request and shall receive from the division a record of all prior convictions obtained against such person for any violations of any of the motor vehicle laws of this state.

(i) For the purpose of determining whether a conviction is a first, second, third, fourth or subsequent conviction in sentencing under this section:

(1) Convictions for a violation of this section, or a violation of an ordinance of any city or resolution of any county ~~which that~~ prohibits the acts that this section prohibits, or entering into a diversion agreement in lieu of further criminal proceedings on a complaint alleging any such violations, shall be taken into account, but only convictions or diversions occurring on or after July 1, 2001. Nothing in this provision shall be construed as preventing any court from considering any convictions or diversions occurring during the person's lifetime in determining the sentence to be imposed within the limits provided for a first, second, third, fourth or subsequent offense;

(2) any convictions for a violation of the following sections occurring during a person's lifetime shall be taken into account: ~~(A) Refusing to submit to a test to determine the presence of alcohol or drugs, K.S.A. 2017 Supp. 8-1025, and amendments thereto; (B) Driving a commercial motor vehicle under the influence, K.S.A. 8-2,144, and amendments thereto; (C) (B) operating a vessel under the influence of alcohol or drugs, K.S.A. 32-1131, and amendments thereto; (D) (C) involuntary manslaughter while driving under the influence of alcohol or drugs, K.S.A. 21-3442, prior to its repeal, or K.S.A. 2017 Supp. 21-5405(a)(3) or (a)(5), and amendments thereto; (E) (D) aggravated battery as described in K.S.A. 2017 Supp. 21-5413(b)(3) or (b)(4), and amendments thereto; and (F) (E) aggravated vehicular homicide, K.S.A. 21-3405a, prior to its repeal, or vehicular battery, K.S.A. 21-3405b, prior to its repeal, if the crime was committed while committing a violation of K.S.A. 8-1567, and amendments thereto;~~

(3) "conviction" includes: (A) Entering into a diversion agreement in lieu of further criminal proceedings on a complaint alleging ~~a violation of a crime~~ an offense described in subsection (i)(2); and (B) conviction of a violation of an ordinance of a city in this state, a resolution of a county in this state or any law of another ~~state which would constitute a crime described in subsection (i)(1) or (i)(2); and (C) receiving punishment under the uniform code of military justice or Kansas code of military justice for an act which was committed on a military reservation and which would constitute a crime described in subsection (i)(1) or (i)(2) if committed off a military reservation in this state jurisdiction that would constitute an offense that is comparable to the offense described in subsection (i)(1) or (i)(2);~~

(4) multiple convictions of any crime described in subsection (i)(1) or (i)(2) arising from the same arrest shall only be counted as one conviction;

(5) it is irrelevant whether an offense occurred before or after conviction for a previous offense; and

(6) a person may enter into a diversion agreement in lieu of further criminal proceedings for a violation of this section, and amendments thereto, or an ordinance which prohibits the acts of this section, and amendments thereto, only once during the person's lifetime.

(j) For the purposes of determining whether an offense is comparable, the following shall be considered:

- (1) The name of the out-of-jurisdiction offense;
- (2) the elements of the out-of-jurisdiction offense; and
- (3) whether the out-of-jurisdiction offense prohibits similar conduct to the conduct prohibited by the closest approximate Kansas offense.

(k) Upon conviction of a person of a violation of this section or a violation of a city ordinance or county resolution prohibiting the acts prohibited by this section, the division, upon receiving a report of conviction, shall suspend, restrict or suspend and restrict the person's driving privileges as provided by K.S.A. 8-1014, and amendments thereto.

~~(k)~~(l) (1) Nothing contained in this section shall be construed as preventing any city from enacting ordinances, or any county from adopting resolutions, declaring acts prohibited or made unlawful by this act as unlawful or prohibited in such city or county and prescribing penalties for violation thereof.

(2) The minimum penalty prescribed by any such ordinance or resolution shall not be less than the minimum penalty prescribed by this section for the same violation, and the maximum penalty in any such ordinance or resolution shall not exceed the maximum penalty prescribed for the same violation.

(3) On and after July 1, 2007, and retroactive for ordinance violations committed on or after July 1, 2006, an ordinance may grant to a municipal court jurisdiction over a violation of such ordinance which is concurrent with the jurisdiction of the district court over a violation of this section, notwithstanding that the elements of such ordinance violation are the same as the elements of a violation of this section that would constitute, and be punished as, a felony.

(4) Any such ordinance or resolution shall authorize the court to order that the convicted person pay restitution to any victim who suffered loss due to the violation for which the person was convicted.

~~(h)~~(m) (1) Upon the filing of a complaint, citation or notice to appear alleging a person has violated a city ordinance prohibiting the acts prohibited by this section, and prior to conviction thereof, a city attorney shall request and shall receive from the:

(A) Division a record of all prior convictions obtained against such person for any violations of any of the motor vehicle laws of this state; and

(B) Kansas bureau of investigation central repository all criminal history record information concerning such person.

(2) If the elements of such ordinance violation are the same as the elements of a violation of this section that would constitute, and be punished as, a felony, the city attorney shall refer the violation to the appropriate county or district attorney for prosecution.

~~(m)~~(n) No plea bargaining agreement shall be entered into nor shall any judge approve a plea bargaining agreement entered into for the purpose of permitting a person charged with a violation of this section, or a violation of any ordinance of a city or resolution of any county in this state which prohibits the acts prohibited by this section, to avoid the mandatory penalties established by this section or by the ordinance. For the purpose of this subsection, entering into a diversion agreement pursuant to K.S.A. 12-4413 et seq. or 22-2906 et seq., and amendments thereto, shall not constitute plea bargaining.

~~(n)~~(o) The alternatives set out in ~~subsections (a)(1), (a)(2) and (a)(3)~~ subsection (a) may be pleaded in the alternative, and the state, city or county may, but shall not be required to, ~~may~~ elect one or two of the three more of such alternatives prior to submission of the case to the fact finder.

~~(o)~~(p) As used in this section: (1) "Alcohol concentration" means the number of grams of alcohol per 100 milliliters of blood or per 210 liters of breath;

(2) "imprisonment" shall include any restrained environment in which the court and law enforcement agency intend to retain custody and control of a defendant and such environment has been approved by the board of county commissioners or the governing body of a city; and

(3) "drug" includes toxic vapors as such term is defined in K.S.A. 2017 Supp. 21-5712, and amendments thereto.

~~(p)(q)~~ (1) The amount of the increase in fines as specified in this section shall be remitted by the clerk of the district court to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of remittance of the increase provided in this act, the state treasurer shall deposit the entire amount in the state treasury and the state treasurer shall credit 50% to the community alcoholism and intoxication programs fund and 50% to the department of corrections alcohol and drug abuse treatment fund, which is hereby created in the state treasury.

(2) On and after July 1, 2011, the amount of \$250 from each fine imposed pursuant to this section shall be remitted by the clerk of the district court 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 credit the entire amount to the community corrections supervision fund established by K.S.A. 2017 Supp. 75-52,113, and amendments thereto.";

On page 81, by striking all in lines 13 through 43;

By striking all on pages 82 and 83;

On page 84, by striking all in line 1; following line 1, by inserting:

"Sec. 26. K.S.A. 2017 Supp. 21-6811, as amended by section 1 of 2018 House Bill No. 2567, is hereby amended to read as follows: 21-6811. In addition to the provisions of K.S.A. 2017 Supp. 21-6810, and amendments thereto, the following shall apply in determining an offender's criminal history classification as contained in the presumptive sentencing guidelines grids:

(a) Every three prior adult convictions or juvenile adjudications of class A and class B person misdemeanors in the offender's criminal history, or any combination thereof, shall be rated as one adult conviction or one juvenile adjudication of a person felony for criminal history purposes. Every three prior adult convictions or juvenile adjudications of assault as defined in K.S.A. 21-3408, prior to its repeal, or K.S.A. 2017 Supp. 21-5412(a), and amendments thereto, occurring within a period commencing three years prior to the date of conviction for the current crime of conviction shall be rated as one adult conviction or one juvenile adjudication of a person felony for criminal history purposes.

(b) A conviction of criminal possession of a firearm as defined in K.S.A. 21-4204(a)(1) or (a)(5), prior to its repeal, criminal use of weapons as defined in K.S.A. 2017 Supp. 21-6301(a)(10) or (a)(11), and amendments thereto, or unlawful possession of a firearm as in effect on June 30, 2005, and as defined in K.S.A. 21-4218, prior to its repeal, will be scored as a select class B nonperson misdemeanor conviction or adjudication and shall not be scored as a person misdemeanor for criminal history purposes.

(c) (1) If the current crime of conviction was committed before July 1, 1996, and is for K.S.A. 21-3404(b), as in effect on June 30, 1996, involuntary manslaughter in the commission of driving under the influence, then, each prior adult conviction or juvenile adjudication for K.S.A. 8-1567, and amendments thereto, shall count as one person

felony for criminal history purposes.

(2) If the current crime of conviction was committed on or after July 1, 1996, and is for a violation of K.S.A. 2017 Supp. 21-5405(a)(3), and amendments thereto, each prior adult conviction, diversion in lieu of criminal prosecution or juvenile adjudication for: (A) Any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto; or (B) a violation of a law of another state or an ordinance of any city, or resolution of any county, which prohibits any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto, shall count as one person felony for criminal history purposes.

(3) If the current crime of conviction is for a violation of K.S.A. 2017 Supp. 21-5413(b)(3), and amendments thereto:

(A) The first prior adult conviction, diversion in lieu of criminal prosecution or juvenile adjudication for the following shall count as one nonperson felony for criminal history purposes: (i) Any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto; or (ii) a violation of a law of another state or an ordinance of any city, or resolution of any county, which prohibits any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto; and

(B) each second or subsequent prior adult conviction, diversion in lieu of criminal prosecution or juvenile adjudication for the following shall count as one person felony for criminal history purposes: (i) Any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto; or (ii) a violation of a law of another state or an ordinance of any city, or resolution of any county, which prohibits any act described in K.S.A. 8-2,144 or 8-1567 ~~or K.S.A. 2017 Supp. 8-1025~~, and amendments thereto.

(d) Prior burglary adult convictions and juvenile adjudications will be scored for criminal history purposes as follows:

(1) As a prior person felony if the prior conviction or adjudication was classified as a burglary as defined in K.S.A. 21-3715(a), prior to its repeal, or K.S.A. 2017 Supp. 21-5807(a)(1), and amendments thereto.

(2) As a prior nonperson felony if the prior conviction or adjudication was classified as a burglary as defined in K.S.A. 21-3715(b) or (c), prior to its repeal, or K.S.A. 2017 Supp. 21-5807(a)(2) or (a)(3), and amendments thereto.

The facts required to classify prior burglary adult convictions and juvenile adjudications shall be established by the state by a preponderance of the evidence.

(e) (1) Out-of-state convictions and juvenile adjudications shall be used in classifying the offender's criminal history.

(2) An out-of-state crime will be classified as either a felony or a misdemeanor according to the convicting jurisdiction.

(A) If a crime is a felony in the convicting jurisdiction, it will be counted as a felony in Kansas.

(B) If a crime is a misdemeanor in the convicting jurisdiction, the state of Kansas shall refer to the comparable offense under the Kansas criminal code in effect on the date the current crime of conviction was committed to classify the out-of-state crime as a class A, B or C misdemeanor. If the comparable offense in the state of Kansas is a felony, the out-of-state crime shall be classified as a class A misdemeanor. If the state of Kansas does not have a comparable offense in effect on the date the current crime of conviction was committed, the out-of-state crime shall not be used in classifying the

offender's criminal history.

(C) If a crime is not classified as either a felony or a misdemeanor in the convicting jurisdiction, the state of Kansas shall refer to the comparable offense under the Kansas criminal code in effect on the date the current crime of conviction was committed to classify the out-of-state crime as either a felony or a misdemeanor. If the state of Kansas does not have a comparable offense in effect on the date the current crime of conviction was committed, the out-of-state crime shall not be used in classifying the offender's criminal history.

(3) The state of Kansas shall classify the crime as person or nonperson. In designating a crime as person or nonperson, comparable offenses under the Kansas criminal code in effect on the date the current crime of conviction was committed shall be referred to. If the state of Kansas does not have a comparable offense in effect on the date the current crime of conviction was committed, the out-of-state crime shall be classified as a nonperson crime.

(4) Convictions or adjudications occurring within the federal system, other state systems, the District of Columbia, foreign, tribal or military courts are considered out-of-state convictions or adjudications.

(5) The facts required to classify out-of-state adult convictions and juvenile adjudications shall be established by the state by a preponderance of the evidence.

(f) Except as provided in K.S.A. 21-4710(d)(4), (d)(5) and (d)(6), prior to its repeal, or K.S.A. 2017 Supp. 21-6810(d)(3)(B), (d)(3)(C), (d)(3)(D), (d)(4) and (d)(5), and amendments thereto, juvenile adjudications will be applied in the same manner as adult convictions. Out-of-state juvenile adjudications will be treated as juvenile adjudications in Kansas.

(g) A prior felony conviction of an attempt, a conspiracy or a solicitation as provided in K.S.A. 21-3301, 21-3302 or 21-3303, prior to their repeal, or K.S.A. 2017 Supp. 21-5301, 21-5302 or 21-5303, and amendments thereto, to commit a crime shall be treated as a person or nonperson crime in accordance with the designation assigned to the underlying crime.

(h) Drug crimes are designated as nonperson crimes for criminal history scoring.

(i) If the current crime of conviction is for a violation of K.S.A. 8-1602(b)(3) through (b)(5), and amendments thereto, each of the following prior convictions for offenses committed on or after July 1, 2011, shall count as a person felony for criminal history purposes: K.S.A. 8-235, 8-262, 8-287, 8-291, 8-1566, 8-1567, 8-1568, 8-1602, 8-1605 and 40-3104, and amendments thereto, and K.S.A. 2017 Supp. 21-5405(a)(3) and 21-5406, and amendments thereto, or a violation of a city ordinance or law of another state which would also constitute a violation of such sections.

(j) The amendments made to this section by chapter 5 of the 2015 Session Laws of Kansas are procedural in nature and shall be construed and applied retroactively.";

On page 103, in line 15, following "8-262" by inserting ", as amended by section 3 of 2018 House Bill No. 2439"; in line 16, after "2,144" by inserting ", as amended by section 4 of 2018 House Bill No. 2439"; also in line 16, following "8-1013" by inserting ", as amended by section 5 of 2018 House Bill No. 2439"; also in line 16, before "8-1025" by inserting "8-1024,"; also in line 16, following "8-1567" by inserting ", as amended by section 7 of 2018 House Bill No. 2439"; in line 18, following "21-6811" by inserting ", as amended by section 1 of 2018 House Bill No. 2567";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, following "8-262" by inserting ", as amended by section 3 of 2018 House Bill No. 2439"; in line 4, after "2,144" by inserting ", as amended by section 4 of 2018 House Bill No. 2439"; also in line 4, following "8-1013" by inserting ", as amended by section 5 of 2018 House Bill No. 2439"; also in line 4, after "8-1014," by inserting "8-1024,"; also in line 4, following "8-1567" by inserting ", as amended by section 7 of 2018 House Bill No. 2439"; in line 6, following "21-6811" by inserting ", as amended by section 1 of 2018 House Bill No. 2567";

And your committee on conference recommends the adoption of this report.

BLAINE FINCH
BRAD RALPH
JOHN CARMICHAEL

Conferees on part of House

RICHARD WILBORN
JULIA LYNN
DAVID HALEY

Conferees on part of Senate

Senator Wilborn moved the Senate adopt the Conference Committee Report on **H Sub SB 374**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2067 submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 6 through 34;

By striking all on page 2;

On page 3, by striking all in lines 1 through 22; following line 22, by inserting:

"Section 1. K.S.A. 2017 Supp. 75-655 is hereby amended to read as follows: 75-655. (a) Any ABLE savings accounts established pursuant to the provisions of this act shall be opened by a designated beneficiary or a conservator or guardian of a designated beneficiary who lacks capacity to enter into a contract and each beneficiary may have only one account. The treasurer may establish a nonrefundable application fee. An application for such account shall be in the form prescribed by the treasurer and contain the:

- (1) Name, address and social security number of the account owner;

(2) name, address and social security number of the designated beneficiary, if the account owner is the beneficiary's conservator or guardian;

(3) certification relating to no excess contributions; and

(4) additional information as the treasurer may require.

(b) Any person may make contributions to an ABLE savings account after the account is opened, subject to the limitations imposed by section 529A of the federal internal revenue code of 1986, as amended, or any rules and regulations promulgated by the secretary pursuant to this act.

(c) Contributions to ABLE savings accounts only may be made in cash. The treasurer or program manager shall reject or promptly withdraw contributions:

(1) In excess of the limits established pursuant to subsection (b); or

(2) the total contributions if the:

(A) Value of the account is equal to or greater than the account maximum established by the treasurer. Such account maximum must be equal to the account maximum for postsecondary education savings accounts established pursuant to K.S.A. 75-640 et seq., and amendments thereto; or

(B) designated beneficiary is not an eligible individual in the current calendar year.

(d) (1) An account owner may:

(A) Change the designated beneficiary of an account to an individual who is a member of the family of the prior designated beneficiary in accordance with procedures established by the treasurer; and

(B) transfer all or a portion of an account to another ABLE savings account, the designated beneficiary of which is a member of the family as defined in section 529A of the federal internal revenue code of 1986, as amended.

(2) No account owner may use an interest in an account as security for a loan. Any pledge of an interest in an account shall be of no force and effect.

(e) (1) If there is any distribution from an account to any individual or for the benefit of any individual during a calendar year, such distribution shall be reported to the federal internal revenue service and each account owner, the designated beneficiary or the distributee to the extent required by state or federal law.

(2) Statements shall be provided to each account owner at least four times each year within 30 days after the end of the three-month period to which a statement relates. The statement shall identify the contributions made during the preceding three-month period, the total contributions made to the account through the end of the period, the value of the account at the end of such period, distributions made during such period and any other information that the treasurer shall require to be reported to the account owner.

(3) Statements and information relating to accounts shall be prepared and filed to the extent required by this act and any other state or federal law.

(f) (1) The program shall provide separate accounting for each designated beneficiary. An annual fee may be imposed upon the account owner for the maintenance of an account.

(2) Moneys in an ABLE savings account:

~~(A) shall be exempt from attachment, execution or garnishment as provided by K.S.A. 60-2308, and amendments thereto; and~~

~~(B) may be claimed by the Kansas medicaid plan only after the death of the designated beneficiary subject to limitations imposed by the secretary.~~

(g) Except as otherwise provided by federal law, the proceeds from an account may be transferred upon the death of a designated beneficiary to: (1) The estate of a designated beneficiary; or (2) an account for another eligible individual specified by the designated beneficiary or the estate of the designated beneficiary. The state of Kansas, or any agency or instrumentality thereof, shall not seek payment under section 529A of the internal revenue code of 1986, as amended, from the account, or its proceeds, for benefits provided to a designated beneficiary, unless otherwise required by section 1917(b) of the federal social security act, 42 U.S.C. § 1396p(b).

Sec. 2. K.S.A. 2017 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, except that the federal net operating loss deduction shall not be added to an individual's federal adjusted gross income for tax years beginning after December 31, 2016.

(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.

(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. 2017 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. 2017 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 K.S.A. 79-32,117(c)(xv), 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. 2017 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. 2017 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 subsection (c)(xiii), 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. 2017 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. 2017 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. 2017 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. 2017 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. 2017 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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, to the extent the deduction is attributable to income reported on schedule C, E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income tax return.

(xxi) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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.

(xxiv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid for medical care of the taxpayer or the taxpayer's spouse or dependents when such expenses were paid or incurred for an abortion, or for a health benefit plan, as defined in K.S.A. 2017 Supp. 65-6731, and amendments thereto, for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 2017 Supp. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xxv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid by a taxpayer for health care when such expenses were paid or incurred for abortion coverage, a health benefit plan, as defined in K.S.A. 2017 Supp. 65-6731, and amendments thereto, when such expenses were paid or incurred for abortion coverage or amounts contributed to health savings accounts for such taxpayer's employees for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 2017 Supp. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as a deduction for federal income tax purposes.

(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. 2017 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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~~ 2017, the cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple filing a joint return, for each designated beneficiary ~~which that~~ are contributed to: (1) 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; or (2) an achieving a better life experience (ABLE) account established under the Kansas ABLE savings program or a qualified ABLE program established and maintained by another state or agency or instrumentality thereof pursuant to section 529A of the internal revenue code of 1986, as amended, for the purpose of saving private funds to support an individual with a disability. The terms and phrases used in this paragraph shall have the meaning respectively ascribed thereto by the provisions of K.S.A. 2017 Supp. 75-643 and 75-652, and amendments thereto, and the provisions of such ~~section~~

sections 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 taxable years beginning after December 31, 2012, and ending before January 1, 2017, 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, not including guaranteed payments as defined in section 707(c) of the federal internal revenue code and as reported to the taxpayer from federal schedule K-1, (form 1065-B), in box 9, code F or as reported to the taxpayer from federal schedule K-1, (form 1065) in box 4, 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 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.

(xxi) For all taxable years beginning after December 31, 2013, amounts equal to the unreimbursed travel, lodging and medical expenditures directly incurred by a

taxpayer while living, or a dependent of the taxpayer while living, for the donation of one or more human organs of the taxpayer, or a dependent of the taxpayer, to another person for human organ transplantation. The expenses may be claimed as a subtraction modification provided for in this section to the extent the expenses are not already subtracted from the taxpayer's federal adjusted gross income. In no circumstances shall the subtraction modification provided for in this section for any individual, or a dependent, exceed \$5,000. As used in this section, "human organ" means all or part of a liver, pancreas, kidney, intestine, lung or bone marrow. The provisions of this paragraph shall take effect on the day the secretary of revenue certifies to the director of the budget that the cost for the department of revenue of modifications to the automated tax system for the purpose of implementing this paragraph will not exceed \$20,000.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of net gain from the sale of: (1) Cattle and horses, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 24 months or more from the date of acquisition; and (2) other livestock, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 12 months or more from the date of acquisition. The subtraction from federal adjusted gross income shall be limited to the amount of the additions recognized under the provisions of subsection (b)(xix) attributable to the business in which the livestock sold had been used. As used in this paragraph, the term "livestock" shall not include poultry.

(xxiii) For all taxable years beginning after December 31, 2012, amounts received under either the Overland Park, Kansas police department retirement plan or the Overland Park, Kansas fire department retirement plan, both as established by the city of Overland Park, pursuant to the city's home rule authority.

(xxiv) For taxable years beginning after December 31, 2013, and ending before January 1, 2017, the net gain from the sale from Christmas trees grown in Kansas and held by the taxpayer for six years or more.

(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.

(f) No taxpayer shall be assessed penalties and interest from the underpayment of taxes due to changes to this section that became law on July 1, 2017, so long as such underpayment is rectified on or before April 17, 2018.

Sec. 3. K.S.A. 2017 Supp. 75-655 and 79-32,117 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking all before the period and inserting "savings programs; relating to beneficiaries of ABLE accounts, transfers, qualified higher education expenses; income taxation, deduction for contributions; amending K.S.A. 2017 Supp. 75-655 and 79-32,117 and repealing the existing sections";

CARYN TYSON
DAN KERSCHEN
TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON
TOM PHILLIPS
TOM SAWYER

Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2067**.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kersch, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2194 submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 7 through 34;

By striking all on pages 2 through 7;

On page 8, by striking all in lines 1 through 32 and inserting:

"Section 1. K.S.A. 2017 Supp. 74-8702 is hereby amended to read as follows: 74-8702. As used in the Kansas lottery act, unless the context otherwise requires:

(a) "Ancillary lottery gaming facility operations" means additional non-lottery facility game products and services not owned and operated by the state which may be included in the overall development associated with the lottery gaming facility. Such operations may include, but are not limited to, restaurants, hotels, motels, museums or entertainment facilities.

(b) "Commission" means the Kansas lottery commission.

(c) "Electronic gaming machine" means any electronic, electromechanical, video or computerized device, contrivance or machine authorized by the Kansas lottery which, upon insertion of cash, tokens, electronic cards or any consideration, is available to play, operate or simulate the play of a game authorized by the Kansas lottery pursuant to the Kansas expanded lottery act, including, but not limited to, bingo, poker, blackjack, keno and slot machines, and which may deliver or entitle the player operating the machine to receive cash, tokens, merchandise or credits that may be redeemed for cash. Electronic gaming machines may use bill validators and may be single-position reel-type, single or multi-game video and single-position multi-game video electronic game, including, but not limited to, poker, blackjack and slot machines.

Electronic gaming machines shall be directly linked to a central computer at a location determined by the executive director for purposes of security, monitoring and auditing.

(d) "Executive director" means the executive director of the Kansas lottery.

(e) "Gaming equipment" means any electric, electronic, computerized or electromechanical machine, mechanism, supply or device or any other equipment, which is: (1) Unique to the Kansas lottery and used pursuant to the Kansas lottery act; and (2) integral to the operation of an electronic gaming machine or lottery facility game; and (3) affects the results of an electronic gaming machine or lottery facility game by determining win or loss.

(f) "Gaming zone" means: (1) The northeast Kansas gaming zone, which consists of Wyandotte county; (2) the southeast Kansas gaming zone, which consists of Crawford and Cherokee counties; (3) the south central Kansas gaming zone, which consists of Sedgwick and Sumner counties; and (4) the southwest Kansas gaming zone, which consists of Ford county.

(g) "Gray machine" means any mechanical, electro-mechanical or electronic device, capable of being used for gambling, that is: (1) Not authorized by the Kansas lottery; (2) not linked to a lottery central computer system; (3) available to the public for play; or (4) capable of simulating a game played on an electronic gaming machine or any similar gambling game authorized pursuant to the Kansas expanded lottery act.

(h) (1) "Instant bingo vending machine" means a machine or electronic device that is purchased or leased by a licensee, as defined by K.S.A. 2017 Supp. 75-5173, and amendments thereto, from a distributor who has been issued a distributor registration certificate pursuant to K.S.A. 2017 Supp. 75-5184, and amendments thereto, or leased from the Kansas lottery in fulfillment of the Kansas lottery's obligations under an agreement between the Kansas lottery and a licensee entered into pursuant to section 8, and amendments thereto, and the sole purpose of which is to:

(A) Dispense a printed physical instant bingo ticket after a purchaser inserts cash or other form of consideration into the machine; and

(B) allow purchasers to manually check the winning status of the instant bingo ticket.

(2) "Instant bingo vending machine" shall not:

(A) Provide a visual or audio representation of a bingo card or an electronic gaming machine;

(B) visually or functionally have the same characteristics of an electronic instant bingo game or an electronic gaming machine;

(C) automatically determine or display the winning status of any dispensed instant bingo ticket;

(D) extend or arrange credit for the purchase of an instant bingo ticket;

(E) dispense any winnings;

(F) dispense any prize;

(G) dispense any evidence of a prize other than an instant bingo ticket;

(H) provide free instant bingo tickets or any other item that can be redeemed for cash; or

(I) dispense any other form of a prize to a purchaser.

All physical instant bingo tickets dispensed by an instant bingo vending machine shall be purchased by a licensee, as defined by K.S.A. 2017 Supp. 75-5173, and amendments thereto, from a registered distributor.

No more than two instant bingo vending machines may be located on the premises of each licensee location.

~~(h)~~(i) "Kansas lottery" means the state agency created by this act to operate a lottery or lotteries pursuant to this act.

~~(i)~~(j) "Lottery" or "state lottery" means the lottery or lotteries operated pursuant to this act.

~~(j)~~(k) "Lottery facility games" means any electronic gaming machines and any other games which, as of January 1, 2007, are authorized to be conducted or operated at a tribal gaming facility, as defined in K.S.A. 74-9802, and amendments thereto, located within the boundaries of this state.

~~(k)~~(l) "Lottery gaming enterprise" means an entertainment enterprise which includes a lottery gaming facility authorized pursuant to the Kansas expanded lottery act and ancillary lottery gaming facility operations that have a coordinated business or marketing strategy. A lottery gaming enterprise shall be designed to attract to its lottery gaming facility consumers who reside outside the immediate area of such enterprise.

~~(l)~~(m) "Lottery gaming facility" means that portion of a building used for the purposes of operating, managing and maintaining lottery facility games.

~~(m)~~(n) "Lottery gaming facility expenses" means normal business expenses, as defined in the lottery gaming facility management contract, associated with the ownership and operation of a lottery gaming facility.

~~(n)~~(o) "Lottery gaming facility management contract" means a contract, subcontract or collateral agreement between the state and a lottery gaming facility manager for the management of a lottery gaming facility, the business of which is owned and operated by the Kansas lottery, negotiated and signed by the executive director on behalf of the state.

~~(o)~~(p) "Lottery gaming facility manager" means a corporation, limited liability company, resident Kansas American Indian tribe or other business entity authorized to construct and manage, or manage alone, pursuant to a lottery gaming facility management contract with the Kansas lottery, and on behalf of the state, a lottery gaming enterprise and lottery gaming facility.

~~(p)~~(q) "Lottery gaming facility revenues" means the total revenues from lottery facility games at a lottery gaming facility after all related prizes are paid.

~~(q)~~(r) (1) "Lottery machine" means any machine or device that allows a ~~player~~ purchaser to insert cash or other form of consideration and may deliver as the result of an element of chance, regardless of the skill required by the ~~player~~ purchaser, a prize or evidence of a prize, including, but not limited to:

(A) Any machine or device in which the prize or evidence of a prize is determined by both chance and the ~~player's~~ purchaser's or ~~players'~~ purchasers' skill, including, but not limited to, any machine or device on which a lottery game or lottery games, such as poker or blackjack, are played; or

(B) any machine or device in which the prize or evidence of a prize is determined only by chance, including, but not limited to, any slot machine or bingo machine; ~~or~~

~~(C) any lottery ticket vending machine, such as a keno ticket vending machine, pull tab vending machine or an instant bingo vending machine.~~

(2) "Lottery machine" shall not mean:

(A) Any food vending machine defined by K.S.A. 36-501, and amendments thereto;

(B) any nonprescription drug machine authorized under K.S.A. 65-650, and amendments thereto;

(C) any machine which dispenses only bottled or canned soft drinks, chewing gum, nuts or candies;

(D) any machine excluded from the definition of gambling devices under ~~subsection (d) of~~ K.S.A. 21-4302(d), prior to its repeal, or K.S.A. 2017 Supp. 21-6403, and amendments thereto; ~~or~~

(E) any electronic gaming machine or lottery facility game operated in accordance with the provisions of the Kansas expanded lottery act;

~~(F) any lottery ticket vending machine; or~~

~~(G) any instant bingo vending machine.~~

~~(s)~~ "Lottery retailer" means any person with whom the Kansas lottery has contracted to sell lottery tickets or shares, or both, to the public.

~~(t)~~ (1) "Lottery ticket vending machine" means a machine or similar electronic device owned or leased by the Kansas lottery, the sole purposes of which are to:

(A) Dispense a printed physical ticket, such as a lottery ticket, a keno ticket, a pull tab ticket or a coupon, the coupon of which must be redeemed through something other than a lottery ticket vending machine, after a purchaser inserts cash or other form of consideration into the machine;

(B) allow purchasers to manually check the winning status of a Kansas lottery ticket; and

(C) display advertising, promotions and other information pertaining to the Kansas lottery.

(2) "Lottery ticket vending machine" shall not:

(A) Provide a visual or audio representation of an electronic gaming machine;

(B) visually or functionally have the same characteristics of an electronic gaming machine;

(C) automatically determine or display the winning status of any dispensed ticket;

(D) extend or arrange credit for the purchase of a ticket;

(E) dispense any winnings;

(F) dispense any prize;

(G) dispense any evidence of a prize other than the lottery ticket, keno ticket, pull tab ticket or any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket;

(H) provide free games or any other item that can be redeemed for cash; or

(I) dispense any other form of a prize to a purchaser.

No more than two lottery ticket vending machines may be located at each Kansas lottery retailer selling location.

Lottery ticket vending machines may only dispense the printed physical lottery ticket, keno ticket or pull tab ticket, including any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket, and change from a purchase to the purchaser. Any winnings from a lottery ticket vending machine shall be redeemed only for cash or check by a lottery retailer or by cash, check or other prize from the office of the Kansas lottery.

(u) (1) "Major procurement" means any gaming product or service, including, but not limited to, facilities, advertising and promotional services, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and

services unique to the Kansas lottery, but not including materials, supplies, equipment and services common to the ordinary operations of state agencies.

(2) "Major procurement" shall not mean any product, service or other matter covered by or addressed in the Kansas expanded lottery act or a lottery gaming facility management contract or racetrack gaming facility management contract executed pursuant to the Kansas expanded lottery act.

~~(v)~~(v) "Net electronic gaming machine income" means all cash or other consideration utilized to play an electronic gaming machine operated at a racetrack gaming facility, less all cash or other consideration paid out to winning players as prizes.

~~(w)~~(w) "Organization licensee" has the meaning provided by K.S.A. 74-8802, and amendments thereto.

~~(x)~~(x) "Parimutuel licensee" means a facility owner licensee or facility manager licensee under the Kansas parimutuel racing act.

~~(y)~~(y) "Parimutuel licensee location" means a racetrack facility, as defined in K.S.A. 74-8802, and amendments thereto, owned or managed by the parimutuel licensee. A parimutuel licensee location may include any existing structure at such racetrack facility or any structure that may be constructed on real estate where such racetrack facility is located.

~~(z)~~(z) "Person" means any natural person, association, limited liability company, corporation or partnership.

~~(aa)~~(aa) "Prize" means any prize paid directly by the Kansas lottery pursuant to the Kansas lottery act or the Kansas expanded lottery act or any rules and regulations adopted pursuant to either act.

~~(bb)~~(bb) "Progressive electronic game" means a game played on an electronic gaming machine for which the payoff increases uniformly as the game is played and for which the jackpot, determined by application of a formula to the income of independent, local or interlinked electronic gaming machines, may be won.

~~(cc)~~(cc) "Racetrack gaming facility" means that portion of a parimutuel licensee location where electronic gaming machines are operated, managed and maintained.

~~(dd)~~(dd) "Racetrack gaming facility management contract" means an agreement between the Kansas lottery and a racetrack gaming facility manager, negotiated and signed by the executive director on behalf of the state, for placement of electronic gaming machines owned and operated by the state at a racetrack gaming facility.

~~(ee)~~(ee) "Racetrack gaming facility manager" means a parimutuel licensee specifically certified by the Kansas lottery to become a certified racetrack gaming facility manager and offer electronic gaming machines for play at the racetrack gaming facility.

~~(ff)~~(ff) "Returned ticket" means any ticket which was transferred to a lottery retailer, which was not sold by the lottery retailer and which was returned to the Kansas lottery for refund by issuance of a credit or otherwise.

~~(gg)~~(gg) "Share" means any intangible manifestation authorized by the Kansas lottery to prove participation in a lottery game, except as provided by the Kansas expanded lottery act.

~~(hh)~~(hh) "Ticket" means any tangible evidence issued by the Kansas lottery to prove participation in a lottery game other than a lottery facility game.

~~(ii)~~(ii) "Token" means a representative of value, of metal or other material, which

is not legal tender, redeemable for cash only by the issuing lottery gaming facility manager or racetrack gaming facility manager and which is issued and sold by a lottery gaming facility manager or racetrack gaming facility manager for the sole purpose of playing an electronic gaming machine or lottery facility game.

~~(hh)~~(jj) "Vendor" means any person who has entered into a major procurement contract with the Kansas lottery.

~~(ii)~~(kk) "Video lottery machine" means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game authorized by the commission, including, but not limited to, bingo, poker, black jack and keno, and which uses a video display and microprocessors and in which, by chance, the player may receive free games or credits that can be redeemed for cash.

Sec. 2. K.S.A. 2017 Supp. 74-8711 is hereby amended to read as follows: 74-8711.

(a) There is hereby established in the state treasury the lottery operating fund.

(b) Except as provided by K.S.A. 2017 Supp. 74-8724 and the Kansas expanded lottery act, and amendments thereto, the executive director shall remit all moneys collected from the sale of lottery tickets and shares and any other moneys received by or on behalf of the Kansas lottery 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 lottery operating fund. Moneys credited to the fund shall be expended or transferred only as provided by this act. Expenditures from such fund shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive director or by a person designated by the executive director.

(c) Moneys in the lottery operating fund shall be used for:

(1) The payment of expenses of the lottery, which shall include all costs incurred in the operation and administration of the Kansas lottery; all costs resulting from contracts entered into for the purchase or lease of goods and services needed for operation of the lottery, including but not limited to supplies, materials, tickets, independent studies and surveys, data transmission, advertising, printing, promotion, incentives, public relations, communications and distribution of tickets and shares; and reimbursement of costs of facilities and services provided by other state agencies;

(2) the payment of compensation to lottery retailers;

(3) transfers of moneys to the lottery prize payment fund pursuant to K.S.A. 74-8712, and amendments thereto;

(4) transfers to the state general fund pursuant to K.S.A. 74-8713, and amendments thereto;

(5) transfers to the community crisis stabilization centers fund and clubhouse model program fund of the Kansas department for aging and disability services pursuant to subsection (e);

(6) transfers to the state gaming revenues fund pursuant to subsection (d) and as otherwise provided by law; and

~~(6)~~(7) transfers to the county reappraisal fund as prescribed by law.

(d) The director of accounts and reports shall transfer moneys in the lottery operating fund to the state gaming revenues fund created by K.S.A. 79-4801, and amendments thereto, on or before the 15th day of each month in an amount certified monthly by the executive director and determined as follows, whichever is greater:

(1) An amount equal to the moneys in the lottery operating fund in excess of those needed for the purposes described in subsections (c)(1) through ~~(e)(4)~~ (c)(5); or

(2) except for pull-tab lottery tickets and shares, an amount equal to not less than 30% of total monthly revenues from the sales of lottery tickets and shares less estimated returned tickets. In the case of pull-tab lottery tickets and shares, an amount equal to not less than 20% of the total monthly revenues from the sales of pull-tab lottery tickets and shares less estimated returned tickets.

(e) (1) Subject to the limitations set forth in paragraph (2), commencing in fiscal year 2019, on or before the 10th day of each month, the director of the lottery shall certify to the director of accounts and reports all net profits from the sale of lottery tickets and shares via lottery ticket vending machines. Of such certified amount, the director of accounts and reports shall transfer 75% from the lottery operating fund to the community crisis stabilization centers fund of the Kansas department for aging and disability services and 25% from the lottery operating fund to the clubhouse model program fund of the Kansas department for aging and disability services.

(2) Moneys transferred pursuant to paragraph (1) shall not exceed in the aggregate \$4,000,000 in fiscal year 2019, and shall not exceed in the aggregate \$8,000,000 in fiscal year 2020 and each fiscal year thereafter.

Sec. 3. K.S.A. 74-8719 is hereby amended to read as follows: 74-8719. (a) It is unlawful for any person to purchase a lottery ticket or share, or to share in the lottery winnings of a person, knowing that such person is:

(1) The executive director, a member of the commission or an employee of the Kansas lottery;

(2) an officer or employee of a vendor contracting with the Kansas lottery to supply gaming equipment or tickets to the Kansas lottery for use in the operation of any lottery conducted pursuant to this act;

(3) a spouse, child, stepchild, brother, stepbrother, sister, stepsister, parent or stepparent of a person described by subsection (a)(1) or (2); or

(4) a person who resides in the same household as any person described by subsection (a)(1) or (2).

(b) (1) Violation of subsection (a) is a class A nonperson misdemeanor upon conviction for a first offense.

(2) Violation of subsection (a) is a severity level 9, nonperson felony upon conviction for a second or subsequent offense.

(c) Notwithstanding subsection (a), the executive director may authorize in writing any employee of the Kansas lottery and any employee of a lottery vendor to purchase a lottery ticket for the purposes of verifying the proper operation of the state lottery with respect to security, systems operation and lottery retailer contract compliance. Any prize awarded as a result of such ticket purchase shall become the property of the Kansas lottery and be added to the prize pools of subsequent lottery games.

(d) Certain classes of persons who, because of the unique nature of the supplies or services they provide for use directly in the operation of a lottery pursuant to this act, may be prohibited, in accordance with rules and regulations adopted by the commission, from participating in any lottery in which such supplies or services are used.

(e) Nothing in this section shall prohibit lottery retailers or their employees from purchasing lottery tickets and shares or from being paid a prize of a winning ticket or

share.

(f) Each person who purchases a lottery ticket or share thereby agrees to be bound by rules and regulations adopted by the commission and by the provisions of this act.

(g) Any lottery ticket or share purchased by a person under 18 years of age shall be null and void and may not be claimed for a prize.

Sec. 4. K.S.A. 2017 Supp. 75-6202 is hereby amended to read as follows: 75-6202. As used in this act article 62 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto:

(a) "Debtor" means any person who:

(1) Owes a debt to the state of Kansas or any state agency or any municipality;

(2) owes support to an individual, or an agency of another state, who is receiving assistance in collecting that support under K.S.A. 39-756 or K.S.A. 2017 Supp. 20-378, and amendments thereto, or under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended; or

(3) owes a debt to a foreign state agency.

(b) "Debt" means:

(1) Any liquidated sum due and owing to the state of Kansas, or any state agency, municipality or foreign state agency which has accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgment for that sum. A debt shall not include special assessments except when the owner of the property assessed petitioned for the improvement and any successor in interest of such owner of property;

(2) any amount of support due and owing an individual, or an agency of another state, who is receiving assistance in collecting that support under K.S.A. 39-756 or K.S.A. 2017 Supp. 20-378, and amendments thereto, or under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended, which amount shall be considered a debt due and owing the district court trustee or the Kansas department for children and families for the purposes of this act; or

(3) any assessment of court costs, fines, fees, moneys expended by the state in providing counsel and other defense services to indigent defendants or other charges which a district court judgment has ordered to be paid to the court and which remain unpaid in whole or in part, and includes any interest or penalties on such unpaid amounts as provided for in the judgment or by law. Such amount also includes the cost of collection when the collection services of a contracting agent are utilized.

(c) "Refund" means any amount of income tax refund due to any person as a result of an overpayment of tax, and for this purpose, a refund due to a husband and wife resulting from a joint return shall be considered to be separately owned by each individual in the proportion of each such spouse's contribution to income, as the term "contribution to income" is defined by rules and regulations of the secretary of revenue.

(d) "Net proceeds collected" means gross proceeds collected through final setoff against a debtor's earnings, refund or other payment due from the state or any state agency minus any collection assistance fee charged by the director of accounts and reports of the department of administration.

(e) "State agency" means any state office, officer, department, board, commission, institution, bureau, agency or authority or any division or unit thereof and any judicial district of this state or the clerk or clerks thereof. "State agency" also shall include any:

(1) District court utilizing collection services pursuant to K.S.A. 75-719, and

amendments thereto, to collect debts owed to such court; and (2) contracting agent, as defined in K.S.A. 75-719, and amendments thereto, with which a district court contracts to collect debts owed to such court. Such contracting agent may directly establish a debt setoff account with the director for the sole purpose of collecting debts owed to courts.

(f) "Person" means an individual, proprietorship, partnership, limited partnership, association, trust, estate, business trust, corporation, other entity or a governmental agency, unit or subdivision.

(g) "Director" means the director of accounts and reports of the department of administration.

(h) "Municipality" means any municipality as defined by K.S.A. 75-1117, and amendments thereto, or any community mental health center organized pursuant to the provisions of K.S.A. 19-4001 et seq., and amendments thereto, and licensed pursuant to K.S.A. 2017 Supp. 39-2001 et seq., and amendments thereto, or any mental health clinic organized pursuant to the provisions of K.S.A. 65-211 et seq., and amendments thereto, and licensed pursuant to K.S.A. 2017 Supp. 39-2001 et seq., and amendments thereto.

(i) "Payor agency" means any state agency which holds money for, or owes money to, a debtor.

(j) "Foreign state or foreign state agency" means the states of Colorado, Missouri, Nebraska or Oklahoma or any agency of such states which has entered into a reciprocal agreement pursuant to K.S.A. 75-6215, and amendments thereto.

(k) "Facility owner licensee" shall have the same meaning as the term is defined in K.S.A. 74-8802, and amendments thereto.

(l) "Racetrack gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(m) "Lottery gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(n) "Prize" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto, and any winnings from parimutuel wagering as provided by the Kansas parimutuel racing act, K.S.A. 74-8801 et seq., and amendments thereto.

Sec. 5. K.S.A. 2017 Supp. 75-6204 is hereby amended to read as follows: 75-6204.

(a) Subject to the limitations provided in this act, if a debtor fails to pay a debt or fails to pay to the state of Kansas or any state agency, foreign state agency, municipality or the federal department of the treasury an amount owed, the director may setoff such amount and a reasonable collection assistance fee determined in accordance with K.S.A. 75-6210, and amendments thereto, against any money held for, or any money owed to, such debtor by the state ~~or,~~ any state agency or lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee.

(b) The director may enter into an agreement with a municipality for participation in the setoff program for the purpose of assisting in the collection of a debt ~~as defined by K.S.A. 75-6202, and amendments thereto.~~ The director shall include in any such agreement a provision requiring the municipality to certify that the municipality has made at least three attempts to collect a debt prior to submitting such debt to setoff pursuant to this act.

(c) The director shall enter into an agreement with a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee for participation in the setoff program for the purpose of assisting in the collection of a debt. The director

shall include in any such agreement a provision agreeing to defend, indemnify and hold harmless a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee with regard to all claims, demands, suits, actions, damages, judgments, costs, charges and expenses, including attorney fees, that may be brought or asserted against a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee and that arise from the performance of an agreement to facilitate the collection of debts by a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee.

(d) (1) Except as provided in subsection (c)(2), the director shall add the cost of collection and the debt for a total amount subject to setoff against a debtor.

(2) Any debts due and owing to an individual, the state of Kansas or an agency of another state that are being enforced by the Kansas department for children and families under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended, shall not have the cost of collection added to the debt owed and subject to setoff. Such cost of collection shall be paid by the Kansas department for children and families.

New Sec. 6. (a) Prior to any lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee paying on behalf of the state any moneys requiring the completion of an internal revenue service form W-2G, the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall cause the person winning the prize to be matched against the state debtor files maintained by the director of accounts and reports as prescribed under K.S.A. 75-6201 et seq., and amendments thereto. If such person is listed in the state debtor files, the prize shall be withheld by the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee to the extent of such person's debt as set forth in the state debtor files.

(b) The lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall not be subject to any civil, criminal or administrative liability for any actions taken pursuant to this section, unless such actions are intentional, malicious or wanton by such lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee or employees or agents thereof. The state shall indemnify the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee for any and all expenses, losses, damages and attorney fees that arise directly or indirectly from the performance of activities related to this section. For the purposes of the fair debt collection practices act, and any other federal or state law, the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall have all of the protections of the state under the Kansas tort claims act, K.S.A. 75-6101 et seq., and amendments thereto. The sole remedy at law for persons who claim prizes were wrongfully withheld pursuant to this section shall be to submit an appeal to the department of administration pursuant to K.S.A. 75-6201 et seq., and amendments thereto.

(c) Moneys withheld, based on the state debtor files, shall be remitted to the state treasurer in accordance with K.S.A. 75-4215, and amendments thereto. The state treasurer shall deposit the entire amount in the state treasury and credit it to the department of administration's setoff clearing fund.

(d) Nothing in this section shall apply to Native American tribal gaming facilities.

(e) This section shall be part of and supplemental to the state debt setoff program.

New Sec. 7. (a) The community crisis stabilization centers fund is hereby created in the state treasury and shall be administered by the Kansas department for aging and disability services. The community crisis stabilization centers fund shall consist of those moneys credited to the community crisis stabilization centers fund pursuant to K.S.A. 74-8711(e), and amendments thereto. All expenditures from the community crisis stabilization centers fund shall be for community crisis stabilization centers operated through community mental health centers, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for aging and disability services.

(b) The clubhouse model program fund is hereby created in the state treasury and shall be administered by the Kansas department for aging and disability services. The clubhouse model program fund shall consist of those moneys credited to the clubhouse model program fund pursuant to K.S.A. 74-8711(e), and amendments thereto. All expenditures from the clubhouse model program fund shall be for certified clubhouse model programs, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for aging and disability services.

New Sec. 8. (a) The executive director of the Kansas lottery is authorized to enter into agreements with any nonprofit organization licensed under K.S.A. 2017 Supp. 75-5171 et seq., and amendments thereto, for the operation of instant bingo vending machines, as defined in K.S.A. 74-8702, and amendments thereto, to be located on the premises of such nonprofit organization, provided, that not more than two instant bingo vending machines may be located on the premises of such nonprofit organization. Such agreements shall provide for the remittance of the gross receipts from the sale of instant bingo tickets via any instant bingo vending machine to the nonprofit organization.

(b) All sales of instant bingo tickets via an instant bingo vending machine operated pursuant to an agreement shall be considered sales by the nonprofit organization, and all proceeds from such sales shall be remitted to the nonprofit organization.

Sec. 9. K.S.A. 2017 Supp. 74-8723 is hereby amended to read as follows: 74-8723. (a) The Kansas lottery and the office of executive director of the Kansas lottery, established by K.S.A. 74-8703, and amendments thereto, and the Kansas lottery commission, created by K.S.A. 74-8709, and amendments thereto, shall be and hereby are abolished on July 1, ~~2022~~ 2037.

(b) This section shall be part of and supplemental to the Kansas lottery act.

Sec. 10. K.S.A. 2017 Supp. 75-5173 is hereby amended to read as follows: 75-5173. As used in this act:

(a) "Act" means the Kansas charitable gaming act.

(b) "Administrator" means the administrator of charitable gaming designated by the secretary pursuant to K.S.A. 2017 Supp. 75-5186, and amendments thereto.

(c) "Bingo" or "games of bingo" means the games of call bingo and instant bingo.

(d) "Bingo face" or "face" means a piece of paper which is marked off into 25 squares arranged in five horizontal rows of five squares each and five vertical rows of five squares each, with each square being designated by a number, letter or combination of numbers and letters. Only the center square shall be designated with the word "free." No two bingo faces in the same game shall be identical. Faces shall be disposable and shall not be reused after the game in which a player has used such face.

(e) "Call bingo" means a game in which: (1) Each player pays a charge; (2) a prize

or prizes are awarded to the winner or winners; (3) each player receives one or more cards or faces; and (4) each player covers the squares on each card or face as the operator of such game announces a number, letter or combination of numbers and letters appearing on an object selected by chance, either manually or mechanically from a receptacle in which have been placed objects bearing numbers, letters or combinations of numbers and letters corresponding to the system used for designating the squares. The winner of each game is the player or players first covering properly a predetermined and announced pattern of squares upon the card or face being used by such player or players.

"Call bingo" shall include any regular, special, mini and progressive game of bingo.

(f) "Charitable gaming" means bingo, including call bingo, and instant bingo and charitable raffles.

(g) "Charitable raffle" means a raffle conducted by a nonprofit religious, charitable, fraternal, educational or veterans' organization.

(h) "Department" means the department of revenue.

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

(j) "Distributor" means any person or entity that sells or distributes instant bingo tickets, bingo cards or bingo faces.

(k) "Electronic gaming device" means a device that, as a result of the insertion of a coin or other object, operates, either completely automatically or with the aid of some physical act by the player, in such a manner that, depending upon elements of chance, it may eject something of value.

(l) "Instant bingo" means a game: (1) In which each player pays a charge; (2) in which a prize or prizes are awarded to the winner or winners; (3) in which each player receives one or more disposable pull-tab or break-open tickets which accord a player an opportunity to win something of value by opening or detaching the paper covering from the back of the ticket to reveal a set of numbers, letters, symbols or configurations, or any combination thereof; ~~(4) which that~~ is conducted by a licensee under this act; ~~(5) the conduct of which must be in the presence of the players that may be dispensed by an instant bingo vending machine;~~ and (6) ~~which that~~ does not utilize any dice, normal playing cards, instant ticket with a removable latex covering or slot machines.

Winners of instant bingo shall be determined either: (1) By a combination of letters, numbers or symbols determined and posted prior to the sale of instant bingo tickets; (2) by matching a letter, number or symbol under a tab of an instant bingo ticket with the winning letter, number or symbol in a designated call game of bingo during the same session; or (3) by matching a letter, number or symbol under a tab of an instant bingo ticket with one or more letters, numbers or symbols announced in, or as a continuation of, a designated call game of bingo during the same session.

~~"Instant bingo" shall not include any game utilizing electronically generated or computer-generated tickets.~~

(m) "Instant bingo vending machine" means the same as that term is defined in K.S.A. 74-8702, and amendments thereto.

~~(n)~~(n) "Lessor" means the owner, co-owner, lessor or sublessor of premises upon which a licensee is permitted to manage, operate or conduct games of bingo.

~~(o)~~(o) "Licensee" means any nonprofit organization holding a license to manage, operate or conduct games of bingo or charitable raffles pursuant to K.S.A. 2017 Supp. 75-5171 through 75-5188, and amendments thereto. A license shall be required for each

affiliated organization of any state or national nonprofit religious, charitable, fraternal, educational or veteran's organization.

~~(p)~~ "Mini bingo" means a game of call bingo in which the prizes awarded are not less than 50% of the gross receipts derived from the sale of cards or faces for participation in the game.

~~(q)~~ "Net proceeds" means the gross receipts received by the licensee from charges imposed on players for participation in games of bingo or raffles and any admission fees or charges less amounts actually paid as prizes in games of bingo or raffles and any tax payable by the licensee.

~~(r)~~ "Nonprofit religious organization" means any organization, church, body of communicants, or group, gathered in common membership for mutual support and edification in piety, worship, and religious observances, or a society of individuals united for religious purposes at a definite place and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization, and which religious organization maintains an established place of worship within this state and has a regular schedule of services or meetings at least on a weekly basis and has been determined by the administrator to be organized and created as a bona fide religious organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(3) or section 501(d) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit religious organization by the administrator.

~~(s)~~ "Nonprofit charitable organization" means any organization which is organized and operated for:

(1) The relief of poverty, distress, or other condition of public concern within this state;

(2) financially supporting the activities of a charitable organization as defined in paragraph (1); or

(3) conferring direct benefits on the community at large; and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization and has been determined by the administrator to be organized and operated as a bona fide charitable organization and which has been exempted from the payment of federal income taxes as provided by sections 501(c)(3), 501(c)(4), 501(c)(5), 501(c)(6) and 501(c)(7) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit charitable organization by the administrator.

~~(t)~~ "Nonprofit fraternal organization" means any organization within this state which exists for the common benefit, brotherhood, or other interests of its members and is authorized by its written constitution, charter, articles of incorporation or bylaws to engage in a fraternal, civic or service purpose within this state and has been determined by the administrator to be organized and operated as a bona fide fraternal organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(8) or section 501(c)(10) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit fraternal organization by the administrator.

~~(u)~~ "Nonprofit educational organization" means any public or private elementary or secondary school or institution of higher education which has been determined by the administrator to be organized and operated as a bona fide educational organization and

which has been exempted from the payment of federal income taxes as provided by section 501(c)(3) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit educational organization by the administrator.

~~(u)~~(v) "Nonprofit veterans' organization" means any organization within this state or any branch, lodge or chapter of a national or state organization within this state, the membership of which consists exclusively of individuals who qualify for membership because they were or are members of the armed services or forces of the United States, or an auxiliary unit or society of such a nonprofit veterans' organization, the membership of which consists exclusively of individuals who were or are members of the armed services or forces of the United States, or are cadets, or are spouses, widows or widowers of individuals who were or are members of the armed services or forces of the United States, and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization, and has been determined by the administrator to be organized and operated as a bona fide veterans' organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(4) or 501(c)(19) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit veterans' organization by the administrator.

~~(v)~~(w) "Person" means any natural person, corporation, partnership, trust or association.

~~(w)~~(x) "Premises" means any room, hall, building, enclosure or outdoor area used for the management, operation or conduct of a game of bingo by a licensee.

~~(x)~~(y) "Progressive bingo" means a game of call bingo in which either the established prize amount or number of bingo balls or objects called, or both, may be increased from one session to the next scheduled session if no player completes the required pattern within the specified number of bingo balls or objects drawn. The player's opportunity to win shall increase as the prize amount increases.

~~(y)~~(z) "Raffle" means a game of chance in which each participant buys a ticket or tickets from a nonprofit organization with each ticket providing an equal chance to win a prize and the winner being determined by a random drawing.

~~(z)~~(aa) "Reusable bingo card" means a reusable card which is marked off into 25 squares arranged in five horizontal rows of five squares each and five vertical rows of five squares each, with each square being designated by a number, letter or combination of numbers and letters. Only the center square shall be designated with the word "free." No two cards in the same game shall be identical.

~~(aa)~~(bb) "Secretary" means the secretary of revenue or the secretary's designee.

~~(bb)~~(cc) "Session" means a day on which a licensee conducts games of bingo.

New Sec. 11. (a) Any person listed in subsections (b)(1), (2) or (3) may engage or direct a person under 18 years of age to violate the provisions of the Kansas lottery act in order to develop a program or system that determines and encourages compliance with the provisions of such act prohibiting sales of lottery tickets to persons under the age of 18 via lottery ticket vending machines.

(b) No person shall engage or direct a person under 18 years of age to violate any provision of the Kansas lottery act for purposes of determining compliance with the provisions of such act unless such person is:

(1) An officer having authority to enforce the provisions of the Kansas lottery act;

(2) an authorized representative of the attorney general, a county attorney or district attorney; or

(3) a lottery retailer, or such retailer's designee, pursuant to a self-compliance program designed to increase compliance with the provisions of the Kansas lottery act and approved by the executive director.

(c) The provisions of this section shall be part of and supplemental to the Kansas lottery act.

Sec. 12. K.S.A. 74-8719 and K.S.A. 2017 Supp. 74-8702, 74-8711, 74-8723, 75-5173, 75-6202 and 75-6204 are hereby repealed.";

Also on page 8, in line 34, by striking "statute book" and inserting "Kansas register";
And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in lines 2 and 3; in line 4, by striking all before the period and inserting "gaming; relating to lottery ticket vending machines and revenues derived therefrom; relating to instant bingo vending machines; concerning certain debt setoff agreements; amending K.S.A. 74-8719 and K.S.A. 2017 Supp. 74-8702, 74-8711, 74-8723, 75-5173, 75-6202 and 75-6204 and repealing the existing sections";

BUD ESTES

ROB OLSON

OLETHA FAUST-GOUDEAU

Conferees on part of Senate

RONALD HIGHLAND

RONALD ELLIS

LOUIS RUIZ

Conferees on part of House

Senator Estes moved the Senate adopt the Conference Committee Report on **Sub HB 2194**.

On roll call, the vote was: Yeas 33; Nays 6; Present and Passing 1; Absent or Not Voting 0.

Yeas: Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, McGinn, Olson, Petersen, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor, Wagle, Wilborn.

Nays: Alley, Baumgardner, Masterson, Pilcher-Cook, Pyle, Tyson.

Present and Passing: Suellentrop.

The Conference Committee Report was adopted.

MESSAGE FROM THE HOUSE

The House announced the appointment of Representatives Highland, Humphries and Ruiz as conferees on **SB 284**.

On motion of Senator Denning, the Senate recessed until 2:00 p.m.

The Senate met pursuant to recess with Vice President Longbine in the chair.

MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report on **HB 2280**.
 The House adopts the Conference Committee report on **HB 2458**.
 The House adopts the Conference Committee report on **HB 2479**.
 The House adopts the Conference Committee report on **HB 2579**.

On motion of Senator Denning, the Senate recessed until the sound of the gavel.

The Senate met pursuant to recess with Vice President Longbine in the chair.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senator Hensley introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1795—

A RESOLUTION congratulating and commending the members
 of the Shawnee Heights High School cheer squad for winning the
 Class 5A championship in the inaugural Game Day Spirit Showcase Competition.

WHEREAS, The Kansas State High School Activities Association hosted the inaugural Game Day Spirit Showcase Competition on November 18, 2017, at the Kansas Expocentre; and

WHEREAS, More than 1,400 athletes on 83 teams competed in the three competition areas of dance, crowd leading and fight song; and

WHEREAS, The Varsity Spirit "Game Day" format was chosen by the activities association as a way to exemplify what cheerleading represents; and

WHEREAS, In preparing for the showcase, cheer squads focused on improving their sideline skills, safety techniques and leadership abilities; and

WHEREAS, The Shawnee Heights cheer squad won first place in the Class 5A division; and

WHEREAS, The Shawnee Heights team was represented at the competition by squad captains Brooke Petefish, Rachel Etzel and Teresa Osterhaus, and squad members KayLee Nottestad, Amber Michaud, Kortney Michel, Carson Root, Isabella Owens, Hayley Hollenbeck, Aubree Chavez, Ehlee Buckholtz, Abbey McGinley, Maddie Rice, Kaitlin Thomas, Keyon Dowing, Jenna Karnowski, Ali Crawford, Camryn Bermudez-Kimmel, Kailey Ward, Victoria Holden, Savanna Good, Emily Seuell, Latriece Wynne, Carlyn Thornton, Hannah Arensdorf, Hailey Buckley, Tyriq Collins, Shannon Byrne, Reagan Emerson and Fayth Boucher; and

WHEREAS, The Shawnee Heights team was coached by Head Coach Morgan Whitney and Assistant Coach Tiffany Sloan: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend the members of the Shawnee Heights High School cheer squad for winning the Class 5A championship in the inaugural Game Day Spirit Showcase Competition; and

Be it further resolved: That the Secretary of the Senate shall send 36 enrolled copies of this resolution to Senator Hensley.

On emergency motion of Senator Hensley **SR 1795** was adopted unanimously.

ORIGINAL MOTION

Senator Denning moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **HB 2111, HB 2488.**

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2111 submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 7 through 34;

By striking all on page 2;

On page 3, by striking all in lines 1 through 39; following line 39, by inserting:

"Section 1. K.S.A. 2017 Supp. 79-3602 is hereby amended to read as follows: 79-3602. Except as otherwise provided, as used in the Kansas retailers' sales tax act:

(a) "Agent" means a person appointed by a seller to represent the seller before the member states.

(b) "Agreement" means the multistate agreement entitled the streamlined sales and use tax agreement approved by the streamlined sales tax implementing states at Chicago, Illinois on November 12, 2002.

(c) "Alcoholic beverages" means beverages that are suitable for human consumption and contain 0.05% or more of alcohol by volume.

(d) "Certified automated system (CAS)" means software certified under the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction.

(e) "Certified service provider (CSP)" means an agent certified under the agreement to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases.

(f) "Computer" means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions.

(g) "Computer software" means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

(h) "Delivered electronically" means delivered to the purchaser by means other than tangible storage media.

(i) "Delivery charges" means charges by the seller of personal property or services for preparation and delivery to a location designated by the purchaser of personal property or services including, but not limited to, transportation, shipping, postage, handling, crating and packing. Delivery charges shall not include charges for delivery of direct mail if the charges are separately stated on an invoice or similar billing document given to the purchaser.

(j) "Direct mail" means printed material delivered or distributed by United States mail or other delivery services to a mass audience or to addressees on a mailing list provided by the purchaser or at the direction of the purchaser when the cost of the items are not billed directly to the recipients. Direct mail includes tangible personal property

supplied directly or indirectly by the purchaser to the direct mail seller for inclusion in the package containing the printed material. Direct mail does not include multiple items of printed material delivered to a single address.

(k) "Director" means the state director of taxation.

(l) "Educational institution" means any nonprofit school, college and university that offers education at a level above the 12th grade, and conducts regular classes and courses of study required for accreditation by, or membership in, the higher learning commission, the state board of education, or that otherwise qualify as an "educational institution," as defined by K.S.A. 74-50,103, and amendments thereto. Such phrase shall include: (1) A group of educational institutions that operates exclusively for an educational purpose; (2) nonprofit endowment associations and foundations organized and operated exclusively to receive, hold, invest and administer moneys and property as a permanent fund for the support and sole benefit of an educational institution; (3) nonprofit trusts, foundations and other entities organized and operated principally to hold and own receipts from intercollegiate sporting events and to disburse such receipts, as well as grants and gifts, in the interest of collegiate and intercollegiate athletic programs for the support and sole benefit of an educational institution; and (4) nonprofit trusts, foundations and other entities organized and operated for the primary purpose of encouraging, fostering and conducting scholarly investigations and industrial and other types of research for the support and sole benefit of an educational institution.

(m) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

(n) "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. "Food and food ingredients" does not include alcoholic beverages or tobacco.

(o) "Gross receipts" means the total selling price or the amount received as defined in this act, in money, credits, property or other consideration valued in money from sales at retail within this state; and embraced within the provisions of this act. The taxpayer, may take credit in the report of gross receipts for: (1) An amount equal to the selling price of property returned by the purchaser when the full sale price thereof, including the tax collected, is refunded in cash or by credit; and (2) an amount equal to the allowance given for the trade-in of property.

(p) "Ingredient or component part" means tangible personal property which is necessary or essential to, and which is actually used in and becomes an integral and material part of tangible personal property or services produced, manufactured or compounded for sale by the producer, manufacturer or compounder in its regular course of business. The following items of tangible personal property are hereby declared to be ingredients or component parts, but the listing of such property shall not be deemed to be exclusive nor shall such listing be construed to be a restriction upon, or an indication of, the type or types of property to be included within the definition of "ingredient or component part" as herein set forth:

(1) Containers, labels and shipping cases used in the distribution of property produced, manufactured or compounded for sale which are not to be returned to the producer, manufacturer or compounder for reuse.

(2) Containers, labels, shipping cases, paper bags, drinking straws, paper plates, paper cups, twine and wrapping paper used in the distribution and sale of property

taxable under the provisions of this act by wholesalers and retailers and which is not to be returned to such wholesaler or retailer for reuse.

(3) Seeds and seedlings for the production of plants and plant products produced for resale.

(4) Paper and ink used in the publication of newspapers.

(5) Fertilizer used in the production of plants and plant products produced for resale.

(6) Feed for animals, fowl and aquatic plants and animals, the primary purpose of which is use in agriculture or aquaculture, as defined in K.S.A. 47-1901, and amendments thereto, the production of food for human consumption, the production of animal, dairy, poultry or aquatic plant and animal products, fiber, fur, or the production of offspring for use for any such purpose or purposes.

(q) "Isolated or occasional sale" means the nonrecurring sale of tangible personal property, or services taxable hereunder by a person not engaged at the time of such sale in the business of selling such property or services. Any religious organization which makes a nonrecurring sale of tangible personal property acquired for the purpose of resale shall be deemed to be not engaged at the time of such sale in the business of selling such property. Such term shall include: (1) Any sale by a bank, savings and loan institution, credit union or any finance company licensed under the provisions of the Kansas uniform consumer credit code of tangible personal property which has been repossessed by any such entity; and (2) any sale of tangible personal property made by an auctioneer or agent on behalf of not more than two principals or households if such sale is nonrecurring and any such principal or household is not engaged at the time of such sale in the business of selling tangible personal property.

(r) "Lease or rental" means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend.

(1) Lease or rental does not include: (A) A transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

(B) a transfer or possession or control of property under an agreement that requires the transfer of title upon completion of required payments and payment of an option price does not exceed the greater of \$100 or 1% of the total required payments; or

(C) providing tangible personal property along with an operator for a fixed or indeterminate period of time. A condition of this exclusion is that the operator is necessary for the equipment to perform as designed. For the purpose of this subsection, an operator must do more than maintain, inspect or set-up the tangible personal property.

(2) Lease or rental does include agreements covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. § 7701(h)(1).

(3) This definition shall be used for sales and use tax purposes regardless if a transaction is characterized as a lease or rental under generally accepted accounting principles, the internal revenue code, the uniform commercial code, K.S.A. 84-1-101 et seq., and amendments thereto, or other provisions of federal, state or local law.

(4) This definition will be applied only prospectively from the effective date of this

act and will have no retroactive impact on existing leases or rentals.

(s) "Load and leave" means delivery to the purchaser by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser.

(t) "Member state" means a state that has entered in the agreement, pursuant to provisions of article VIII of the agreement.

(u) "Model 1 seller" means a seller that has selected a CSP as its agent to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases.

(v) "Model 2 seller" means a seller that has selected a CAS to perform part of its sales and use tax functions, but retains responsibility for remitting the tax.

(w) "Model 3 seller" means a seller that has sales in at least five member states, has total annual sales revenue of at least \$500,000,000, has a proprietary system that calculates the amount of tax due each jurisdiction and has entered into a performance agreement with the member states that establishes a tax performance standard for the seller. As used in this subsection a seller includes an affiliated group of sellers using the same proprietary system.

(x) "Municipal corporation" means any city incorporated under the laws of Kansas.

(y) "Nonprofit blood bank" means any nonprofit place, organization, institution or establishment that is operated wholly or in part for the purpose of obtaining, storing, processing, preparing for transfusing, furnishing, donating or distributing human blood or parts or fractions of single blood units or products derived from single blood units, whether or not any remuneration is paid therefor, or whether such procedures are done for direct therapeutic use or for storage for future use of such products.

(z) "Persons" means any individual, firm, copartnership, joint adventure, association, corporation, estate or trust, receiver or trustee, or any group or combination acting as a unit, and the plural as well as the singular number; and shall specifically mean any city or other political subdivision of the state of Kansas engaging in a business or providing a service specifically taxable under the provisions of this act.

(aa) "Political subdivision" means any municipality, agency or subdivision of the state which is, or shall hereafter be, authorized to levy taxes upon tangible property within the state or which certifies a levy to a municipality, agency or subdivision of the state which is, or shall hereafter be, authorized to levy taxes upon tangible property within the state. Such term also shall include any public building commission, housing, airport, port, metropolitan transit or similar authority established pursuant to law and the horsethief reservoir benefit district established pursuant to K.S.A. 82a-2201, and amendments thereto.

(bb) "Prescription" means an order, formula or recipe issued in any form of oral, written, electronic or other means of transmission by a duly licensed practitioner authorized by the laws of this state.

(cc) "Prewritten computer software" means computer software, including prewritten upgrades, which is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the purchaser. Where a person modifies or enhances computer software of which the person

is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software, except that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute prewritten computer software.

(dd) "Property which is consumed" means tangible personal property which is essential or necessary to and which is used in the actual process of and consumed, depleted or dissipated within one year in: (1) The production, manufacture, processing, mining, drilling, refining or compounding of tangible personal property; (2) the providing of services; (3) the irrigation of crops, for sale in the regular course of business; or (4) the storage or processing of grain by a public grain warehouse or other grain storage facility, and which is not reusable for such purpose. The following is a listing of tangible personal property, included by way of illustration but not of limitation, which qualifies as property which is consumed:

(A) Insecticides, herbicides, germicides, pesticides, fungicides, fumigants, antibiotics, biologicals, pharmaceuticals, vitamins and chemicals for use in commercial or agricultural production, processing or storage of fruit, vegetables, feeds, seeds, grains, animals or animal products whether fed, injected, applied, combined with or otherwise used;

(B) electricity, gas and water; and

(C) petroleum products, lubricants, chemicals, solvents, reagents and catalysts.

(ee) "Purchase price" applies to the measure subject to use tax and has the same meaning as sales price.

(ff) "Purchaser" means a person to whom a sale of personal property is made or to whom a service is furnished.

(gg) "Quasi-municipal corporation" means any county, township, school district, drainage district or any other governmental subdivision in the state of Kansas having authority to receive or hold moneys or funds.

(hh) "Registered under this agreement" means registration by a seller with the member states under the central registration system provided in article IV of the agreement.

(ii) "Retailer" means a seller regularly engaged in the business of selling, leasing or renting tangible personal property at retail or furnishing electrical energy, gas, water, services or entertainment, and selling only to the user or consumer and not for resale.

(jj) "Retail sale" or "sale at retail" means any sale, lease or rental for any purpose other than for resale, sublease or subrent.

(kk) "Sale" or "sales" means the exchange of tangible personal property, as well as the sale thereof for money, and every transaction, conditional or otherwise, for a consideration, constituting a sale, including the sale or furnishing of electrical energy, gas, water, services or entertainment taxable under the terms of this act and including, except as provided in the following provision, the sale of the use of tangible personal property by way of a lease, license to use or the rental thereof regardless of the method by which the title, possession or right to use the tangible personal property is transferred. The term "sale" or "sales" shall not mean the sale of the use of any tangible

personal property used as a dwelling by way of a lease or rental thereof for a term of more than 28 consecutive days.

(ll) (1) "Sales or selling price" applies to the measure subject to sales tax and means the total amount of consideration, including cash, credit, property and services, for which personal property or services are sold, leased or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

(A) The seller's cost of the property sold;

(B) the cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller and any other expense of the seller;

(C) charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

(D) delivery charges; and

(E) installation charges.

(2) "Sales or selling price" includes consideration received by the seller from third parties if:

(A) The seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

(B) the seller has an obligation to pass the price reduction or discount through to the purchaser;

(C) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

(D) one of the following criteria is met:

(i) The purchaser presents a coupon, certificate or other documentation to the seller to claim a price reduction or discount where the coupon, certificate or documentation is authorized, distributed or granted by a third party with the understanding that the third party will reimburse any seller to whom the coupon, certificate or documentation is presented;

(ii) the purchaser identifies to the seller that the purchaser is a member of a group or organization entitled to a price reduction or discount. A preferred customer card that is available to any patron does not constitute membership in such a group; or

(iii) the price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser.

(3) "Sales or selling price" shall not include:

(A) Discounts, including cash, term or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

(B) interest, financing and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale or similar document given to the purchaser;

(C) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser;

(D) the amount equal to the allowance given for the trade-in of property, if separately stated on the invoice, billing or similar document given to the purchaser; and

(E) commencing on July 1, ~~2006~~ 2018, and ending on June 30, ~~2009~~ 2021, cash rebates granted by a manufacturer to a purchaser or lessee of a new motor vehicle if paid directly to the retailer as a result of the original sale.

(mm) "Seller" means a person making sales, leases or rentals of personal property or services.

(nn) "Service" means those services described in and taxed under the provisions of K.S.A. 79-3603, and amendments thereto.

(oo) "Sourcing rules" means the rules set forth in K.S.A. 2017 Supp. 79-3670 through 79-3673, K.S.A. 12-191 and 12-191a, and amendments thereto, which shall apply to identify and determine the state and local taxing jurisdiction sales or use taxes to pay, or collect and remit on a particular retail sale.

(pp) "Tangible personal property" means personal property that can be seen, weighed, measured, felt or touched, or that is in any other manner perceptible to the senses. Tangible personal property includes electricity, water, gas, steam and prewritten computer software.

(qq) "Taxpayer" means any person obligated to account to the director for taxes collected under the terms of this act.

(rr) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco or any other item that contains tobacco.

(ss) "Entity-based exemption" means an exemption based on who purchases the product or who sells the product. An exemption that is available to all individuals shall not be considered an entity-based exemption.

(tt) "Over-the-counter drug" means a drug that contains a label that identifies the product as a drug as required by 21 C.F.R. § 201.66. The over-the-counter drug label includes: (1) A drug facts panel; or (2) a statement of the active ingredients with a list of those ingredients contained in the compound, substance or preparation. Over-the-counter drugs do not include grooming and hygiene products such as soaps, cleaning solutions, shampoo, toothpaste, antiperspirants and sun tan lotions and screens.

(uu) "Ancillary services" means services that are associated with or incidental to the provision of telecommunications services, including, but not limited to, detailed telecommunications billing, directory assistance, vertical service and voice mail services.

(vv) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge.

(ww) "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.

(xx) "Directory assistance" means an ancillary service of providing telephone number information or address information, or both.

(yy) "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services, which offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections, including conference bridging services.

(zz) "Voice mail service" means an ancillary service that enables the customer to store, send or receive recorded messages. Voice mail service does not include any vertical services that the customer may be required to have in order to utilize the voice mail service.

(aaa) "Telecommunications service" means the electronic transmission, conveyance

or routing of voice, data, audio, video or any other information or signals to a point, or between or among points. The term telecommunications service includes such transmission, conveyance or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmissions, conveyance or routing without regard to whether such service is referred to as voice over internet protocol services or is classified by the federal communications commission as enhanced or value added. Telecommunications service does not include:

(1) Data processing and information services that allow data to be generated, acquired, stored, processed or retrieved and delivered by an electronic transmission to a purchaser where such purchaser's primary purpose for the underlying transaction is the processed data or information;

(2) installation or maintenance of wiring or equipment on a customer's premises;

(3) tangible personal property;

(4) advertising, including, but not limited to, directory advertising;

(5) billing and collection services provided to third parties;

(6) internet access service;

(7) radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance and routing of such services by the programming service provider. Radio and television audio and video programming services shall include, but not be limited to, cable service as defined in 47 U.S.C. § 522(6) and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 C.F.R. § 20.3;

(8) ancillary services; or

(9) digital products delivered electronically, including, but not limited to, software, music, video, reading materials or ring tones.

(bbb) "800 service" means a telecommunications service that allows a caller to dial a toll-free number without incurring a charge for the call. The service is typically marketed under the name 800, 855, 866, 877 and 888 toll-free calling, and any subsequent numbers designated by the federal communications commission.

(ccc) "900 service" means an inbound toll telecommunications service purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service. 900 service does not include the charge for collection services provided by the seller of the telecommunications services to the subscriber, or service or product sold by the subscriber to the subscriber's customer. The service is typically marketed under the name 900 service, and any subsequent numbers designated by the federal communications commission.

(ddd) "Value-added non-voice data service" means a service that otherwise meets the definition of telecommunications services in which computer processing applications are used to act on the form, content, code or protocol of the information or data primarily for a purpose other than transmission, conveyance or routing.

(eee) "International" means a telecommunications service that originates or terminates in the United States and terminates or originates outside the United States, respectively. United States includes the District of Columbia or a U.S. territory or possession.

(fff) "Interstate" means a telecommunications service that originates in one United States state, or a United States territory or possession, and terminates in a different United States state or a United States territory or possession.

(ggg) "Intrastate" means a telecommunications service that originates in one United States state or a United States territory or possession, and terminates in the same United States state or a United States territory or possession.

Sec. 2. K.S.A. 2017 Supp. 79-3602 is hereby repealed."

Also on page 3, in line 41, by striking "Kansas register" and inserting "statute book";

On page 1, in the title, in line 1 by striking all after "concerning"; by striking all in line 2; in line 3 by striking all before the semicolon and inserting "sales taxation; relating to certain cash rebates on sales or leases of new motor vehicles"; also in line 3 by striking "74-4959" and inserting "2017 Supp. 79-3602";

CARYN TYSON

DAN KERSCHEN

TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON

TOM PHILLIPS

TOM SAWYER

Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2111**.

On roll call, the vote was: Yeas 38; Nays 0; Present and Passing 2; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

Present and Passing: Bowers, Longbine.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2488 submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 6 through 34;

By striking all on pages 2 and 3;

On page 4, by striking all in lines 1 through 23; following line 23 by inserting:

"Section 1. (a) Unlawful acts involving an automated sales suppression device is knowingly selling, purchasing, installing, transferring, manufacturing, creating, designing, updating, repairing, using or possessing an automated sales suppression device, zipper or phantom-ware.

(b) Unlawful acts involving an automated sales suppression device is a severity level 7, nonperson felony.

(c) In addition to any other criminal penalties provided by law, any person

convicted of unlawful acts involving an automated sales suppression device may be liable for all taxes, interest and penalties due the state as a result of such unlawful acts.

(d) As used in this section:

(1) "Automated sales suppression device" or "zapper" means a computer software program, carried on a memory stick or removable compact disc, accessed through an internet link or accessed through any other means that falsifies the electronic records of electronic cash registers and other point-of-sale systems, including, but not limited to, transaction data and transaction reports;

(2) "electronic cash register" means a device that keeps a register or supporting documents through the means of an electronic device or computer system designed to record transaction data in any manner;

(3) "phantom-ware" means a hidden, pre-installed or installed at a later time programming option embedded in the operating system of an electronic cash register or hardwired into the electronic cash register that can be used to create a virtual second till or may eliminate or manipulate transaction records that may or may not be preserved in digital formats to represent the true or manipulated record of transactions in the electronic cash register;

(4) "transaction data" includes, but is not limited to:

(A) Items purchased by a customer;

(B) the price for each item;

(C) a taxability determination for each item;

(D) a segregated tax amount for each of the taxed items;

(E) the amount of cash or credit tendered;

(F) the net amount returned to the customer in change;

(G) the date and time of the purchase;

(H) the name, address and identification number of the vendor; and

(I) the receipt or invoice number of the transaction; and

(5) "transaction report" means a report including, but not limited to, the sales, taxes collected, media totals and discount voids at an electronic cash register that is printed on cash register tape at the end of a day or shift, or a report documenting every action at an electronic cash register that is stored electronically.

(e) This section shall be part of and supplemental to the Kansas criminal code."

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking "section" and inserting "crimes, punishment and criminal procedure; creating the crime of unlawful acts involving an automated sales suppression device; sales and use tax";

CARYN TYSON

DAN KERSCHEN

TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON

TOM PHILLIPS

TOM SAWYER

Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2488**.

On roll call, the vote was: Yeas 22; Nays 0; Present and Passing 18; Absent or Not Voting 0.

Yeas: Berger, Bowers, Denning, Doll, Estes, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, Petersen, Rogers, Skubal, Suellentrop, Sykes, Taylor.

Present and Passing: Alley, Baumgardner, Billinger, Bollier, Faust-Goudeau, Hilderbrand, Longbine, Lynn, Masterson, McGinn, Olson, Pettey, Pilcher-Cook, Pyle, V. Schmidt, Tyson, Wagle, Wilborn.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2228** submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

CARYN TYSON

DAN KERSCHEN

TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON

TOM PHILLIPS

TOM SAWYER

Conferees on part of House

On motion of Senator Tyson the Senate adopted the conference committee report on **S Sub HB 2228**, and requested a new conference be appointed.

The Vice President appointed Senators Tyson, Kerschen and Holland as a second Conference Committee on the part of the Senate on **S Sub HB 2228**.

On motion of Senator Denning, the Senate recessed until 4:00 p.m.

The Senate met pursuant to recess with President Wagle in the chair.

MESSAGE FROM THE HOUSE

The House adopts the conference committee report to agree to disagree on **SB 284** and appoints Representatives Highland, Humphries and Carmichael as second conferees on the part of the House.

ORIGINAL MOTION

Senator Denning moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **SB 284**, **HB 2438**.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 284** submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

RONALD HIGHLAND
SUSAN HUMPHRIES
Conferees on part of House

RICHARD WILBORN
JULIE LYNN
Conferees on part of Senate

On motion of Senator Denning the Senate adopted the conference committee report on **SB 284**, and requested a new conference be appointed.

The President appointed Senators Wilborn, Lynn and Haley as a second Conference Committee on the part of the Senate on **SB 284**.

On motion of Senator Denning, the Senate recessed until the sound of the gavel.

The Senate met pursuant to recess with Vice President Longbine in the chair.

MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report on **H Sub SB 391**.

The House adopts the conference committee report to agree to disagree on **S Sub HB 2228** and appoints Representatives Johnson, Phillips and Sawyer as second conferees on the part of the House.

The House adopts the Conference Committee report on **H Sub SB 109**.

The House adopts the Conference Committee report on **HB 2067**.

The House adopts the Conference Committee report on **Sub HB 2194**.

ORIGINAL MOTION

Senator Denning moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **H Sub SB 391**.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 391 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 391, as follows:

On page 1, by striking all in lines 10 through 36;

On page 2, by striking all in lines 1 through 15; following line 15, by inserting

"(1) The chairperson of the house committee on transportation;

(2) the chairperson of the house committee on transportation and public safety budget;

- (3) the ranking minority member of the house committee on transportation;
- (4) one member of the house of representatives to be appointed by the speaker of the house of representatives;
- (5) the chairperson of the house committee on appropriations, or such chairperson's designee from the house committee on appropriations;
- (6) one member of the house of representatives to be appointed by the minority leader of the house of representatives;
- (7) the chairperson of the senate committee on transportation;
- (8) the chairperson of the senate committee on ways and means subcommittee on transportation;
- (9) the ranking minority member of the senate committee on transportation;
- (10) one member of the senate to be appointed by the president of the senate;
- (11) the chairperson of the senate committee on ways and means, or such chairperson's designee from the senate committee on ways and means;
- (12) one member of the senate to be appointed by the minority leader of the senate;
- (13) two city representatives to be appointed by the Kansas league of municipalities, including one who resides in a city with a population greater than 25,000 people and one who resides in a city with a population less than or equal to 25,000 people;
- (14) two county commissioners to be appointed by the Kansas association of counties, including one who resides in a county with a population greater than 40,000 people and one who resides in a county with a population less than or equal to 40,000 people;
- (15) four Kansas residents to be appointed by the speaker of the house of representatives;
- (16) two Kansas residents to be appointed by the minority leader of the house of representatives;
- (17) four Kansas residents to be appointed by the president of the senate;
- (18) two Kansas residents to be appointed by the minority leader of the senate;
- (19) three Kansas residents to be appointed by Kansas economic lifelines; and";

Also on page 2, in line 28, by striking "Except for appointments under subsection (a) (20) and (21),"; in line 30, before the colon by inserting ". Not more than two members may be affiliated from each of the following stakeholder organizations. Two members appointed by the speaker of the house of representatives pursuant to subsection (a)(15) and two members appointed by the president of the senate pursuant to subsection (a) (17) are not required to be affiliated with one of the following stakeholder organizations"; by striking all in line 31; in line 34, by striking all after "producers"; following line 35, by inserting:

"(4) the Kansas ready mix association;";

On page 3, by striking all in lines 6 through 9; following line 9, by inserting

"(16) the Kansas grain and feed association;

(17) the Kansas economic development alliance; or";

Also on page 3, in line 30, by striking all after "(e)"; by striking all in lines 31 and 32; in line 33, by striking "subsection."; in line 34, by striking "additional"; in line 35, by striking all after the period; by striking all in lines 36 through 41; in line 42, by striking "subsection (c).";

On page 4, in line 1, by striking all after the period; by striking all in lines 2 through 43;

On page 5, by striking all in lines 1 through 4; following line 10, by inserting:

"(3) the co-chairpersons shall schedule and organize meetings whose purpose is to solicit local input on existing uncompleted projects and future projects in each highway and metropolitan district. The meetings shall be open meetings and such meetings shall be held at least eight times, including at least one meeting in each department of transportation district and the Wichita and Kansas city metropolitan areas;"

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

RICHARD PROEHL
SHANNON FRANCIS
ADAM LUSKER, SR.

Conferees on part of House

CAROLYN MCGINN
RICK BILLINGER
LAURA KELLY

Conferees on part of Senate

Senator McGinn moved the Senate adopt the Conference Committee Report on **H Sub SB 391**.

On roll call, the vote was: Yeas 38; Nays 1; Present and Passing 0; Absent or Not Voting 1.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kerschen, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Taylor, Tyson, Wagle, Wilborn.

Nays: Pilcher-Cook.

Absent or Not Voting: Sykes.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2438 submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 7 through 36;

On page 2, by striking all in lines 1 through 35 and inserting:

"Section 1. On and after July 1, 2018, K.S.A. 2017 Supp. 12-5377, as amended by section 1 of 2018 House Bill No. 2435, is hereby amended to read as follows: 12-5377.

(a) The receipts and disbursements of the LCPA shall be audited yearly by a licensed municipal accountant or certified public accountant.

(b) The LCPA may require an audit of any provider's books and records concerning the collection and remittance of fees pursuant to this act. The cost of any such audit

shall be paid from the 911 state grant fund.

(c) (1) On or before December 31, 2018, and at least once every five years thereafter, the division of post audit shall conduct an audit of the 911 system to determine: ~~(1) (A)~~ Whether the moneys received by PSAPs pursuant to this act are being used appropriately; ~~(2) (B)~~ whether the amount of moneys collected pursuant to this act is adequate; and ~~(3) (C)~~ the status of 911 service implementation. The auditor to conduct such audit shall be specified in accordance with K.S.A. 46-1122, and amendments thereto.

(2) The post auditor shall compute the reasonably anticipated cost of providing audits pursuant to this subsection, subject to review and approval by the contract audit committee established by K.S.A. 46-1120, and amendments thereto. Upon such approval, ~~the 911 state grant fund shall reimburse~~ the division of post audit shall be reimbursed from the 911 state grant fund for the amount approved by the contract audit committee. The audit report shall be submitted to the 911 coordinating council, the LCPA, the house of representatives committee on energy, utilities and telecommunications and the senate committee on utilities.

(d) On or before December 31, 2018, the division of post audit shall conduct an audit of the budget and expenditures of the 911 coordinating council. In conducting such audit, the division shall examine: (A) The annual expenses and financial needs, including personnel, of the council; (B) the total annual operating expenses of the council that are included in the 2.5% cap on expenditures pursuant to K.S.A. 2017 Supp.12-5364(i), and amendments thereto; (C) the current and projected contractual expenses of the council; (D) the expenditures and distribution of moneys from the 911 state grant fund by the council; and (E) whether the moneys expended by the council are being used pursuant to this act. The auditor, to conduct such audit, shall be specified in accordance with K.S.A. 46-1122, and amendments thereto.

(2) The post auditor shall compute the reasonably anticipated cost of providing the audit pursuant to this subsection, subject to review and approval by the contract audit committee established by K.S.A. 46-1120, and amendments thereto. Upon such approval, the division of post audit shall be reimbursed from the 911 state grant fund for the amount approved by the contract audit committee. The audit report shall be submitted to the 911 coordinating council, the house of representatives committee on energy, utilities and telecommunications and the senate committee on utilities.

(e) The legislature shall review this act at the regular 2014 legislative session and at the regular legislative session every five years thereafter.

Sec. 2. K.S.A. 2017 Supp. 12-5377, as amended by section 40 of 2018 Senate Bill No. 260, is hereby repealed.";

Also on page 2, in line 36, before "K.S.A" by inserting "On and after July 1, 2018,"; also in line 36, by striking "75-7209" and inserting "12-5377, as amended by section 1 of 2018 House Bill No. 2435,";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all following "concerning"; by striking all in line 2; in line 3, by striking all before the semicolon and inserting "the 911 coordinating council, certain audits"; also in line 3, by striking "75-7209" and inserting "12-5377, as amended by section 1 of 2018 House Bill No. 2435,"; in line 4, following "section" by inserting "; also repealing K.S.A. 2017 Supp. 12-5377, as amended by section 40 of 2018 Senate Bill No. 260";

BUD ESTES
 ROB OLSON
 OLETHA FAUST-GOUDEAU
Conferees on part of Senate

RONALD HIGHLAND
 SUSAN HUMPHRIES
 LOUIS RUIZ
Conferees on part of House

Senator Estes moved the Senate adopt the Conference Committee Report on **HB 2438**.

On roll call, the vote was: Yeas 38; Nays 1; Present and Passing 0; Absent or Not Voting 1.

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Hilderbrand, Holland, Kelly, Kersch, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Taylor, Tyson, Wagle, Wilborn.

Nays: Pilcher-Cook.

Absent or Not Voting: Sykes.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 109 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed with House Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 17 through 36;

By striking all on pages 2 through 564;

On page 565, preceding line 1, by inserting:

"Section 1. (a) For the fiscal years ending June 30, 2018, and June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, capital improvement projects, fees, receipts, disbursements, procedures and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

(b) The agencies named in this act are hereby authorized to initiate and complete the capital improvement projects specified and authorized by this act or for which appropriations are made by this act, subject to the restrictions and limitations imposed by this act.

(c) This act shall be known and may be cited as the omnibus appropriation act of 2018 and shall constitute the omnibus reconciliation spending limit bill for the 2018 regular session of the legislature for purposes of K.S.A. 75-6702(a), and amendments thereto.

(d) The appropriations made by this act shall not be subject to the provisions of K.S.A. 46-155, and amendments thereto.

Sec. 2. (a) The department of corrections is hereby authorized and directed to pay

the following amounts from the Hutchinson correctional facility – facilities operations account of the state general fund for property lost to the following claimant:

Earl Harris #47043
P.O. Box 311
El Dorado, KS 67042.....\$86.90

(b) The department of corrections is hereby authorized and directed to pay the following amounts from the El Dorado correctional facility – facilities operations account of the state general fund for property lost to the following claimants:

Donald C. Young #74516
P.O. Box 1568
Hutchinson, KS 67504.....\$54.59

(c) The department of corrections is hereby authorized and directed to pay the following amounts from the Lansing correctional facility – facilities operations account of the state general fund for property lost to the following claimants:

Alphonso Briscoe #66034
P.O. Box 2
Lansing, KS 66043\$78.13

Joseph Jones #59134
P.O. Box 2
Lansing, KS 66043\$17.61

Sec. 3. There is hereby appropriated from the state general fund, as reimbursement for legal costs incurred for sexually violent predator proceedings, the following amount to the following claimants:

County Commissioners of Ellis County, KS
c/o Donna Maskus, County Clerk
Ellis County
P.O. Box 720
Hays, KS 67601\$2,404.80

Johnson County District Court
c/o Andre Tyler, Court Administrator
100 Kansas Ave.
Olathe, KS 66061\$9,199.16

Sec. 4. The department of revenue is hereby authorized and directed to pay the following amounts from the motor-vehicle fuel tax refund fund, for claims not filed within the statutory filing period prescribed in K.S.A. 79-3458, and amendments thereto, to the following claimants:

Kenneth R. Criss
877 E. Highway K-31
Melvern, KS 66510\$344.30

Louis E. Davis
27600 Spring Valley Rd.
Louisburg, KS 66053\$33.00

DHS Customs & Border Protect
6650 Telecom Dr. Ste #100
Indianapolis, IN 46278\$228.83

Rick D. Gibson 28468 L Rd. Circleville, KS 66416	\$106.44
Graham County Highway Dept. P.O. Box 218 Hill City, KS 67642	\$1,581.14
Hesston College P.O. Box 3000 Hesston, KS 67062	\$47.88
J&G Inc. 10200 E. Road 170 Scott City, KS 67871	\$109.32
James D. Jones 25761 Limit Rd. Winchester, KS 66097	\$105.00
Larry D. Kehres 516 Road R Olpe, KS 66865	\$411.70
Marvin Kisner 2739 S. County Line Rd. Bison, KS 67520	\$200.45
August Lance Larson 3144 Highway 159 Nortonville, KS 66060	\$55.80
Pennys Concrete Inc. 23400 W. 82nd St. Shawnee Mission, KS 66227	\$27,172.55
Riverside Township 5355 S. Woodlawn Blvd. Derby, KS 67037	\$103.10
Robert F. Robben 4402 S 151 st W Wichita, KS 67227	\$812.45
John R. Strobel 31464 N. Highway 59 Garnett, KS 66032	\$241.92
U.S.D. 205 Bluestem 625 S. Mill Rd. Leon, KS 67074	\$638.71
U.S.D. 251 North Lyon County P.O. Box 527 Americus, KS 66835	\$730.85
U.S.D. 284 Chase County P.O. Box 569 Cottonwood Falls, KS 66845	\$378.00

Wichita Airport Authority 2173 S. Air Cargo Rd. Wichita, KS 67209	\$18,148.23
Wildcat Concrete Serv Inc. P.O. Box 750075 Topeka, KS 66675	\$128.22
Robert Winderlin 993 Highway 4 Scott City, KS 67871	\$196.56
Stephen Zeller 404 East 150 th Rd. Overbrook, KS 66524	\$87.96
Sec. 5. Fort Hays state university is hereby authorized and directed to pay the following amount from its operating expenditures (including official hospitality) account for reimbursement of medical expenses for personal injury:	
Kristie A. Cash 1133 Parallel Street Atchison, KS 66002	\$8,780
Sec. 6. The department of health and environment is hereby authorized and directed to pay the following amount from its operating expenditures account for partial reimbursement of expenses related to efforts to become licensed as a home health agency:	
Shoemaker Home Care, LLC c/o Elwood Shoemaker 400 Poyntz Ave. Manhattan, KS 66502	\$18,107.34
Sec. 7. The department of corrections is hereby authorized and directed to pay the following amount from its operating expenditures account for personal injury caused by corrections staff:	
Deandre Green 1445 N. Broadview Wichita, KS 67208	\$10,000
Sec. 8. The adjutant general is hereby authorized and directed to pay the following amounts from its operating expenditures account for damage to personal property:	
Alan Weis Contracting 241 Cole Street Lindsborg, KS 67456	\$1,962.25
Snodgrass & Sons Construction Co., Inc. c/o Aaron Snodgrass 2700 George Washington Blvd. Wichita, KS 67210	\$8,605.00
Sec. 9. The Kansas highway patrol is hereby authorized and directed to pay the following amount from the Kansas highway patrol operations fund for moneys improperly seized to the following claimant:	
Barbara Reese 1201 N.E. Lime Street Topeka, KS 66616.....	\$11,833.60

Sec. 10. Emporia state university is hereby authorized and directed to pay the following amount from its operating expenditures (including official hospitality) account for reimbursement of personal property damage:

Martin Griffey
14493 S. Shadow
Olathe, KS 66061.....\$1,257.31

Sec. 11. (a) Except as otherwise provided by this act, the director of accounts and reports is hereby authorized and directed to draw warrants on the state treasurer in favor of the claimants specified in this act, upon vouchers duly executed by the state agencies directed to pay the amounts specified in such sections to the claimants or their legal representatives or duly authorized agents, as provided by law.

(b) The director of accounts and reports shall secure prior to the payment of any amount to any claimant, other than amounts authorized to be paid pursuant to section 4, as motor-vehicle fuel tax refunds or as transactions between state agencies as provided by sections 2 through 10 of this act, a written release and satisfaction of all claims and rights against the state of Kansas and any agencies, officers and employees of the state of Kansas regarding their respective claims.

Sec. 12.

KANSAS BOARD OF BARBERING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the board of barbering fee fund (100-00-2704-0100) of the Kansas board of barbering is hereby decreased from \$188,489 to \$150,398.

Sec. 13.

KANSAS BOARD OF BARBERING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the board of barbering fee fund (100-00-2704-0100) of the Kansas board of barbering is hereby decreased from \$188,212 to \$151,157.

Sec. 14.

KANSAS STATE BOARD OF COSMETOLOGY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the cosmetology fee fund (149-00-2706-0100) of the Kansas state board of cosmetology is hereby increased from \$1,016,509 to \$1,023,423.

Sec. 15.

KANSAS STATE BOARD OF COSMETOLOGY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the cosmetology fee fund (149-00-2706-0100) of the Kansas state board of cosmetology is hereby increased from \$1,019,564 to \$1,041,172.

Sec. 16.

KANSAS BOARD OF EXAMINERS IN FITTING AND DISPENSING OF HEARING INSTRUMENTS

(a) On the effective date of this act, the expenditure limitation established for the

fiscal year ending June 30, 2018, by section 19(a) of chapter 104 of the 2017 Session Laws of Kansas on the hearing instrument board fee fund (266-00-2712-9900) of the Kansas board of examiners in fitting and dispensing of hearing instruments is hereby increased from \$27,043 to \$32,284.

Sec. 17.

BOARD OF NURSING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 20(a) of chapter 104 of the 2017 Session Laws of Kansas on the board of nursing fee fund (482-00-2716-0200) of the board of nursing is hereby increased from \$2,541,423 to \$2,577,129.

Sec. 18.

BOARD OF NURSING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 20(a) of chapter 104 of the 2017 Session Laws of Kansas on the board of nursing fee fund (482-00-2716-0200) of the board of nursing is hereby increased from \$2,594,467 to \$2,722,173.

Sec. 19.

BOARD OF EXAMINERS IN OPTOMETRY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 21(a) of chapter 104 of the 2017 Session Laws of Kansas on the optometry fee fund (488-00-2717-0100) of the board of examiners in optometry is hereby increased from \$161,360 to \$163,708.

Sec. 20.

STATE BOARD OF PHARMACY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 22(a) of chapter 104 of the 2017 Session Laws of Kansas on the state board of pharmacy fee fund (531-00-2718-0100) of the state board of pharmacy is hereby increased from \$1,435,882 to \$1,561,016.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Harold Rogers prescription fund (531-00-3188-3110).....No limit

Sec. 21.

STATE BOARD OF PHARMACY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 22(a) of chapter 104 of the 2017 Session Laws of Kansas on the state board of pharmacy fee fund (531-00-2718-0100) of the state board of pharmacy is hereby increased from \$1,468,285 to \$1,608,919.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Harold Rogers prescription fund (531-00-3188-3110).....No limit

Sec. 22.

REAL ESTATE APPRAISAL BOARD

(a) There is appropriated for the above agency from the following special revenue

fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Special litigation reserve fund.....No limit

Provided, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2018, except upon the approval of the director of the budget acting after ascertaining that: (1) Unforeseeable occurrence or unascertainable effects of a foreseeable occurrence characterize the need for the requested expenditure, and delay until the next legislative session on the requested action would be contrary to clause (3) of this proviso; (2) the requested expenditure is not one that was rejected in the next preceding session of the legislature and is not contrary to known legislative policy; and (3) the requested action will assist the above agency in attaining an objective or goal that bears a valid relationship to powers and functions of the above agency.

(b) During the fiscal year ending June 30, 2018, the executive director of the real estate appraisal board, with the approval of the director of the budget, may transfer moneys from the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board to the special litigation reserve fund of the real estate appraisal board: *Provided*, That the aggregate of such transfers for the fiscal year ending June 30, 2018, shall not exceed \$20,000: *Provided further*, That the executive director of the real estate appraisal board shall certify each such transfer of moneys to the director of accounts and reports and shall transmit a copy of each such certification to the director of the budget and the director of legislative research.

Sec. 23.

REAL ESTATE APPRAISAL BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Special litigation reserve fund.....No limit

Provided, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2019, except upon the approval of the director of the budget acting after ascertaining that: (1) Unforeseeable occurrence or unascertainable effects of a foreseeable occurrence characterize the need for the requested expenditure, and delay until the next legislative session on the requested action would be contrary to clause (3) of this proviso; (2) the requested expenditure is not one that was rejected in the next preceding session of the legislature and is not contrary to known legislative policy; and (3) the requested action will assist the above agency in attaining an objective or goal that bears a valid relationship to powers and functions of the above agency.

(b) During the fiscal year ending June 30, 2019, the executive director of the real estate appraisal board, with the approval of the director of the budget, may transfer moneys from the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board to the special litigation reserve fund of the real estate appraisal board: *Provided*, That the aggregate of such transfers for the fiscal year ending June 30, 2019, shall not exceed \$20,000: *Provided further*, That the executive director of the real estate appraisal

board shall certify each such transfer of moneys to the director of accounts and reports and shall transmit a copy of each such certification to the director of the budget and the director of legislative research.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board is hereby increased from \$162,342 to \$324,684.

(d) On July 1, 2018, the director of accounts and reports shall transfer all moneys in the appraisal management companies fee fund (543-00-2138-2138) of the real estate appraisal board to the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board. On July 1, 2018, all liabilities of the appraisal management companies fee fund are hereby transferred to and imposed on the appraiser fee fund and the appraisal management companies fee fund is hereby abolished.

(e) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the appraisal management companies fee fund (543-00-2138-2138) of the real estate appraisal board is hereby decreased from \$162,342 to \$0.

Sec. 24.

KANSAS REAL ESTATE COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the real estate fee fund (549-00-2721-0100) of the Kansas real estate commission is hereby decreased from \$1,188,512 to \$1,059,696.

Sec. 25.

KANSAS REAL ESTATE COMMISSION

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the real estate fee fund (549-00-2721-0100) of the Kansas real estate commission is hereby decreased from \$1,154,124 to \$1,025,124.

Sec. 26.

STATE BOARD OF TECHNICAL PROFESSIONS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 25(a) of chapter 104 of the 2017 Session Laws of Kansas on the technical professions fee fund (663-00-2729-0100) of the state board of technical professions is hereby increased from \$714,864 to \$720,165.

Sec. 27.

STATE BOARD OF TECHNICAL PROFESSIONS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 25(a) of chapter 104 of the 2017 Session Laws of Kansas on the technical professions fee fund (663-00-2729-0100) of the state board of technical professions is hereby increased from \$754,388 to \$759,689.

Sec. 28.

STATE BOARD OF VETERINARY EXAMINERS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 26(a) of chapter 104 of the 2017 Session Laws of Kansas on the veterinary examiners fee fund (700-00-2727-1100) of the state

board of veterinary examiners is hereby decreased from \$348,480 to \$348,034.

Sec. 29.

STATE BOARD OF VETERINARY EXAMINERS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 26(a) of chapter 104 of the 2017 Session Laws of Kansas on the veterinary examiners fee fund (700-00-2727-1100) of the state board of veterinary examiners is hereby decreased from \$356,987 to \$356,957.

Sec. 30.

GOVERNMENTAL ETHICS COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the governmental ethics commission fee fund (247-00-2188-2000) of the governmental ethics commission is hereby decreased from \$256,966 to \$243,762.

Sec. 31.

GOVERNMENTAL ETHICS COMMISSION

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the governmental ethics commission fee fund (247-00-2188-2000) of the governmental ethics commission is hereby decreased from \$268,027 to \$267,660.

Sec. 32.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Legislative.research
department –operations (425-00-1000-0103)\$3,084

(b) On the effective date of this act, of the \$537,812 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 28(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the legislative coordinating council – operations account (422-00-1000-0100), the sum of \$321 is hereby lapsed.

Sec. 33.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Legislative.coordinating
council – operations (422-00-1000-0100)\$12,273

Legislative.research
department – operations (425-00-1000-0103)\$7,854

Office of revisor of statutes – operations (579-00-1000-0103)\$456,480

Sec. 34.

LEGISLATURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operations (including official hospitality) (428-00-1000-0103)\$400,000
Jordan-legislative claim (428-00-1000-0530).....\$11,604

Sec. 35.

LEGISLATURE

(a) Any unencumbered balance in the legislative information system account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Sec. 36.

DIVISION OF POST AUDIT

(a) On the effective date of this act, of the \$2,467,048 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 33(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operations account (including legislative post audit committee) (540-00-1000-0100), the sum of \$192,909 is hereby lapsed.

Sec. 37.

GOVERNOR'S DEPARTMENT

(a) On July 1, 2018, the provisions of section 36(e) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(b) On July 1, 2018, the provisions of section 36(f) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

Sec. 38.

ATTORNEY GENERAL

(a) On the effective date of this act, of the \$5,216,867 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 37(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures account (082-00-1000-0103), the sum of \$4,000 is hereby lapsed.

(b) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$250,000 from the court cost fund (082-00-2012-2000) to the state general fund.

Sec. 39.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Abuse, neglect and exploitation unit (082-00-1000-0500)\$200,000

(b) On July 1, 2018, the provisions of section 38(g) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,750,000 from the court cost fund (082-00-2012-2000) to the state general fund.

(d) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$600,000 from the state general fund to the medicaid fraud prosecution revolving fund (082-00-2641-2280).

(e) Notwithstanding the provisions of K.S.A. 2017 Supp. 75-7c05, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the attorney general from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature,

expenditures shall be made by the above agency from such moneys to fix, charge and collect a nonrefundable fee for the purpose of obtaining a concealed carry handgun license of \$112, if the applicant has not previously been issued a statewide license or if the applicant's license has permanently expired, which fee shall be in the form of two cashier's checks, personal checks or money orders of \$32.50 payable to the sheriff of the county where the applicant resides and \$79.50 payable to the attorney general; *Provided further:* That no expenditures shall be made from the state general fund or from any special revenue fund or funds for fiscal year 2019 to increase the license renewal fee of \$25 as set in K.S.A. 2017 Supp. 75-7c08, and amendments thereto.

(f) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

State medicaid fraud forfeiture fundNo limit
Sec. 40.

STATE TREASURER

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the state treasurer operating fund (670-00-2374-2300) of the office of the state treasurer is hereby decreased from \$1,702,107 to \$1,682,516: *Provided,* That, notwithstanding the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, or any other statute, of all the moneys received under the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, during fiscal year 2018, the state treasurer is hereby authorized and directed to credit the first \$1,682,516 received and deposited in the state treasury to the state treasurer operating fund: *Provided further,* That, after such aggregate amount has been credited to the state treasurer operating fund, then all of the moneys received under the uniform unclaimed property act during fiscal year 2018 shall be credited as prescribed under the unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto: *And provided further,* That all moneys credited to the state treasurer operating fund during fiscal year 2018 are to reimburse the state treasurer for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed to administer the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, that are not otherwise reimbursed under any other provision of law.

Sec. 41.

STATE TREASURER

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the state treasurer operating fund (670-00-2374-2300) of the office of the state treasurer is hereby decreased from \$1,718,838 to \$1,680,844: *Provided,* That, notwithstanding the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, or any other statute, of all the moneys received under the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, during fiscal year 2019, the state treasurer is hereby authorized and directed to credit the first \$1,680,844 received and deposited in the state treasury to

the state treasurer operating fund: *Provided further*, That, after such aggregate amount has been credited to the state treasurer operating fund, then all of the moneys received under the uniform unclaimed property act during fiscal year 2019 shall be credited as prescribed under the unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto: *And provided further*, That all moneys credited to the state treasurer operating fund during fiscal year 2019 are to reimburse the state treasurer for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed to administer the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, that are not otherwise reimbursed under any other provision of law.

Sec. 42.

INSURANCE DEPARTMENT

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the securities act fee fund (331-00-2162-0100) of the insurance department is hereby decreased from \$3,148,377 to \$2,879,523.

Sec. 43.

INSURANCE DEPARTMENT

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the securities act fee fund (331-00-2162-0100) of the insurance department is hereby decreased from \$3,030,872 to \$2,924,049.

(b) On July 1, 2018, the amount of \$2,062,500 authorized by section 44(c) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the insurance department service regulation fund (331-00-2270-2400) of the insurance department to the state general fund on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby decreased to \$62,500.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Captive insurance regulatory and supervision fund No limit

(d) On July 1, 2018, the director of accounts and reports shall transfer all moneys in the commissioner's travel reimbursement fund (331-00-9090-9200) to the insurance department service regulation fund (331-00-2270-2400). On July 1, 2018, all liabilities of the commissioner's travel reimbursement fund are hereby transferred to and imposed on the insurance department service regulation fund and the commissioner's travel reimbursement fund is hereby abolished.

Sec. 44.

STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Legal services for prisoners (328-00-1000-0500)	\$25,000
Capital defense operations (328-00-1000-0800)	\$180,000
Assigned counsel expenditures (328-00-1000-0700)	\$37,436

(b) In addition to the other purposes for which expenditures may be made by the

state board of indigents' defense services from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 as authorized by section 52 of chapter 104 of the 2017 Session Laws of Kansas, this act or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 to classify public defenders based on the level of cases such public defenders are assigned.

Sec. 45.

STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Legal services for prisoners (328-00-1000-0500)	\$25,000
Capital defense operations (328-00-1000-0800)	\$180,000
Assigned counsel expenditures (328-00-1000-0700)	\$689,335

(b) In addition to the other purposes for which expenditures may be made by the state board of indigents' defense services from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 as authorized by section 53 of chapter 104 of the 2017 Session Laws of Kansas, this act or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 to classify public defenders based on the level of cases such public defenders are assigned.

Sec. 46.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Judiciary operations (677-00-1000-0103)	\$200,000
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(b) During the fiscal year ending June 30, 2019, the justices of the supreme court, judges of the court of appeals, district court judges and district magistrate judges shall receive a 2.0% salary increase, including associated employer contributions.

Sec. 47.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) On July 1, 2018, notwithstanding the provisions of K.S.A. 38-2102, and amendments thereto, the amount prescribed by K.S.A. 38-2102(d)(4), and amendments thereto, to be transferred on July 1, 2018, by the director of accounts and reports from the Kansas endowment for youth fund to the children's initiatives fund is hereby increased to \$58,646,551.

(b) On July 1, 2018, the provisions of section 57(d) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$82,000,000 from the state general fund to the Kansas public employees retirement fund (365-00-7002-7000) of the Kansas public employees retirement system for payment, in full or in part, of reduced employer contributions from participating employers under K.S.A. 74-4931, and amendments thereto, in prior fiscal years.

(d) For the fiscal years ending June 30, 2018, and June 30, 2019, the director of the

budget, in consultation with the director of legislative research, shall certify, at the end of each such fiscal year, the amount of actual tax receipt revenues to the state general fund that is in excess of, or is less than, the amount of estimated tax receipt revenues to the state general fund pursuant to the most recent joint estimate of revenue under K.S.A. 75-6701, and amendments thereto, for such fiscal year, and shall transmit such certification to the director of accounts and reports: *Provided*, That upon receipt of such certification, or as soon thereafter as moneys are available, during each such fiscal year, the director of accounts and reports shall transfer such certified excess amount, not to exceed \$56,000,000 in each such fiscal year, from the state general fund to the Kansas public employees retirement fund (365-00-7002-7000) of the Kansas public employees retirement system for payment, in full or in part, of reduced employer contributions from participating employers under K.S.A. 74-4931, and amendments thereto, in prior fiscal years: *Provided, however*, That, if the amount of actual tax receipt revenues to the state general fund is less than the amount of estimated tax receipt revenues to the state general fund, then no transfers shall be made pursuant to this subsection.

Sec. 48.

KANSAS HUMAN RIGHTS COMMISSION

(a) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the annual banquet fund (058-00-2611-1400) of the Kansas human rights commission to the education and training fund (058-00-2282-2000) of the Kansas human rights commission. On the effective date of this act, all liabilities of the annual banquet fund are hereby transferred to and imposed on the education and training fund and the annual banquet fund is hereby abolished.

Sec. 49.

KANSAS HUMAN RIGHTS COMMISSION

(a) On July 1, 2018, the expenditure limitation for official hospitality established for the fiscal year ending June 30, 2019, by section 59(a) of chapter 104 of the 2017 Session Laws of Kansas on the operating expenditures account (058-00-1000-0103) of the state general fund of the Kansas human rights commission is hereby increased from \$200 to \$500.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Database conversion fundNo limit

Sec. 50.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Long-term care ombudsman (173-00-1000-0580)\$43,837
Clyde mill and elevator demolition\$300,000

(b) On the effective date of this act, of the \$245,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 65(j) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the SIBF – state building insurance account (173-00-8100-8920), the sum of \$97,432 is hereby lapsed.

(c) On the effective date of this act, of the \$265,000 appropriated for the above

agency for the fiscal year ending June 30, 2018, by section 65(k) of chapter 104 of the 2017 Session Laws of Kansas from the correctional institutions building fund in the CIBF – state building insurance account (173-00-8600-8930), the sum of \$141,081 is hereby lapsed.

(d) On the effective date of this act, the provisions of section 65(m) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(e) (1) (A) On the effective date of this act, the state board of regents shall determine and certify to the director of the budget each of the specific amounts from the amounts appropriated from the state general fund or from the moneys appropriated and available in the special revenue funds for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection: *Provided*, That the aggregate of all such amounts certified to the director of the budget shall be an amount that is equal to or more than \$1,184,054. The certification by the state board of regents shall specify the amount in each account of the state general fund or in each special revenue fund, or account thereof, that is designated by the state board of regents pursuant to this subsection for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account in the state general fund by the director of accounts and reports pursuant to this subsection. At the same time as such certification is transmitted to the director of the budget, the state board of regents shall transmit a copy of such certification to the director of legislative research.

(B) The director of the budget shall review each such certification from the state board of regents and shall certify a copy of each such certification from the state board of regents to the director of accounts and reports. At the same time as such certification is transmitted to the director of accounts and reports, the director of the budget shall transmit a copy of each such certification to the director of legislative research.

(C) In accordance with the certification by the director of the budget that is submitted to the director of accounts and reports under this subsection, the appropriation for fiscal year 2018 for each account of the state general fund, state economic development initiatives fund, state water plan fund and children's initiatives fund that is appropriated or reappropriated for the fiscal year ending June 30, 2018, by chapter 104 of the 2017 Session Laws of Kansas or by this or other appropriation act of the 2018 regular session of the legislature is hereby respectively lapsed by the amount equal to the amount certified under this subsection.

(2) In determining the amounts to be certified to the director of accounts and reports in accordance with this subsection, the director of the budget and the state board of regents shall consider any changed circumstances and unanticipated reductions in expenditures or unanticipated and required expenditures by the state agencies for fiscal year 2018.

(3) (A) Prior to June 30, 2018, after receipt of each certification by the director of the budget pursuant to this subsection, the director of accounts and reports shall transfer and debit to the 27th payroll adjustment account of the state general fund, which is hereby established in the state general fund, by an amount equal to the aggregate of the amounts certified by the director of the budget pursuant to this subsection in accordance with such certifications.

(B) Prior to June 30, 2018, the director of accounts and reports shall transfer the

balance of the 27th payroll adjustment account of the state general fund to the master account of the state general fund: *Provided, however*; That the amount transferred shall not exceed the amount of the then outstanding balance of the state treasurer's receivables for the state general fund.

(C) Prior to June 30, 2018, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the 27th payroll adjustment account of the state general fund pursuant to this subsection to reflect all moneys actually transferred and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection during fiscal year 2018.

(D) On June 30, 2018, the director of accounts and reports shall record a credit to the state treasurer's receivables for the state general fund and shall record a corresponding debit to the state general fund in the amount of the outstanding receivable created to finance the cost of the 27th payroll chargeable to the fiscal year ending June 30, 2028.

(E) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection and all reductions and adjustments made thereto pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the state general fund by the state treasurer in accordance with the notice thereof.

(4) As used in this subsection, "regents agency" means the state board of regents, Fort Hays state university, Kansas state university, Kansas state university extension systems and agriculture research programs, Kansas state university veterinary medical center, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

(5) The provisions of this subsection shall not apply to:

(A) Any money held in trust in a trust fund or held in trust in any other special revenue fund or funds of any regents agency;

(B) any moneys received from any agency or authority of the federal government or from any other federal source, other than any such federal moneys that are credited to or may be received and credited to special revenue funds of a regents agency and that are determined by the state board of regents to be federal moneys that may be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection;

(C) any account of the Kansas educational building fund or the state institutions building fund; or

(D) any fund of any regents agency in the state treasury, as determined by the director of the budget, that would experience financial or administrative difficulties as a result of executing the provisions of this subsection, including, but not limited to, cash-flow problems, the inability to meet ordinary expenditure obligations, or any conflicts with prevailing contracts, compacts or other provisions of law.

(6) Each amount transferred from any special revenue fund of any regents agency to the state general fund pursuant to this subsection is transferred to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed on behalf of the regents agency involved by other state agencies that receive appropriations from

the state general fund to provide such services.

(f) During fiscal year 2018, any unencumbered balance from the state general fund in the judicial center rehabilitation and repair account (173-00-1000-8540) in excess of \$100 as of the effective date of this act, and any unencumbered balance in the capitol complex repair and rehabilitation account (173-00-1000-8170) in excess of \$100 as of the effective date of this act, are hereby reappropriated to the above agency in the rehabilitation and repair for state facilities account (173-00-1000-8500) of the state general fund for fiscal year 2018: *Provided*, That during fiscal year 2018, expenditures from the rehabilitation and repair for state facilities account shall be made on a priority basis for the rehabilitation and repair of the judicial center.

(g) On the effective date of this act, of the \$4,644,292 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 65(a) of chapter 104 of the 2017 Session Laws of Kansas from the operating expenditures account (173-00-1000-0200), the sum of \$35,193 is hereby lapsed.

(h) (1) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the secretary of administration, from moneys appropriated from the state general fund or any special revenue fund or funds for the department of administration for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this act or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the secretary of administration from the state general fund or from any special revenue fund or funds for fiscal year 2018, for the secretary, on behalf of the state of Kansas, to convey by quitclaim deed all of the rights, title and interest of the state of Kansas in the following real estate located in Cloud county, Kansas, to the City of Clyde, Kansas, subject to the provisions of this section: 0 Borton Ave, Clyde, Kansas, commonly known as the Clyde mill and elevator.

(2) The quitclaim deed shall be executed by the secretary of administration for and on behalf of the state of Kansas in a form approved by the attorney general.

(3) In the event that the secretary of administration determines that the legal description of any parcel of real estate described by this section is incorrect, the secretary of administration may convey the property utilizing the correct legal description, but the deed conveying the property shall be subject to the approval of the attorney general.

Sec. 51.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (173-00-1000-0200)	\$197,083
Long-term care ombudsman (173-00-1000-0580)	\$39,695
Rehabilitation and repair for state facilities account (173-00-1000-8500).....	\$2,049,614

Provided, That during fiscal year 2019, expenditures shall be made on a priority basis for the rehabilitation and repair of the judicial center.

(b) On July 1, 2018, the director of accounts and reports shall record a debit to the state treasurer's receivables for the state economic development initiatives fund and shall record a corresponding credit to the state economic development initiatives fund in an amount certified by the director of the budget that shall be equal to 75% of the amount estimated by the director of the budget to be transferred and credited to the state

economic development initiatives fund during the fiscal year ending June 30, 2019, except that such amount shall be proportionally adjusted during fiscal year 2019 with respect to any change in the moneys to be transferred and credited to the state economic development initiatives fund during fiscal year 2019. All moneys transferred and credited to the state economic development initiatives fund during fiscal year 2019 shall reduce the amount debited and credited to the state economic development initiatives fund under this subsection and section 66(h)(2) and (h)(3) of chapter 104 of the 2017 Session Laws of Kansas. On July 1, 2018, the provisions of section 66(h)(1) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, the provisions of section 66(n) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(d) (1) (A) Prior to August 15, 2018, the state board of regents shall determine and certify to the director of the budget each of the specific amounts from the amounts appropriated from the state general fund or from the moneys appropriated and available in the special revenue funds for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection: *Provided*, That the aggregate of all such amounts certified to the director of the budget shall be an amount that is equal to or more than \$1,184,054. The certification by the state board of regents shall specify the amount in each account of the state general fund or in each special revenue fund, or account thereof, that is designated by the state board of regents pursuant to this subsection for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account in the state general fund by the director of accounts and reports pursuant to this subsection. At the same time as such certification is transmitted to the director of the budget, the state board of regents shall transmit a copy of such certification to the director of legislative research.

(B) The director of the budget shall review each such certification from the state board of regents and shall certify a copy of each such certification from the state board of regents to the director of accounts and reports. At the same time as such certification is transmitted to the director of accounts and reports, the director of the budget shall transmit a copy of each such certification to the director of legislative research.

(C) On August 15, 2018, in accordance with the certification by the director of the budget that is submitted to the director of accounts and reports under this subsection, the appropriation for fiscal year 2019 for each account of the state general fund, state economic development initiatives fund, state water plan fund and children's initiatives fund that is appropriated or reappropriated for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas or by this or other appropriation act of the 2018 regular session of the legislature is hereby respectively lapsed by the amount equal to the amount certified under this subsection.

(2) In determining the amounts to be certified to the director of accounts and reports in accordance with this subsection, the director of the budget and the state board of regents shall consider any changed circumstances and unanticipated reductions in expenditures or unanticipated and required expenditures by the state agencies for fiscal year 2019.

(3) (A) On or before September 1, 2018, after receipt of each certification by the

director of the budget pursuant to this subsection, the director of accounts and reports shall transfer and debit to the 27th payroll adjustment account of the state general fund, which is hereby established in the state general fund, by an amount equal to the aggregate of the amounts certified by the director of the budget pursuant to this subsection in accordance with such certifications.

(B) On September 1, 2018, the director of accounts and reports shall transfer the balance of the 27th payroll adjustment account of the state general fund to the master account of the state general fund: *Provided, however,* That the amount transferred shall not exceed the amount of the then outstanding balance of the state treasurer's receivables for the state general fund.

(C) On September 1, 2018, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the 27th payroll adjustment account of the state general fund pursuant to this subsection to reflect all moneys actually transferred and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection during fiscal year 2019.

(D) On June 30, 2019, the director of accounts and reports shall record a credit to the state treasurer's receivables for the state general fund and shall record a corresponding debit to the state general fund in the amount of the outstanding receivable created to finance the cost of the 27th payroll chargeable to the fiscal year ending June 30, 2028.

(E) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection and all reductions and adjustments made thereto pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the state general fund by the state treasurer in accordance with the notice thereof.

(4) As used in this subsection, "regents agency" means the state board of regents, Fort Hays state university, Kansas state university, Kansas state university extension systems and agriculture research programs, Kansas state university veterinary medical center, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

(5) The provisions of this subsection shall not apply to:

(A) Any money held in trust in a trust fund or held in trust in any other special revenue fund or funds of any regents agency;

(B) any moneys received from any agency or authority of the federal government or from any other federal source, other than any such federal moneys that are credited to or may be received and credited to special revenue funds of a regents agency and that are determined by the state board of regents to be federal moneys that may be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection;

(C) any account of the Kansas educational building fund or the state institutions building fund; or

(D) any fund of any regents agency in the state treasury, as determined by the director of the budget, that would experience financial or administrative difficulties as a result of executing the provisions of this subsection, including, but not limited to, cash-flow problems, the inability to meet ordinary expenditure obligations, or any conflicts

with prevailing contracts, compacts or other provisions of law.

(6) Each amount transferred from any special revenue fund of any regents agency to the state general fund pursuant to this subsection is transferred to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed on behalf of the regents agency involved by other state agencies that receive appropriations from the state general fund to provide such services.

(e) On July 1, 2018, the \$73,861 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 180 of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the judicial center rehabilitation and repair account (173-00-1000-8540) is hereby lapsed.

(f) On July 1, 2018, the \$1,975,753 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 180 of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the capitol complex repair and rehabilitation account (173-00-1000-8170) is hereby lapsed.

(g) On July 1, 2018, of the \$4,699,654 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 66(a) of chapter 104 of the 2017 Session Laws of Kansas from the operating expenditures account (173-00-1000-0200), the sum of \$2,917 is hereby lapsed.

(h) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Dwight D. Eisenhower statue fund.....No limit
Sec. 52.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Information technology modernization\$4,067,889
Office 365 cloud email services\$826,378

Sec. 53.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Information technology modernization\$5,382,852

Provided, That any unencumbered balance in the information technology modernization account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*; That expenditures shall be made from the information technology modernization account during fiscal year 2019 by the above agency to appear before the senate committee on ways and means and the house of representatives committee on appropriations during the 2019 regular legislative session and report on the measures the above agency has undertaken, or plans to undertake during fiscal year 2020, to maximize efficiencies concerning information technology modernization, including, but not limited to: Identifying savings in personnel expenditures; savings to the state general fund and any special revenue fund or funds for each state agency; and processes and duties that are transferring from other state agencies to the above agency: *And provided further*; That during fiscal year 2019, the

above agency shall submit a written report to the legislative research department concerning such maximized efficiencies.

Office 365 cloud email services\$826,378

Provided, That any unencumbered balance in the office 365 cloud email services account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Sec. 54.

STATE BOARD OF TAX APPEALS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the BOTA filing fee fund (562-00-2240-2240) of the state board of tax appeals is hereby increased from \$1,057,264 to \$1,059,123.

Sec. 55.

STATE BOARD OF TAX APPEALS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the BOTA filing fee fund (562-00-2240-2240) of the state board of tax appeals is hereby increased from \$1,073,475 to \$1,077,192.

Sec. 56.

DEPARTMENT OF REVENUE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures (565-00-1000-0303)\$439,669

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the division of vehicles operating fund (565-00-2089-2020) of the department of revenue is hereby increased from \$46,491,890 to \$48,685,210.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$2,632,968 from the state highway fund (276-00-4100-4100) of the department of transportation to the division of vehicles operating fund (565-00-2089-2020) of the department of revenue.

Sec. 57.

DEPARTMENT OF REVENUE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (565-00-1000-0303)\$224,000

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the division of vehicles operating fund (565-00-2089-2020) of the department of revenue is hereby increased from \$46,545,716 to \$48,268,528.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the MSA compliance fund (565-00-2274-2274) of the department of revenue is hereby increased from \$1,333,220 to no limit.

(d) On July 1, 2018, the amount of \$11,513,742 authorized by section 75(c) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of

accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the division of vehicles operating fund (565-00-2089-2020) of the department of revenue on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby increased to \$12,171,984.

(e) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Alcoholic beverage control modernization fund	No limit
Native American veterans' income tax refund fund	No limit

Sec. 58.

DEPARTMENT OF COMMERCE

(a) On the effective date of this act, of the \$7,976,452 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account (300-00-1900-1110), the sum of \$926,154 is hereby lapsed.

(b) On the effective date of this act, of the \$1,622,939 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the rural opportunity zones program account (300-00-1900-1150), the sum of \$665,156 is hereby lapsed.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$930,000 from the state economic development initiatives fund (300-00-1900-1100) to the state general fund.

(d) On the effective date of this act, of the \$2,800,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the KBA grant commitments account (300-00-1000-0800), the sum of \$2,088,238 is hereby lapsed.

(e) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2018, the following:

Global trade services	\$125,000
Kansas international trade show assistance program	\$50,000

Sec. 59.

DEPARTMENT OF COMMERCE

(a) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2019, the following:

Registered apprenticeship program.....	\$740,000
Older Kansans employment program (300-00-1900-1140)	\$260,000
Innovation growth program	\$65,643
Kansas international trade show assistance program	\$127,000
Global trade services	\$250,000

(b) On July 1, 2018, of the \$2,053,457 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 83(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the rural opportunity zones program account (300-00-1900-1150), the sum of \$805,000 is hereby lapsed.

(c) On July 1, 2018, of the \$7,553,313 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 83(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account (300-00-1900-1110), the sum of \$202,000 is hereby lapsed.

(d) On July 1, 2018, the amount of \$19,200,000 authorized by section 83(g) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state economic development initiatives fund (300-00-1900-1100) of the department of commerce to the state general fund is hereby decreased to \$18,700,000.

Sec. 60.

DEPARTMENT OF LABOR

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 86(b) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor is hereby increased from \$14,681,786 to \$15,072,758.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 187(d) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor for such capital improvement purposes is hereby increased from \$780,000 to \$1,165,000.

Sec. 61.

DEPARTMENT OF LABOR

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Amusement ride safety (296-00-1000-0513)\$249,511

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 87(b) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor is hereby increased from \$12,812,732 to \$15,149,481.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 188(d) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor for such capital improvement purposes is hereby increased from \$265,000 to \$870,000.

Sec. 62.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures – administration (649-00-1000-0103)\$2,175

Operating expenditures – veteran services (694-00-1000-0203)\$10,809

Operating expenditures-Kansas soldiers' home (694-00-1000-0403)\$17,641

Operating expenditures–state veterans cemeteries (694-00-1000-0703)\$8,646

(b) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2018, the following:

WaKeeney hail storm damage\$136,881

Provided, That, notwithstanding the provisions of K.S.A. 76-6b05, and amendments thereto, or any other statute, expenditures may be made from the WaKeeney hail storm damage account during fiscal year 2018 for capital improvements at the state veterans cemetery in WaKeeney.

(c) On the effective date of this act, of the \$812,050 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 190(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the veterans' home rehabilitation and repair projects account (694-00-8100-8250), the sum of \$64,800 is hereby lapsed.

Sec. 63.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) On July 1, 2018, of the \$637,900 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 191(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the soldiers' home rehabilitation and repair projects account (694-00-8100-7100), the sum of \$22,727 is hereby lapsed.

(b) On July 1, 2018, of the \$812,050 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 191(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the veterans' home rehabilitation and repair projects account (694-00-8100-8250), the sum of \$40,670 is hereby lapsed.

(c) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2019, the following:

Waste disposal\$125,000

Provided, That, notwithstanding the provisions of K.S.A. 76-6b05, and amendments thereto, or any other statute, expenditures may be made from the waste disposal account during fiscal year 2019 for the purchase of a waste disposal vehicle.

(d) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Veterans benefit lottery game fund\$1,200,000

Provided, That expenditures from the veterans benefit lottery game fund shall be in an amount equal to 50% for operating expenditures and capital improvements of the above agency, or for the use and benefit of the Kansas veterans' home, the Kansas soldiers' home and the state veterans cemetery system; and 50% for the veterans enhanced service delivery program.

(e) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the lottery operating fund (450-00-5123-5100) pursuant to K.S.A. 74-8711, and amendments thereto, on July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,200,000 from the lottery operating fund of the Kansas lottery to the veterans benefit lottery game fund of the Kansas commission on veterans affairs office.

(f) On July 1, 2018, the provisions of section 78(c) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(g) On July 1, 2018, the \$105,685 appropriated for the above agency for the fiscal

year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – Kansas veterans' home account (694-00-1000-0300), is hereby lapsed.

(h) On July 1, 2018, the \$459,354 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – veterans services account (694-00-1000-0330), is hereby lapsed.

(i) On July 1, 2018, the \$137,270 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – Kansas soldiers' home account (694-00-1000-0310), is hereby lapsed.

(j) On July 1, 2018, the \$216,399 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – veterans cemeteries account (694-00-1000-0340), is hereby lapsed.

Sec. 64.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2020, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Veterans benefit lottery game fund\$1,260,000

Provided, That expenditures from the veterans benefit lottery game fund shall be in an amount equal to 50% for operating expenditures and capital improvements of the above agency, or for the use and benefit of the Kansas veterans' home, the Kansas soldiers' home and the state veterans cemetery system; and 50% for the veterans enhanced service delivery program.

(b) On July 1, 2019, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,260,000 from the lottery operating fund (450-00-5123-5100) of the Kansas lottery to the veterans benefit lottery game fund of the Kansas commission on veterans affairs office.

Sec. 65.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures.(including official.hospitality)

– health (264-00-1000-0270)\$18,100

Infants and toddlers program (264-00-1000-0570)\$1,000,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

CDC multipurpose grant federal fund (264-00-3243-3243)No limit

Kansas.newborn.screening.information.system.maintenance

and enhancement federal fund (264-00-3612-3612)No limit

Lifting young families toward excellence federal fund (264-00-3627-3627).....	No limit
Campus sexual assault prevention grant federal fund.....	No limit
Child care criminal background and fingerprint fund.....	No limit

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) health (264-00-1000-0270)	\$401,556
Infants and toddlers program (264-00-1000-0570)	\$1,000,000

Provided, That any unencumbered balance in the infant and toddlers program account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

(b) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

Healthy start (264-00-2000-2105).....	\$33,066
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(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

CDC multipurpose grant federal fund (264-00-3243-3243)	No limit
Kansas newborn screening information system maintenance and enhancement federal fund (264-00-3612-3612).....	No limit
Lifting young families toward excellence federal fund (264-00-3627-3627)	No limit
Campus sexual assault prevention grant – federal fund	No limit
Child care criminal background and fingerprint fund	No limit

DEPARTMENT OF HEALTH AND
ENVIRONMENT – DIVISION OF HEALTH CARE FINANCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Other medical assistance (264-00-1000-3026)	\$64,740,052
Wichita center for graduate medical education	\$3,000,000

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the preventive health care program fund (264-00-2556-2550) of the department of health and environment – division of health care finance is hereby decreased from \$1,640,046 to \$491,161.

(c) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the

cafeteria benefits fund (264-00-7720-9002) of the department of health and environment – division of health care finance is hereby decreased from \$3,844,401 to \$2,492,845.

(d) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the dependent care assistance program fund (264-00-7740-8700) of the department of health and environment – division of health care finance is hereby decreased from \$3,981,219 to \$622,302.

(e) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the medical programs fee fund (264-00-2395-0110) of the department of health and environment – division of health care finance is hereby increased from \$95,498,999 to \$106,998,999.

(f) (1) During the fiscal year ending June 30, 2018, notwithstanding the provisions of K.S.A. 2017 Supp. 65-6217 and 65-6218, and amendments thereto, or any other statute to the contrary, the director of accounts and reports shall transfer \$11,500,000 from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to the medical programs fee fund (264-00-2395-0110) of the department of health and environment – division of health care finance: *Provided, however;* That any such transfer shall be subject to the provisions of paragraph (2).

(2) During the fiscal year ending June 30, 2018, no moneys shall be transferred from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to any other account or fund unless and until the department of health and environment – division of health care finance implements a process to fully disclose and reconcile the balance and use of moneys in the health care access improvement fund and from the hospital provider assessment imposed pursuant to K.S.A. 2017 Supp. 65-6208, and amendments thereto, including revenue, expenditures, running balance of such fund, any deficits and write-offs: *Provided,* That any such process shall be approved by the health care access improvement panel established by K.S.A. 2017 Supp. 65-6218, and amendments thereto, prior to any such transfer: *Provided further;* That, if a 4% increase to the medicaid reimbursement rate for hospitals is not passed by the 2018 legislature and enacted into law, then no moneys shall be transferred from the health care access improvement fund to any other account or fund during fiscal year 2018: *And provided further;* That the department of health and environment – division of health care finance shall advise and consult with the health care access improvement panel and the Kansas hospital association to develop such process: *And provided further;* That the department of health and environment – division of health care finance shall execute non-disclosure agreements with the Kansas hospital association and other persons as determined to be necessary by the department of health and environment – division of health care finance to implement this subsection: *And provided further;* That the department of health and environment – division of health care finance shall share information with a third party agreed upon by the department of health and environment – division of health care finance and the Kansas hospital association, if sharing such information would not violate any state or federal statute, United States centers for medicare and medicaid

services regulations or the department of health and environment – division of health care finance's contractual obligations with managed care organizations and would not diminish the state's ability to negotiate competitive contract rates with managed care organizations, create competitive harm between managed care organizations or disclose trade secrets of the state's actuary that could provide an economic benefit to an entity by using the actuary's investment in the rate modeling process, subject to any applicable non-disclosure agreement entered into to prevent any such disclosure.

(g) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the health benefits administrations clearing fund – remit admin service org (264-00-7746-7746) of the department of health and environment – division of health care finance is hereby increased from \$9,050,000 to \$12,157,000.

(h) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys to modify the manner in which state medicaid services under the Kansas medical assistance program were provided on January 1, 2018, by implementing: Any provision of K.S.A. 2017 Supp. 39-709h and 39-709i, and amendments thereto; any policy that expands access to behavioral health services or services delivered through telehealth technology services, if such policy does not impose any new eligibility requirements or limitations to receive state medicaid services that were not in effect on January 1, 2018; and any other action approved by express prior authorization by an act or appropriation act of the legislature.

(i) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue funds or funds for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to implement, and require any managed care organization providing state medicaid services under the Kansas medical assistance program to implement, a policy to provide at least a 60-day admission for individuals requiring inpatient treatment in a psychiatric residential treatment facility, as determined by a managed care organization providing state medicaid services under the Kansas medical assistance program, without imposing any prior authorization requirements to receive such admission or treatment.

Sec. 68.

DEPARTMENT OF HEALTH AND ENVIRONMENT – DIVISION OF HEALTH CARE FINANCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Other medical assistance (264-00-1000-3026).....\$162,197,716

Provided, That expenditures shall be made from the other medical assistance account during fiscal year 2019 in an amount not to exceed \$556,000 for medicaid

reimbursement to emergency medical services providers: *Provided, however,* That during fiscal years 2018 and 2019, if any new eligibility requirements or limitations are imposed by any state agency to receive state medicaid services under the Kansas medical assistance program, then on the effective date of such imposition, the amounts appropriated for the department of health and environment – division of health care for the fiscal year ending June 30, 2019, by section 95(a) of chapter 104 of the 2017 Session Laws of Kansas and this act from the state general fund in the other medical assistance account are hereby lapsed.

Wichita center for graduate medical education	\$2,950,000
Graduate medical education	\$1,300,000
Health policy operating expenditures (264-00-1000-0010)	\$302,600
Evidence based juvenile programs	\$6,000,000

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the preventive health care program fund (264-00-2556-2550) of the department of health and environment – division of health care finance is hereby decreased from \$1,649,246 to \$494,649.

(c) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the cafeteria benefits fund (264-00-7720-9002) of the department of health and environment – division of health care finance is hereby decreased from \$3,843,557 to \$2,533,492.

(d) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the dependent care assistance program fund (264-00-7740-8700) of the department of health and environment – division of health care finance is hereby decreased from \$3,987,115 to \$625,012.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to increase medicaid reimbursement rates for hospitals by 4%: *Provided,* That such rate increase shall be reflected in the hospital medicaid fee schedule.

(f) During the fiscal year ending June 30, 2019, no moneys shall be transferred from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to any other account or fund unless and until the department of health and environment – division of health care finance implements a process to fully disclose and reconcile the balance and use of moneys in the health care access improvement fund and from the hospital provider assessment imposed pursuant to K.S.A. 2017 Supp. 65-6208, and amendments thereto, including revenue, expenditures, running balance of such fund, any deficits and write-offs: *Provided,* That any such process shall be approved by the health care access improvement panel established by K.S.A. 2017 Supp. 65-6218, and amendments thereto, prior to any such transfer: *Provided further,* That the department of health and

environment – division of health care finance shall advise and consult with the health care access improvement panel and the Kansas hospital association to develop such process: *And provided further*, That the department of health and environment – division of health care finance shall execute non-disclosure agreements with the Kansas hospital association and other persons as determined to be necessary by the department of health and environment – division of health care finance to implement this subsection: *And provided further*, That the department of health and environment – division of health care finance shall share information with a third party agreed upon by the department of health and environment – division of health care finance and the Kansas hospital association, if sharing such information would not violate any state or federal statute, United States centers for medicare and medicaid services regulations or the department of health and environment – division of health care finance's contractual obligations with managed care organizations and would not diminish the state's ability to negotiate competitive contract rates with managed care organizations, create competitive harm between managed care organizations or disclose trade secrets of the state's actuary that could provide an economic benefit to an entity by using the actuary's investment in the rate modeling process, subject to any applicable non-disclosure agreement entered into to prevent any such disclosure: *And provided further*, That, if a 4% increase to the medicaid reimbursement rate for hospitals is not passed by the 2018 legislature and enacted into law, then no moneys shall be transferred from the health care access improvement fund to any other account or fund during fiscal year 2019.

(g) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the health benefits administrations clearing fund – remit admin service org (264-00-7746-7746) of the department of health and environment – division of health care finance is hereby increased from \$9,050,000 to \$11,005,000.

(h) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$2,500,000 from the state general fund, plus any matching federal moneys, to reinstate a program implementing state medicaid services for health homes pursuant to 42 U.S.C. § 1396w-4: *Provided*, That participation in such program shall be on an opt-in basis and not on the basis of automatic enrollment: *Provided further*, That participation in such program shall be open to youth and adults: *And provided further*, That participation in the program shall be structured to ensure that individuals with a behavioral health diagnosis or chronic physical health condition are served: *And provided further*, That the above agency shall not allow any managed care organization providing the above services under the Kansas medical assistance program to claim an administrative claiming rate higher than 10% to provide such services.

(i) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue funds or funds for fiscal year 2019 by chapter 104 of the 2017

Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to implement, and require any managed care organization providing state medicaid services under the Kansas medical assistance program to implement, a policy to provide at least a 60-day admission for individuals requiring inpatient treatment in a psychiatric residential treatment facility, as determined by a managed care organization providing state medicaid services under the Kansas medical assistance program, without imposing any prior authorization requirements to receive such admission or treatment.

(j) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or in any special revenue fund or funds by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$350,000 of state moneys, plus any associated federal matching moneys, to provide coverage and reimburse any participating healthcare provider under the Kansas medical assistance program for tobacco cessation treatments for any state medicaid recipient, including: Any United States food and drug administration-approved medication prescribed as a tobacco cessation treatment; and individual, group or telephone counseling for tobacco cessation, as defined by the United States centers for medicare and medicaid services for purposes of medicaid reimbursement: *Provided*, That the above agency and any managed care organization administering state medicaid services shall not impose any prior authorization requirements upon any treatments prescribed or ordered for tobacco cessation purposes by a participating healthcare provider: *Provided, however*, That a recipient of state medicaid services shall not be limited in the number of covered tobacco cessation attempts for counseling treatments, whether on an annual, lifetime or other basis, but shall be limited to four covered tobacco cessation attempts per year for medication treatment: *And provided, however*, That the above agency shall implement and administer this subsection in accordance with federal law and requirements imposed by the United States centers for medicare and medicaid services: *Provided further*, That the above agency shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement this subsection.

Sec. 69.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency from the special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now and hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

EPA multi-purpose grant fund (264-00-3103-3630)No limit

Sec. 70.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (264-00-1000-0300)\$175,000

(b) There is appropriated for the above agency from the special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now and hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

EPA multi-purpose grant fund (264-00-3103-3630)No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Watershed restoration and protection plan (264-00-1800-1808)\$175,000

Milford and Marion reservoirs harmful algae bloom pilot\$450,000

Sec. 71.

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Larned state hospital – sexual predator treatment program (410-00-1000-0200)\$2,519,398

Osawatomie state hospital–operating expenditures (494-00-1000-0100)\$2,904,176

RSI crisis center base services.....\$3,576,100

Comcare crisis center base services\$1,300,000

Valeo crisis center base services\$500,000

Salina crisis center base services\$85,000

(b) On the effective date of this act, of the \$616,064,457 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the LTC – medicaid assistance – NF account (039-00-1000-0520), the sum of \$29,798,009 is hereby lapsed.

(c) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the LTC – medicaid assistance – NF account (039-00-1000-0520) of the Kansas department for aging and disability services for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, notwithstanding the provisions of K.S.A. 2017 Supp. 75-5958, and amendments thereto, or any other statute to the contrary, and subject to appropriations, to provide rate increases for nursing facilities.

(d) On the effective date of this act, of the \$36,137,277 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the Larned state hospital – operating expenditures account (410-00-1000-0103), the sum of \$3,744,086 is hereby lapsed.

(e) On the effective date of this act, of the \$33,180,993 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the community mental health centers supplemental funding account (039-00-1000-3001), the sum of \$1,885,000 is hereby lapsed.

(f) On the effective date of this act, of the \$17,257,484 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the community aid account (039-00-1000-3004), the sum of \$3,576,100 is hereby lapsed.

(g) On the effective date of this act, of the \$3,849,532 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – new state security hospital account (039-00-8100-8320), the sum of \$303 is hereby lapsed.

(h) On the effective date of this act, of the \$2,583,200 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – state hospitals rehabilitation and repair account (039-00-8100-8325), the sum of \$116,590 is hereby lapsed.

(i) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the problem gambling and addictions grant fund (039-00-2371-2371) of the Kansas department for aging and disability service is hereby decreased from no limit to \$6,822,437.

(j) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas neurological institute fee fund (363-00-2059-2000) of the Kansas department for aging and disability services is hereby increased from \$1,744,846 to \$1,902,791.

(k) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Larned state hospital fee fund (410-00-2073-2100) of the Kansas department for aging and disability services is hereby increased from \$3,444,194 to \$3,556,862.

(l) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital fee fund (494-00-2079-4200) of the Kansas department for aging and disability services is hereby decreased from \$1,589,186 to \$875,690.

(m) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital certified care fund (494-00-2079-4201) of the Kansas department for aging and disability services is hereby decreased from \$2,398,316 to \$0.

(n) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Parsons state hospital and training center fee fund (507-00-2082-2200) of the Kansas department for aging and disability services is hereby decreased from \$1,372,386 to \$1,155,304.

(o) On the effective date of this act, of the \$185,248 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the Kansas

neurological institute – energy conservation improvement debt service account (363-00-8100-8000), the sum of \$1,262 is hereby lapsed.

(p) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2018, the following:

Parsons state hospital and training center–energy conservation improvement debt service (507-00-8100-8330)\$16,531

(q) There is hereby appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Opioid abuse treatment & prevention federal fund (039-00-3023-3024)No limit

(r) On the effective date of this act, any unencumbered balance in the Larned state hospital – SPTP reintegration program account (410-00-1000-0400) in excess of \$100 for the fiscal year ending June 30, 2018, is hereby transferred to the Larned state hospital – sexual predator treatment program account (410-00-1000-0200) for fiscal year 2018.

(s) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made from the general fees fund (039-00-2524-2500) for fiscal year 2018 by the above agency by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such fund to pay rainbow services incorporated in an amount not to exceed \$1,200,000.

Sec. 72.

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Nursing facilities regulation (039-00-1000-0710)	\$85,168
Nursing facilities regulation – title XIX (039-00-1000-0712)	\$155,854
Larned state hospital – sexual predator treatment program (410-00-1000-0200).....	\$6,272,028
Osawatomie state hospital operating expenditures (494-00-1000-0100)	\$12,321,514
RSI crisis center base services	\$3,576,100
Comcare crisis center base s.....	\$1,300,000
Valeo crisis center base services	\$500,000
Salina crisis center base services	\$85,000
Parsons state hospital operating expenditures (507-00-1000-0100)	\$559,765
Program grants – nutrition – state match (039-00-1000-0280)	\$200,000
Clubhouse model rehabilitation services	\$500,000

Provided, however; That, if 2018 House Bill No. 2517, or any other legislation that requires the director of accounts and reports to transfer moneys from the lottery operating fund to the clubhouse model program fund, is passed by the legislature during the 2018 regular session of the legislature and enacted into law, then the \$500,000 appropriated by this section from the state general fund in the clubhouse model rehabilitation services account is hereby lapsed.

(b) On July 1, 2018, of the \$651,956,862 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the LTC – medicaid assistance – NF account (039-00-1000-0520), the sum of \$20,138,196 is hereby lapsed.

(c) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the LTC – medicaid assistance – NF account (039-00-1000-0520) of the Kansas department for aging and disability services for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, notwithstanding the provisions of K.S.A. 2017 Supp. 75-5958, and amendments thereto, or any other statute to the contrary, and subject to appropriations, to provide rate increases for nursing facilities.

(d) On July 1, 2018, of the \$36,478,239 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the state general fund in the Larned state hospital – operating expenditures account (494-00-1000-0103), the sum of \$251,246 is hereby lapsed.

(e) On July 1, 2018, of the \$35,880,993 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the community mental health centers supplemental funding account (039-00-1000-3001), the sum of \$1,768,800 is hereby lapsed.

(f) On July 1, 2018, of the \$17,257,484 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the community aid account (039-00-1000-3004), the sum of \$3,576,100 is hereby lapsed.

(g) On July 1, 2018, of the \$3,845,751 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 186(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – new state security hospital account (039-00-8100-8320), the sum of \$1 is hereby lapsed.

(h) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the problem gambling and addictions grant fund (039-00-2371-2371) of the Kansas department for aging and disability services is hereby decreased from no limit to \$6,825,996.

(i) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas neurological institute fee fund (363-00-2059-2000) of the Kansas department for aging and disability services is hereby decreased from \$1,746,245 to \$1,741,119.

(j) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Larned state hospital fee fund (410-00-2073-2100) of the Kansas department for aging and disability services is hereby decreased from \$3,946,302 to \$3,946,301.

(k) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital fee fund (494-00-2079-4200) of the Kansas department for aging and disability services is hereby decreased from \$1,469,674 to

\$840,706.

(l) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital certified care fund (494-00-2079-4201) of the Kansas department for aging and disability services is hereby increased from \$2,220,000 to \$2,638,131.

(m) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Parsons state hospital and training center fee fund (507-00-2082-2200) of the Kansas department for aging and disability services is hereby decreased from \$1,372,386 to \$1,049,582.

(n) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2019, the following:

Parsons state hospital and training center – energy conservation improvement debt service (507-00-8100-8330)\$9,367

(o) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Opioid.abuse.treatment.&.prevention federal fund (039-00-3023-3024)No limit
Health occupations credentialing fee fundNo limit

(p) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to ensure that no crisis center shall receive an amount of moneys from the above agency that is less than the amount that such crisis center received in fiscal year 2018.

(q) On July 1, 2018, the \$1,888,206 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the Larned state hospital – SPTP reintegration program account (410-00-1000-0400), is hereby lapsed.

(r) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from the state general fund or any special revenue fund or funds for fiscal year 2019 for the Kansas department for aging and disability services as authorized by section 100 of chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the Kansas department for aging and disability services for fiscal year 2019 to develop a long-term plan to eliminate the waiting list for the home and community based services waiver: *Provided*, That the Kansas department for aging and disability services shall include such long-term plan in its revised budget estimate submission during the fall of 2018.

(s) On July 1, 2018, the \$673,756 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws

of Kansas from the state general fund in the health occupational credentialing account (039-00-1000-0800) is hereby lapsed.

(t) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, not to exceed \$50,000, to continue the mental health task force established by section 99(r) of chapter 104 of the 2017 Session Laws of Kansas: *Provided*, That in addition to the members appointed to the task force pursuant to section 99(r) of chapter 104 of the 2017 Session Laws of Kansas, the task force shall consist of two additional members, one to be appointed by the Kansas hospital association and one to be appointed by the Kansas association for the medically underserved: *Provided further*, That such task force shall study the following topics: The Kansas mental health delivery system, including a prioritization of, or the creation of, a strategic plan addressing the recommendations of the report filed on January 8, 2018; ascertaining the total number of psychiatric beds needed to most effectively deliver mental health services and the location where such services would be best provided in Kansas, working in conjunction with the entity that facilitated the task force's activities in fiscal year 2018; and any other matters relating to mental health services as such task force deems appropriate: *And provided further*, That such task force shall submit a report on the task force's findings to the senate standing committees on ways and means and public health and welfare and the house of representatives standing committees on appropriations and health and human services on or before January 14, 2019.

(u) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made from the general fees fund (039-00-2524-2500) for fiscal year 2019 by the above agency by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such fund to provide for emergency crisis housing and associated living expenses for: (1) Individuals who were served by the RSI crisis center in an amount not to exceed \$200,000; (2) individuals who were served by the comcare crisis center in an amount not to exceed \$200,000; and (3) individuals who were served by the valeo crisis center in an amount not to exceed \$200,000: *Provided, however*, that the secretary of the above agency shall submit a written report on the use of such expenditures to the house of representatives committee on appropriations and the senate committee on ways and means on or before January 14, 2019.

(v) On July 1, 2018, of the \$17,642,543 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state operations account (039-00-1000-0801), the sum of \$131,503 is hereby lapsed.

(w) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or in any special revenue fund or funds as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above

agency from such moneys to submit a report to the legislature, the senate committee on ways and means and the house of representatives committee on appropriations during the 2019 regular session of the legislature detailing the above agency's progress to submit to the United States centers for medicare and medicaid services a state medicaid plan amendment that would allow the state to receive federal matching moneys for supported behavioral health housing services projects.

Sec. 73.

KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

State operations (including official hospitality) (629-00-1000-0013)\$3,103,170

Provided, That on or before June 30, 2018, the director of the budget shall certify the amount expended for the protective investigator position to assist with locating missing foster children in fiscal year 2018 for salary and wages, including associated fringe benefits, and travel expenses, communications and supplies: *Provided further*, That on June 30, 2018, of the amount appropriated for the fiscal year ending June 30, 2018, by this section from the state general fund in the state operations (including official hospitality) account, any amount of the \$31,146 budgeted for such position that is not expended as part of such certified amount is hereby lapsed: *And provided further*, That if the director of the budget makes any certification under this proviso, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Youth services aid and assistance (629-00-1000-7020)\$15,060,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Project maintenance reserve fund (629-00-2214-0150).....No limit

Sec. 74.

KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

State operations (including official hospitality) (629-00-1000-0013)\$4,756,919

Youth services aid and assistance (629-00-1000-7020).....\$23,420,965

(b) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

Family preservation (629-00-2000-2413)\$80,745

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Project maintenance reserve fund (629-00-2214-0150)No limit

(d) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for children and

families from moneys appropriated from the temporary assistance to needy families federal fund (629-00-3323-0530) of the Kansas department for children and families for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$1,000,000 to make direct payments to boys and girls club, YMCA and municipal parks and recreation agency programs: *Provided*, That 50% of such moneys shall be expended for the operation and administration of such programs that help youth explore a broad range of career areas; match youth skill and interest to career areas; support youth in preparing for employment; teach youth the negative consequences of using substances such as drugs, alcohol and tobacco; and help youth build skills for eating a healthy diet, exercising, accessing quality healthcare or developing positive relationships: *Provided further*, That 50% of such moneys shall be expended for the payment of fees for participation in after-school programs by children in foster care in the state of Kansas: *Provided, however*, That such payments shall only be made to the extent allowed under federal law.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for children and families from moneys appropriated from the temporary assistance to needy families federal fund (629-00-3323-0530) of the Kansas department for children and families for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$5,750,000 to make payments to the jobs for America's graduates organization for programs that: Help students who are at risk of failing in school; provide an avenue for academic achievement; and assist students in earning credentials: *Provided, however*, That such expenditures shall only be made to the extent allowed under federal law.

Sec. 75.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

KPERS – employer contributions (652-00-1000-0100)	\$2,140,000
KPERS.–employer contributions USDs (652-00-1000-0110)	\$9,813,000
State foundation aid (652-00-1000-0820)	\$10,968,783
Incentive for technical education (652-00-1000-0130)	\$55,000

(b) On the effective date of this act, of the \$480,920,922 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 1(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the supplemental state aid account (652-00-1000-0840), the sum of \$26,420,922 is hereby lapsed.

Sec. 76.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Juvenile transitional crisis center pilot project	\$300,000
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Provided, That expenditures from the juvenile transitional crisis center pilot project account shall be used by the above agency during fiscal year 2019 to develop a regional crisis center pilot project at the Beloit special education cooperative founded on

research and evidence-based practices designed to meet the unique social and emotional needs of students identified as at-risk or with disabilities: *Provided further*, That such project shall provide individualized programming to attain such student's high school diploma and job skills while working through the social skills program: *And provided further*, That the commissioner of education shall provide an update to the legislature on or before the first day of the 2019 regular legislative session on the implementation of the pilot project developed by this proviso.

State foundation aid (652-00-1000-0820)	\$75,612,255
KPERS – employer contributions – USDs (652-00-1000-0110)	\$32,147,000
KPERS – employer contributions (652-00-1000-0100)	\$5,632,000
Special education services aid (652-00-1000-0700)	\$10,000,000
Career and technical education transportation	\$650,000
Teach for America pilot program	\$520,000
Education super highway	\$300,000
Incentive for technical education (652-00-1000-0130)	\$750,000
Operating expenditures (including official hospitality) (652-00-1000-0053)	\$300,000

Provided, That, in addition to other positions within the department of education as prescribed by law, expenditures shall be made from the operating expenditures (including official hospitality) account to employ two additional employees to review and evaluate school safety and security plans and provide technical assistance to school districts on such plans.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

School safety and security grant fund	\$5,000,000
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Provided, That all moneys in the school safety and security grant fund expended for fiscal year 2019 shall be matched by the receiving school district on a \$1 for \$1 basis from other moneys of the district: *Provided further*, That all expenditures from the school safety and security grant fund shall be used for the disbursement of grant moneys for school safety and security improvements as approved by the state board of education under this section.

(c) On July 1, 2018, the director of accounts and reports shall transfer \$5,000,000 from the state general fund to the school safety and security grant fund of the department of education.

(d) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys for the state board of education to develop and adopt statewide standards for making all public schools and attendance centers operated by school districts in this state safe and secure: *Provided*, That in developing such standards, the state board of education: (1) Shall consult with the office of the adjutant general, the Kansas bureau of investigation, the department of health and environment, the state fire marshal and any other state agencies as deemed

necessary by the state board of education; and (2) may consult with any local agencies and school boards as deemed necessary by the state board of education: *Provided further*, That the standards developed by the state board of education under this subsection shall include, but are not limited to: (1) The infrastructure of school buildings and attendance centers operated by school districts in this state, including secured entrances, windows and other facets of the structural integrity of such buildings; (2) security technology to be utilized in such buildings, including, but not limited to, intrusion detection systems and security cameras; (3) communications systems, including, but not limited to, systems for interoperability between the school district and law enforcement agencies; and (4) any other systems or facilities the state board of education deems necessary for the safety and security of such buildings: *And provided further*, That the state board of education shall notify all school districts of the standards adopted under this subsection on or before January 1, 2019: *And provided further*, That the state board of education shall also provide notice of the adopted standards to those state agencies set forth in this subsection and any other state agencies the state board of education consulted with in developing such standards: *And provided further*, That to the extent such standards contain emergency or security information or procedures, the state board of education shall maintain the confidentiality of such standards when sending notices pursuant to this subsection.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys for the state board of education to develop and adopt statewide standards for school safety and security plans to be adopted by each school district: *Provided*, That in developing such standards, the state board of education: (1) Shall consult with the office of the adjutant general, the Kansas bureau of investigation, the department of health and environment, the state fire marshal and any other state agencies as deemed necessary by the state board of education; and (2) may consult with any local agencies and school boards as deemed necessary by the state board of education: *Provided further*, That the standards developed by the state board of education under this subsection shall include, but are not limited to: (1) Evaluation of the infrastructure of school buildings and attendance centers for compliance with standards adopted under subsection (d); (2) training of school district employees on school safety and security policies and procedures and conducting student drills on emergency situations; (3) procedures for making notifications to individuals located outside of the school building during emergency situations and maintaining communication with law enforcement agencies and other necessary individuals; (4) procedures for securing school buildings during an emergency situation; (5) procedures for emergency evacuation of school buildings, including evacuation routes and sites; (6) procedures for recovery after an emergency situation ceases; (7) coordination and incorporation of school safety and security plans with existing school district emergency response plans; (8) distribution of school safety and security plans to local law enforcement agencies and emergency management agencies; (9) procedures for ensuring there is accountability for adopting and implementing the school safety and security plan in accordance with this subsection and

the standards adopted by the state board of education; and (10) any other policies and procedures the state board of education deems necessary for school safety and security plans: *And provided further*; That in developing standards for school safety and security plans under this subsection, the state board of education shall identify roles and responsibilities for implementing school safety and security plans at the school district and school building level: *And provided further*; That the state board of education also shall identify the role of local law enforcement agencies and local emergency management agencies when partnering with school districts in the development and implementation of school safety and security plans: *And provided further*; That the state board of education may consider and utilize any materials, documentation or videos that are available through the United States department of homeland security in developing standards under this subsection: *And provided further*; That the state board of education shall notify all school districts of the standards adopted under this subsection on or before January 1, 2019: *And provided further*; That the state board of education shall also provide notice of the adopted standards to those state agencies set forth in this subsection and any other state agencies the state board of education consulted with in developing such standards: *And provided further*; That to the extent such standards contain emergency or security information or procedures, the state board of education shall maintain the confidentiality of such standards when sending notices pursuant to this subsection.

(f) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to require each school district to adopt a comprehensive school safety and security plan based on the statewide standards adopted by the state board of education under subsections (d) and (e): *Provided*, That prior to the adoption of a school safety and security plan, each school district shall consult with one or more local law enforcement agencies and local emergency management agencies to review and evaluate: (1) Existing infrastructure of school buildings and attendance centers operated by such school district; and (2) current school district safety and security policies and procedures: *Provided further*; That the local law enforcement agencies and emergency management agencies may provide guidance on improving a school district's building infrastructure or safety and security polices and procedures: *And provided further*; That the review and evaluation, and any guidance provided as a result thereof, shall be done in accordance with the standards adopted by the state board of education under subsections (d) and (e): *And provided further*; That upon adoption of a school safety and security plan, the superintendent of the school district shall send a copy of such plan to each local law enforcement agency and emergency management agency the school district consulted with, and shall send a copy to the state board of education: *And provided further*; That each school district may submit an application to the state board of education for a grant of school safety and security improvement moneys: *And provided further*; That such application shall be submitted in such form and manner as prescribed by the state board of education, and shall include the current school district safety and security policies and procedures and a description of the school safety and security improvements the school district

determines to be necessary: *And provided further*, That school safety and security improvements shall be determined based on the standards adopted by the state board of education under subsections (d) and (e): *And provided further*, That the state board of education shall review all applications and approve or deny such applications based on whether the applicant school district has demonstrated the necessity of school safety and security improvements: *And provided further*, That as part of its review of an application, the state board of education may conduct a hearing and provide the applicant school district an opportunity to present testimony as to the necessity of such school safety and security improvements: *And provided further*, That if the state board of education approves an application, it shall determine the amount of moneys to be disbursed to the applicant school district from the school safety and security grant fund: *And provided further*, That if the state board of education denies an application, then, within 15 days of such denial, the state board of education shall send written notice of such denial to the superintendent of such school district: *And provided further*, That all administrative proceedings pursuant to this subsection shall be conducted in accordance with the provisions of the Kansas administrative procedure act: *And provided further*, That any action by the state board of education pursuant to this subsection shall be subject to review in accordance with the Kansas judicial review act.

(g) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys for school districts to provide firearm safety education programs for the purposes of promoting the safety and protection of students and emphasizing how students should respond when encountering a firearm: *Provided*, That the state board of education shall establish curriculum guidelines for a standardized firearm safety education program: *Provided further*, That such guidelines shall include, but not be limited to, accident prevention and: (1) For students enrolled in kindergarten and grades one through five, shall be based on the eddie eagle gunsafe program offered by the national rifle association or any other evidence-based program or any successor program; (2) for students enrolled in grades six, seven and eight, shall be based on the eddie eagle gunsafe program offered by the national rifle association or any successor program, the hunter education in our schools program offered by the Kansas department of wildlife, parks and tourism or any successor program, or any other evidence-based program or any successor program; and (3) for students enrolled in grades nine through 12, shall be based on the hunter education in our schools program offered by the Kansas department of wildlife, parks and tourism or any successor program, or any other evidence-based program or any successor program: *And provided further*, That if a board of education of a school district elects to provide firearm safety education, such instruction shall be in accordance with the accident prevention guidelines and guidelines established in paragraphs (1), (2) and (3).

(h) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

CIF grants (652-00-2000-2408)	\$2,343,930
Quality initiative infants and toddlers (652-00-2000-2420)	\$69,534

Early childhood block grant autism diagnosis (652-00-2000-2422)	\$6,953
Communities aligned in early development and education.....	\$1,000,000
Pre-K pilot (652-00-2000-2535)	\$4,200,000
Parent education program (652-00-2000-2510)	\$1,000,000

Provided, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant.

(i) On July 1, 2018, during the fiscal year ending June 30, 2019, any expenditures from the parent education program account (652-00-2000-2510) of the children's initiatives fund by section 2(c) of chapter 95 of the 2017 Session Laws of Kansas for each grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant, and on July 1, 2018, the provisions of section 2(c) of chapter 95 of the 2017 Session Laws of Kansas that provide for such match to be in an amount that is equal to not less than 65% of the grant are hereby declared to be null and void and shall have no force and effect.

(j) In addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from the state foundation aid account (652-00-1000-0820) of the state general fund for fiscal year 2019 for such state agency as authorized by chapter 95 of the 2017 Session Laws of Kansas, 2018 Substitute for Senate Bill No. 423, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such agency from moneys appropriated from the state foundation aid account of the state general fund for fiscal year 2019 for the commissioner of education to allow three-year old preschool-aged at-risk students to participate in the program if such students meet the following requirements: (1) Are under the age of eligibility for attendance at kindergarten; (2) have been selected by the state board of education in accordance with guidelines governing the selection of students for participation in head start programs; (3) do not replace four-year old preschool-aged at-risk students; and (4) only fill available openings in such programs.

(k) On July 1, 2018, the amount of \$24,150,000 authorized by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the general state aid transportation weighting – state highway fund (652-00-2222-2222) of the department of education on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby decreased to \$11,250,000.

(l) The director of accounts and reports shall not make the transfer of \$2,500,000 from the state highway fund of the department of transportation to the special education transportation weighting – state highway fund (652-00-2223-2223) of the department of education that was authorized to be made on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas and, on July 1, 2018, the provisions of section 2(b) of chapter 95 of the 2017 Session Laws of Kansas that provide for such transfers are hereby declared to be null and void and shall have no force and effect.

(m) The director of accounts and reports shall not make the transfer of \$650,000 from the state highway fund of the department of transportation to the career and technical education transportation – state highway fund (652-00-2139-2139) of the

department of education that was authorized to be made on July 1, 2018, by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas and, on July 1, 2018, the provisions of section 2(b) of chapter 95 of the 2017 Session Laws of Kansas that provide for such transfer is hereby declared to be null and void and shall have no force and effect.

(n) On July 1, 2018, of the \$486,109,284 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 2(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the supplemental state aid account (652-00-1000-0840), the sum of \$8,186,284 is hereby lapsed.

(o) On July 1, 2018, the provisions of section 1(b) of 2018 Substitute for Senate Bill No. 423 are hereby declared to be null and void and shall have no force and effect.

(p) In addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from the state general fund in the mental health intervention team pilot program account for fiscal year 2019 as authorized by section 1(a) of 2018 Substitute for Senate Bill No. 423, this act or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from moneys appropriated from the state general fund in the mental health intervention team pilot program account for fiscal year 2019 for the commissioner of education to review and approve the memorandums of understanding that have been executed between the participating school districts and community mental health centers to implement the mental health intervention team pilot program: *Provided*, That upon approval, moneys in such account shall be expended to provide treatment and services for students under the mental health intervention team pilot program who are uninsured or underinsured: *Provided, however*, That the aggregate of such expenditures for treatment and services provided pursuant to this subsection shall not exceed \$1,541,050.

Sec. 77.

STATE HISTORICAL SOCIETY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 116(b) of chapter 104 of the 2017 Session Laws of Kansas on expenditures from the heritage trust fund (288-00-7379-7600) of the state historical society for state operations is hereby increased from \$56,244 to \$57,476.

Sec. 78.

FORT HAYS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including	
official hospitality) (246-00-1000-0013)	\$618,799
Master's-level nursing capacity (246-00-1000-0100)	\$77
Kansas wetlands education center at Cheyenne	
bottoms (246-00-1000-0200).....	\$4,927
Kansas academy of math and	
science (246-00-1000-0300)	\$13,751

Sec. 79.

KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall

not exceed the following:

Electrical distribution system project fund (367-00-8001-8318)	No limit
Salina project fund (367-00-2062-2000)	No limit

Sec. 80.

KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (367-00-1000-0003).....	\$1,790,142
Midwest institute for comparative stem cell biology (367-00-1000-0170)	\$2,443
Global food systems (367-00-1000-0190)	\$18,817
Kansas state university polytechnic campus (367-00-1000-0150)	\$116,415

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Electrical distribution system project fund (367-00-2520-2080)	No limit
Salina project fund (367-00-2062-2000)	No limit

Sec. 81.

KANSAS STATE UNIVERSITY EXTENSION SYSTEMS
AND AGRICULTURE RESEARCH PROGRAMS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Cooperative extension service (including official hospitality) (369-00-1000-1020)	\$321,171
Agricultural experiment stations (including Official hospitality) (369-00-1000-1030).....	\$524,335

Sec. 82.

KANSAS STATE UNIVERSITY
VETERINARY MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (368-00-1000-5003)	\$189,662
Operating enhancement (368-00-1000-5023)	\$94,407

Sec. 83.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Abigail Morse hall and the residential .life residence
 project fund (379-00-5650-5120)No limit
 Sec. 84.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Department of nursing\$535,000
 Operating expenditures (including Official
 hospitality) (379-00-1000-0083)\$530,635
 Reading recovery program (379-00-1000-0100)\$3,585
 Nat'l Board Cert/Future Teacher
 Academy (379-00-1000-0200)\$2,185

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Abigail Morse hall and the residential .life residence
 project fund (379-00-5650-5120)No limit
 Sec. 85.

PITTSBURG STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official
 hospitality) (385-00-1000-0063)\$609,586
 School of construction (385-00-1000-0200)\$13,142
 Polymer science program (385-00-1000-0300).....\$17,553
 Sec. 86.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Geological survey (682-00-1000-0170)\$8,198

(b) On the effective date of this act, of the \$122,379,585 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 129(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account (682-00-1000-0023), the sum of \$8,198 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

2017A – refunding fundNo limit
 Sec. 87.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official
 hospitality) (682-00-1000-0023)\$2,448,065

Umbilical cord matrix project (682-00-1000-0370)\$2,462
 Geological survey (682-00-1000-0170)\$122,207

(b) On July 1, 2018, of the \$123,932,492 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 130(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account (682-00-1000-0023), the sum of \$8,198 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Earth, energy and environment center
 project fund (682-00-2545-2080)No limit
 2017A – refunding fundNo limit
 Corbin hall fund (682-00-5142-5050)No limit
 Sec. 88.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$970,000 from the rural health bridging psychiatry fund (683-00-2218-2218) to the psychiatry medical loan repayment fund (683-00-7233-7233).

Sec. 89.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official
 hospitality) (683-00-1000-0503)\$2,009,373
 Medical scholarships and
 loans (683-00-1000-0600)\$84,618
 Midwest stem cell therapy
 center (683-00-1000-0800)\$14,482
 Rural health bridging (683-00-1000-1010)\$2,639

(b) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$970,000 from the rural health bridging psychiatry fund (683-00-2218-2218) to the psychiatry medical loan repayment fund (683-00-7233-7233).

Sec. 90.

WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking garage project fund (715-00-5148-5000)No limit
 2016J – refunding fund.....No limit

Sec. 91.

WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (715-00-1000-0003)	\$1,206,107
Technology transfer facility (715-00-1000-0005)	\$37,634
Aviation infrastructure (715-00-1000-0010)	\$1,765,231
Aviation research (715-00-1000-0015)	\$5,094,084

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking garage project fund (715-00-5148-5000)	No limit
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Sec. 92.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Tuition for technical education (561-00-1000-0120)	\$7,300,000
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Sec. 93.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (561-00-1000-0103)	\$112,095
Midwest higher education commission (561-00-1000-0250)	\$2,383
State scholarship program (561-00-1000-4300)	\$53,731
Kansas work-study program (561-00-1000-2000)	\$31,361
ROTC service scholarships (561-00-1000-4600)	\$6,272
Military service scholarships (561-00-1000-1310)	\$25,089
Teachers scholarship program (561-00-1000-0800)	\$250,890
Nursing student scholarship program (561-00-1000-4100)	\$125,445
Municipal university operating grant (561-00-1000-1010)	\$223,943
Adult basic education (561-00-1000-0900)	\$36,555
Postsecondary tiered. Technical education state aid (561-00-1000-0760).....	\$1,327,860
Non-tiered course credit hour grant (561-00-1000-0550)	\$1,740,458
Technology equipment at community colleges and Washburn university (561-00-1000-0500)	\$9,997
Vocational education capital outlay aid (561-00-1000-0310)	\$1,796
Tuition waivers (561-00-1000-1650)	\$12,545
Nurse educator grant program (561-00-1000-4120)	\$43,906
Nursing faculty and supplies grant program (561-00-1000-4130)	\$44,839
Postsecondary technical education authority (561-00-1000-0750)	\$499
Tuition for technical education (561-00-1000-0120)	\$8,300,000
National guard education assistance (561-00-1000-1300)	\$1,814,565

(b) If the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, in the postsecondary tiered technical education state aid account (561-00-1000-0760) is \$58,300,000 or

greater, then the difference between the amount of moneys appropriated for the fiscal year 2019 and \$58,300,000 shall be distributed based on each eligible institution's calculated gap, according to the postsecondary tiered technical education state aid act, K.S.A. 2017 Supp. 71-1801 through 71-1810, and amendments thereto, as determined by the state board of regents: *Provided*, That if the amount of moneys appropriated for the above agency for fiscal year 2019 is less than \$58,300,000, then each eligible institution shall receive an amount of moneys proportionally adjusted to equal the amount of moneys such eligible institution received in fiscal year 2016: *And provided further*; That on July 1, 2018, the provisions of the proviso to the appropriation of moneys in the postsecondary tiered technical education state aid account of the state board of regents in section 136(a) of chapter 104 of the 2017 Session Laws of Kansas is hereby declared to be null and void and shall have no force and effect.

(c) Notwithstanding the provisions of K.S.A. 2017 Supp. 74-32,182, and amendments thereto, on July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$535,000 from the private and out-of-state postsecondary educational institution fee fund (561-00-2614-2610) of the above agency to the state general fund.

Sec. 94.

DEPARTMENT OF CORRECTIONS

(a) On the effective date of this act, of the \$3,997,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 214(c) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – Topeka complex and Larned juvenile correctional facility account (521-00-8100-8119) the sum of \$170 is hereby lapsed.

Sec. 95.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (521-00-1000-0603)	\$276,024
Topeka correctional facility – facilities	
operations (660-00-1000-0303)	\$774,351
Hutchinson correctional facility – facilities	
operations (313-00-1000-0303)	\$1,463,428
Lansing correctional facility – facilities	
operations (400-00-1000-0303)	\$1,579,404
Ellsworth correctional facility – facilities	
operations (177-00-1000-0303)	\$616,036
Winfield correctional facility – facilities	
operations (712-00-1000-0303)	\$561,234
Norton correctional facility – facilities	
operations (581-00-1000-0303).....	\$742,893
El Dorado correctional facility – facilities	
operations (195-00-1000-0303)	\$1,899,076
Larned correctional mental health facility – facilities	
operations (408-00-1000-0303)	\$586,194
Kansas juvenile correctional complex – facilities	
operations (352-00-1000-0303)	\$533,007

(b) On July 1, 2018, of the \$8,000,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 139(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the evidence based juvenile program account (521-00-1000-0050) the sum of \$6,000,000 is hereby lapsed.

Sec. 96.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures (034-00-1000-0053)\$9,984

Provided, That on or before June 30, 2018, the director of the budget shall certify that the above agency hired to fill a national bio and agro-defense facility planner position during fiscal year 2018: *Provided, however*, That if the above agency did not hire to fill such position during fiscal year 2018, the director of the budget shall certify the amount budgeted for such unfilled position: *Provided further*, That on June 30, 2018, of the amount appropriated for the fiscal year ending June 30, 2018, by this section from the state general fund in the operating expenditures account, an amount equal to such certified amount is hereby lapsed: *And provided further*, That if the director of the budget makes any certification under this proviso, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Disaster relief (034-00-1000-0200)\$1,663,979

Sec. 97.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (034-00-1000-0053)\$20,277

Disaster relief (034-00-1000-0200)\$2,446,318

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas national guard counter drug state forfeiture fundNo limit

Sec. 98.

STATE FIRE MARSHAL

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the fire marshal fee fund (234-00-2330-2000) is hereby increased from \$5,067,836 to \$5,287,336.

(b) On July 1, 2018, the amount of \$1,000,000 authorized by section 143(b) of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the fire marshal fee fund (234-00-2330-2000) of the state fire marshal to the state general fund on July 1, 2018, and January 1, 2019, is hereby decreased to \$500,000.

(c) Notwithstanding the provisions of K.S.A. 31-133, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2019, as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above

agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2019 to require administrators of public and private schools and educational institutions, except community colleges, colleges and universities, to conduct at least 16 emergency preparedness drills during the school year at some time during school hours, aside from the regular dismissal at the close of the day's session, and to prescribe the manner in which such emergency preparedness drills are to be conducted: *Provided*, That such emergency preparedness drills shall include at least: (1) Four fire drills; (2) three tornado drills conducted pursuant to the tornado procedures established by administrators of public and private schools and educational institutions, except community colleges, colleges and universities and subject to approval by the state fire marshal; and (3) nine crisis drills that shall include, but not be limited to, intruder response drills and lockdown drills.

Sec. 99.

KANSAS HIGHWAY PATROL

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby increased from \$52,236,578 to \$52,332,772.60.

(b) On the effective date of this act, the amount of \$12,998,317.75 authorized by section 144(d) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state highway fund of the department of transportation to the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol on April 1, 2018, is hereby increased to \$13,010,151.35.

(c) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 68-416, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$250,000 from the state highway fund of the department of transportation to the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol for the purpose of acquiring a use-of-force training simulator for the Kansas highway patrol training academy.

Sec. 100.

KANSAS HIGHWAY PATROL

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby decreased from \$52,597,147 to \$52,353,840.

(b) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project to purchase the land and improvements comprising the troop B headquarters located in Shawnee county, Kansas:

Provided, That such capital improvement project is hereby approved for the Kansas highway patrol for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That the Kansas highway patrol may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *And provided further*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$3,220,266 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project, credit enhancement costs and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the Kansas highway patrol operations fund: *And provided further*, That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: *Provided, however*, That no such expenditures shall be made and no such bonds shall be issued unless and until the Kansas highway patrol has first advised and consulted on such capital improvement project with the joint committee on state building construction.

(c) In addition to the other purposes for which expenditures may be made from the Kansas highway patrol operations fund for fiscal year 2019, expenditures may be made by the above agency from the Kansas highway patrol operations fund for fiscal year 2019 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Debt service – troop B\$300,000

Provided, That all expenditures from each such capital improvement account shall be in addition to any expenditure limitations imposed on the Kansas highway patrol operations fund for fiscal year 2019.

(d) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$300,000 from the state highway fund of the department of transportation to the debt service – troop B account of the Kansas highway patrol operations fund. In addition to other purposes for which expenditures may be made from the state highway fund during fiscal year 2019 and notwithstanding the provisions of K.S.A. 68-416, and amendments thereto, or any other statute, transfers and expenditures may be made from the state highway fund during fiscal year 2019 for support and maintenance of the Kansas highway patrol.

Sec. 101.

ATTORNEY GENERAL – KANSAS
BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, for the capital improvement project or projects specified, the following:

Internet crimes against children fund\$250,000
Sec. 102.

ATTORNEY GENERAL – KANSAS
BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (083-00-1000-0083)\$1,645,188

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, for the capital improvement project or projects specified, the following:

Internet crimes against children fund\$250,000
Sec. 103.

KANSAS COMMISSION ON PEACE OFFICERS'
STANDARDS AND TRAINING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas commission on peace officers' standards and training fund (529-00-2583-2580) of the Kansas commission on peace officers' standards and training is hereby increased from \$605,176 to \$634,068.

Sec. 104.

KANSAS COMMISSION ON PEACE OFFICERS'
STANDARDS AND TRAINING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas commission on peace officers' standards and training fund (529-00-2583-2580) of the Kansas commission on peace officers' standards and training is hereby increased from \$635,318 to \$667,505.

Sec. 105.

KANSAS DEPARTMENT OF AGRICULTURE

(a) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2018, for the water plan project or projects specified, the following:

Riparian and wetland program (046-00-1800-1260)\$281,312

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Alternative crop research act licensing fee fundNo limit
Sec. 106.

KANSAS DEPARTMENT OF AGRICULTURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (046-00-1000-0053)\$167,868

Animal traceability pilot study\$250,000

(b) On July 1, 2018, of the \$1,050,980 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 155(f) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the agricultural

marketing program account (046-00-1900-1110), the sum of \$62,334 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Alternative crop research act licensing fee fundNo limit

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Streambank stabilization projects (046-00-1800-1290)\$500,000

Provided, That any unencumbered balance in the streambank stabilization account (709-00-1800-1265) of the Kansas water office in excess of \$100 as of June 30, 2018, is hereby reappropriated to the streambank stabilization projects account of the above agency for fiscal year 2019.

Irrigation technology\$100,000

Crop research – hemp\$100,000

Crop research – sorghum\$150,000

Sec. 107.

STATE FAIR BOARD

(a) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds of the above agency for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project to renovate the bison arena on the state fairgrounds: *Provided*, That such capital improvement project is hereby approved for the state fair board for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That the state fair board may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *And provided further*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$1,700,000 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project, credit enhancement costs and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the state fair capital improvements fund (373-00-2533-2500): *And provided further*, That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: *Provided, however*, That if 2018 Senate Bill No. 415, or any other legislation that authorizes the crediting of state sales

tax revenues from the sale of tangible personal property at retail while on the Kansas state fairgrounds to the state fair capital improvements fund is not passed by the legislature during the 2018 regular session and enacted into law, then on July 1, 2018, the provisions of this subsection are hereby declared to be null and void and shall have no force and effect.

Sec. 108.

KANSAS WATER OFFICE

(a) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2018, for the state water plan project or projects specified, the following:

Milford lake watershed regional conservation partnership program	\$200,000
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Sec. 109.

KANSAS WATER OFFICE

(a) During the fiscal year ending June 30, 2019, the director of the Kansas water office shall certify to the director of accounts and reports the amount of moneys expended by the Kansas department of agriculture from the state general fund that is attributable to administration of the state water plan storage act (K.S.A. 82a-1301 et seq., and amendments thereto) or the water assurance program act (K.S.A. 82a-1330 et seq., and amendments thereto): *Provided*, That upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer the amount certified from the water marketing fund (709-00-2255-2100) of the Kansas water office to the state general fund: *Provided further*, That the director of the Kansas water office shall transmit a copy of each such certification to the director of the budget and the director of legislative research.

(b) On July 1, 2018, the amount of \$419,474 authorized by section 159(i) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the water marketing fund (709-00-2255-2100) of the Kansas water office to the state general fund on July 1, 2018, is hereby decreased to \$411,074.

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Milford lake watershed regional conservation partnership program	\$200,000
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Provided, That any unencumbered balance in the Milford lake watershed regional conservation partnership program account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Best management practices implementation	\$900,000
Water vision education	\$100,000

Reservoir bathymetric surveys and biological research (709-00-1800-1275)	\$100,000
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Provided, That any unencumbered balance in the reservoir bathymetric surveys and biological research account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Streambank stabilization effectiveness research	\$100,000
Harmful algae bloom research	\$100,000
Water technology farms	\$75,000

Water resource planner\$100,000

Provided, That notwithstanding the provisions of K.S.A. 82a-951, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2019, expenditures may be made from the water resource planner account of the state water plan fund by the above agency for salaries and wages, and associated fringe benefits, for a water resource planner.

Kansas river alluvial aquifer observation

well network (709-00-1800-1270)\$50,000

Provided, That any unencumbered balance in the Kansas river alluvial aquifer observation well network account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Equus Beds aquifer chloride plume pilot\$50,000

Sec. 110.

KANSAS DEPARTMENT OF WILDLIFE, PARKS AND TOURISM

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism is hereby increased from \$30,346,754 to \$32,231,161.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the parks fee fund (710-00-2122-2050) of the Kansas department of wildlife, parks and tourism is hereby increased from \$9,026,919 to \$9,959,340.

(c) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the boating fee fund (710-00-2245-2800) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,118,974 to \$1,126,942.

(d) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the department access roads fund (710-00-2178-2761) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,634,413 to \$1,652,261.

(e) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2018, from which expenditures may be made for salaries and wages, as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2018, from which expenditures may be made for salaries and wages, for progression within the existing pay structure for natural resource officers of the Kansas department of wildlife, parks and tourism: *Provided, however*; That notwithstanding the provisions of K.S.A. 75-2935, and amendments thereto, or any other statute, the secretary of wildlife, parks and tourism shall not require such officer to transfer into the unclassified service in order to

progress within the existing pay structure pursuant to this subsection.

(f) Notwithstanding the provisions of K.S.A. 2017 Supp. 32-9,100, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the Kansas department of wildlife, parks and tourism from moneys appropriated from the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism for the fiscal year ending June 30, 2018, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys during fiscal year 2018 to issue senior lifetime hunting and fishing licenses to Kansas resident disabled veterans who are 65 years of age or older: *Provided*, That such licenses are hereby authorized to be issued without charge to such veterans in accordance with policies and procedures prescribed by the secretary of wildlife, parks and tourism: *Provided further*, That to qualify for such license without charge, the resident disabled veteran shall have been separated from the armed services under honorable conditions and have a disability certified by the Kansas commission on veterans affairs office as being service related and such service-connected disability is equal to or greater than 30%.

Sec. 111.

KANSAS DEPARTMENT OF
WILDLIFE, PARKS AND TOURISM

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism is hereby increased from \$30,187,879 to \$33,894,060.

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the parks fee fund (710-00-2122-2050) of the Kansas department of wildlife, parks and tourism is hereby increased from \$9,098,199 to \$9,969,845.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the boating fee fund (710-00-2245-2800) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,107,541 to \$1,168,599.

(d) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the department access road fund (710-00-2178-2761) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,636,652 to \$1,654,683.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2019, from which expenditures may be made for salaries and wages, as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2019, from which

expenditures may be made for salaries and wages, for progression within the existing pay structure for natural resource officers of the Kansas department of wildlife, parks and tourism: *Provided, however*; That notwithstanding the provisions of K.S.A. 75-2935, and amendments thereto, or any other statute, the secretary of wildlife, parks and tourism shall not require such officer to transfer into the unclassified service in order to progress within the existing pay structure pursuant to this subsection.

(f) Notwithstanding the provisions of K.S.A. 2017 Supp. 32-9,100, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the Kansas department of wildlife, parks and tourism from moneys appropriated from the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys during fiscal year 2019 to issue senior lifetime hunting and fishing licenses to Kansas resident disabled veterans who are 65 years of age or older: *Provided*, That such licenses are hereby authorized to be issued without charge to such veterans in accordance with policies and procedures prescribed by the secretary of wildlife, parks and tourism: *Provided further*; That to qualify for such license without charge, the resident disabled veteran shall have been separated from the armed services under honorable conditions and have a disability certified by the Kansas commission on veterans affairs office as being service related and such service-connected disability is equal to or greater than 30%.

Sec. 112.

DEPARTMENT OF TRANSPORTATION

(a) On the effective date of this act, notwithstanding the provisions of K.S.A. 68-2320, and amendments thereto, or any other statute, regarding the \$400,000,000 limitation on the issuance of bonds pursuant to section 163(j) and 164(j) of chapter 104 of the 2017 Session Laws of Kansas for fiscal year 2018 and fiscal year 2019, any remaining authority to issue bonds pursuant to section 163(j) and 164(j) of chapter 104 of the 2017 Session Laws of Kansas for fiscal year 2018 and fiscal year 2019 shall be limited to \$200,000,000 of the net proceeds of the bonds issued pursuant to such sections and not the principal amount of the bond issuance.

(b) Notwithstanding the provisions of K.S.A. 2017 Supp. 68-2314b, and amendments thereto, or any other statute, in addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 for such state agency as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such agency from moneys appropriated from any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 for the secretary of transportation to review the 23 transportation works for Kansas projects that have been delayed: *Provided*, That the secretary shall meet with the local government officials concerning such delayed projects to confirm such project continues to be such local government's priority project: *Provided further*; That upon confirming the 23 transportation works for Kansas projects, the secretary shall implement the construction, improvement and reconstruction of such transportation works for Kansas projects in the most cost effective manner to maximize savings: *And provided further*; That the secretary shall

provide an update to the legislature on or before the first day of the 2019 regular legislative session on the implementation of the transportation works for Kansas projects required by this subsection.

Sec. 113.

STATE FINANCE COUNCIL

(a) On the effective date of this act, of the \$12,200,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 177(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state employee pay increase fund account, the sum of \$264,875 is hereby lapsed.

Sec. 114.

STATE FINANCE COUNCIL

(a) On July 1, 2018, of the \$12,200,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 178(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state employee pay increase fund account, the sum of \$264,875 is hereby lapsed.

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase\$14,900,000

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state general fund of the salary increase, including associated employer contributions, during fiscal year 2019: *Provided further*, That expenditures in the state employee pay increase account shall be made for the purpose of paying the proportionate share of the cost to the state general fund of the salary increase, including associated employer contributions, to the judicial branch, during fiscal year 2019.

(c) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase\$134,802

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state economic development initiatives fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase\$30,210

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state water plan fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(e) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase\$3,787

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the children's initiatives fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(f) Upon recommendation of the director of the budget, the state finance council,

acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto, is hereby authorized to approve increases in expenditure limitations on special revenue funds and accounts and increase the transfers between special revenue funds as necessary to pay the salary increases under this section for the fiscal year ending June 30, 2019. The director of accounts and reports is hereby authorized and directed to increase expenditure limitations on such special revenue funds and accounts and increase the transfers between special revenue funds in accordance with such approval for the purpose of paying from such funds or accounts the proportionate share of the cost to such funds or accounts, including associated employer contributions, of the salary increases and other amounts specified for the fiscal year ending June 30, 2019.

(g) The director of the budget shall prepare a budget estimate based upon the most recent payroll information for the salary increases and other amounts specified, and all amendments and revisions of such estimate, and the director of the budget shall submit a copy of such estimate, and all amendments and revisions thereof, directly to the director of legislative research.

(h) A benefits-eligible state employee, who has been continuously employed since July 1, 2017, shall be eligible for a salary increase under this subsection based on only one of the following:

(1) A single step for employees in the classified service and the equivalent amount for employees in the unclassified service, including associated employer contributions, under this section, if such state employee received an increase in salary pursuant to: (A) Section 177(f)(2) of chapter 104 of the 2017 Session Laws of Kansas; or (B) any executive branch initiative to provide a salary adjustment for individuals not included in the salary increase pursuant to section 177 of chapter 104 of the 2017 Session Laws of Kansas;

(2) two steps for employees in the classified service and the equivalent amount for employees in the unclassified service, including associated employer contributions, under this section, if such state employee did not receive an increase in salary pursuant to: (A) Section 177(f)(1) or (2) of chapter 104 of the 2017 Session Laws of Kansas; or (B) any executive branch initiative to provide a salary adjustment for individuals not included in the salary increase pursuant to section 177 of chapter 104 of the 2017 Session Laws of Kansas; or

(3) two steps for department of corrections employees assigned to the job classifications listed in executive directive no. 17-482.

(i) (1) Notwithstanding the provisions of K.S.A. 46-137a and 46-137b, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to the compensation or bi-weekly allowance paid to each member of the legislature.

(2) Notwithstanding the provisions of K.S.A. 75-3111a, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to state officers elected on a statewide basis.

(3) Notwithstanding the provisions of K.S.A. 75-31201, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to justices of the supreme court, judges of the court of appeals, district court judges and district magistrate judges.

(4) The provisions of subsection (h) shall not apply to:

(A) Employees assigned to a trooper or officer classification of the Kansas highway patrol.

(B) Teachers and licensed personnel and employees at the Kansas state school for the deaf or the Kansas state school for the blind.

(C) Employees of the Kansas bureau of investigation who were included in the recruitment and retention plan of the Kansas bureau of investigation.

(D) Employees of the judicial branch and any employee whose pay is linked as provided by law to the pay of employees in the judicial branch.

(E) Employees of the board of regents and regents institutions.

(F) Employees authorized to receive a salary increase for fiscal year 2019 in another section of this act.

Sec. 115. (a) Notwithstanding the provisions of sections 198(b), 199(b), 200(b), 201(b), 202(b), 203(b), 204(b), 205(b), 206(c), 207(c), 208(b), 209(b), 210(b), 211(b), 252(a)(2) and 252(b)(2) of chapter 104 of the 2017 Session Laws of Kansas, during the fiscal year ending June 30, 2018, and during the fiscal year ending June 30, 2019, any regents agency may make expenditures from the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of any regents agency of moneys transferred to such account by the state board of regents, including any unencumbered balance in any account of the Kansas educational building fund of any regents agency.

(b) The provisions of sections 198(b), 199(b), 200(b), 201(b), 202(b), 203(b), 204(b), 205(b), 206(c), 207(c), 208(b), 209(b), 210(b), 211(b), 252(a)(2) and 252(b)(2) of chapter 104 of the 2017 Session Laws of Kansas that limit expenditures of unencumbered balances in such accounts during the fiscal year ending June 30, 2018, and during the fiscal year ending June 30, 2019, are hereby declared to be null and void and shall have no force and effect.

(c) As used in this section, "regents agency" means Fort Hays state university, Kansas state university, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

Sec. 116. (a) For the fiscal years ending June 30, 2020, June 30, 2021, and June 30, 2022, the director of the budget, in consultation with the director of legislative research, shall certify, at the end of each such fiscal year, the amount of actual tax receipt revenues to the state general fund that is in excess of, or is less than, the amount of estimated tax receipt revenues to the state general fund pursuant to the most recent joint estimate of revenue under K.S.A. 75-6701, and amendments thereto, for such fiscal year, and shall transmit such certification to the director of accounts and reports.

(b) Upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer such certified excess amount from the state general fund as follows:

(1) For the fiscal years ending June 30, 2020, and June 30, 2021:

(A) 50% to the budget stabilization fund established by K.S.A. 2017 Supp. 75-6706, and amendments thereto; and

(B) 50% to the pooled money investment portfolio pursuant to K.S.A. 75-4209(m) (2) and (m)(4), and amendments thereto, to pay in full or in part the amounts to be transferred. Any moneys transferred to the pooled money investment portfolio pursuant

to this section shall be credited to the final payment to be made in fiscal year 2024, and each next preceding fiscal year thereafter as moneys are available; and

(2) for the fiscal year ending June 30, 2022:

(A) 50% to the budget stabilization fund; and

(B) 50% to the Kansas public employees retirement fund to be applied to the payment, in full or in part, of the unfunded actuarial pension liability as directed by the Kansas public employees retirement system.

(c) If the amount of actual tax receipt revenues to the state general fund is less than the amount of estimated tax receipt revenues to the state general fund, then no transfers shall be made pursuant to this section.

Sec. 117. During the fiscal years ending June 30, 2018, June 30, 2019, and June 30, 2020, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services and the department of health and environment – division of health care finance from moneys appropriated from the state general fund or in any special revenue fund or funds by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the Kansas department for aging and disability services and the department of health and environment – division of health care finance from such moneys to include the following individuals as eligible for services under the traumatic brain injury home and community-based services waiver under the Kansas medical assistance program: (1) Individuals with a documented brain injury acquired from a cause not already covered under the traumatic brain injury waiver, including, but not limited to, stroke, brain trauma, infection of the brain, brain tumor, anoxia or other cause; and (2) individuals of any age who would otherwise qualify for services under the traumatic brain injury waiver but for the individual's age: *Provided*, That financial eligibility requirements for children under the age of 18 years to receive such waiver services shall be the same as financial eligibility requirements for children under the age of 18 years to receive services under the serious emotional disturbance waiver: *Provided, however*, That the Kansas department for aging and disability services and the department of health and environment – division of health care finance shall implement and administer this section in accordance with federal law and requirements imposed by the United States centers for medicare and medicaid services: *Provided further*, That the Kansas department for aging and disability services and the department of health and environment – division of health care finance shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement this section.

Sec. 118. During the fiscal years ending June 30, 2018, and June 30, 2019, notwithstanding any other provision of law to the contrary, no state agency shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 or 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to submit or maintain to the United States centers for medicare and medicaid services any request to administer or provide state medicaid services under the Kansas medical assistance program using a capitated managed care delivery system in any manner that is substantially different than the manner in which state medicaid services under the Kansas medical assistance program were provided on January 1, 2018, including, but not limited to, imposing any new eligibility requirements or limitations to receive such

services, without express prior authorization by an act or appropriation act of the legislature: *Provided*, That no state agency shall enter into any contract for the administration and provision of state medicaid services using a capitated managed care delivery system in violation of this section without express prior authorization by an act or appropriation act of the legislature: *Provided further*, That the department of health and environment, the Kansas department for aging and disability services and the department of administration shall negotiate for contracts to administer state medicaid services using a capitated managed care delivery system that comply with this section, including altering the request for proposal identified by the department of administration as bid event 0005464, opened on October 27, 2017, and closed on January 5, 2018, limited to persons who have submitted a bid in response to bid event 0005464: *And provided further*, That any such contract shall be for a term of three years commencing on the termination date of contracts for the administration and provision of state medicaid services under the Kansas medical assistance program using a capitated managed care delivery system that were in effect on January 1, 2018, may include two one-year options to renew such contract at the discretion of the department of health and environment and shall not impose any new eligibility requirements or limitations to receive such services that were not in effect on January 1, 2018: *And provided further*, That the department of health and environment and the Kansas department for aging and disability services shall submit to the United States centers for medicare and medicaid services a request to extend for three years any waiver that was in effect on January 1, 2018, authorizing the state of Kansas to administer state medicaid services under the Kansas medical assistance program using a capitated managed care delivery system in accordance with this section: *Provided, however*, That the department of health and environment and the Kansas department for aging and disability services may modify the manner in which state medicaid services were provided on January 1, 2018, by implementing: Any provision of K.S.A. 2017 Supp. 39-709h and 39-709i, and amendments thereto; any policy that expands access to behavioral health services or services delivered through telehealth technology services, if such policy does not impose any new eligibility requirements or limitations to receive state medicaid services that were not in effect on January 1, 2018; and any other action approved by express prior authorization by an act or appropriation act of the legislature: *And provided, however*, That the department of health and environment may negotiate with the United States centers for medicare and medicaid services for the implementation of work requirements to receive state medicaid services, including submitting a waiver request to the United States centers for medicare and medicaid services, but shall not implement such requirements, even if approved by the United States centers for medicare and medicaid services, without prior express authorization by an act or appropriation act of the legislature and shall submit a report of such negotiations to the legislature during the 2019 regular session of the legislature.

Sec. 119. (a) During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 or 2019 as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to create, enter into or enforce any nondisclosure agreement or any agreement governing post-employment benefits or other matters pertaining to the resignation or termination of an employee or the employee's post-

employment activities entered into by the employee regarding claims of sexual abuse or sexual harassment during the term of employment: *Provided*, That the employer shall not impose any damages, penalties or loss of benefits against the employee for, or otherwise prohibit, communications by the employee regarding alleged sexual abuse or sexual harassment committed against the employee by another employee or officer of the employer, or an employee or officer of any other party to the agreement or by any other person, whether a party or not to the agreement, who is covered by the terms of the agreement.

(b) For purposes of this section:

(1) "Employee" means any appointed or elected officer or an employee of any state agency; and

(2) "communication" means verbal or written communications with any other person or persons regarding the alleged sexual abuse or sexual harassment.

Sec. 120. During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency named in chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2018 and 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature for the purposes of settling claims of sexual harassment made against a state officer, as defined in K.S.A. 25-1118, and amendments thereto, or for the purposes of requesting a non-disclosure agreement as part of a settlement agreement resulting from a claim of sexual harassment made against a state officer when such state officer is the person accused of sexual harassment: *Provided, however*; That no such agency shall expend any such moneys for the purpose of preventing a claimant from requesting a non-disclosure agreement.

Sec. 121. During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency named in chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2018 and 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to conduct research using tissue from any aborted fetus or to conduct any destructive embryonic research.

Sec. 122. (a) Any unencumbered balance in excess of \$100 as of June 30, 2018, which was appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2019.

(b) Any unencumbered balance in excess of \$100 as of June 30, 2019, which was appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2020.

(c) Any unencumbered balance in excess of \$100 as of June 30, 2020, which was

appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2021.

(d) Any unencumbered balance in excess of \$100 as of June 30, 2019, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2020.

(e) Any unencumbered balance in excess of \$100 as of June 30, 2020, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2021.

(f) Any unencumbered balance in excess of \$100 as of June 30, 2021, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2022.

(g) As used in this section, "regents agency" means Fort Hays state university, Kansas state university, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

Sec. 123. Notwithstanding any other statute, during the fiscal year ending June 30, 2018, and June 30, 2019, in addition to the other purposes for which expenditures may be made from the state general fund or any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 by the university of Kansas, Kansas state university, Emporia state university, Pittsburg state university, Fort Hays state university and Wichita state university by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such universities from the state general fund or any special revenue fund or funds to conduct any meeting of such universities or any groups or committees thereof to discuss the allocation of student activities fees in accordance with the Kansas open meetings act, K.S.A. 75-4317 et seq., and amendments thereto.

Sec. 124. K.S.A. 2017 Supp. 75-2263 is hereby amended to read as follows: 75-2263. (a) Subject to the provisions of subsection (j), the board of trustees is responsible for the management and investment of that portion of state moneys available for investment by the pooled money investment board that is certified by the state treasurer to the board of trustees as being equivalent to the aggregate net amount received for unclaimed property and shall discharge the board's duties with respect to such moneys solely in the interests of the state general fund and shall invest and reinvest such moneys and acquire, retain, manage, including the exercise of any voting rights and disposal of investments of such moneys within the limitations and according to the

powers, duties and purposes as prescribed by this section.

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

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

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

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

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

- (A) Specific asset allocation standards and objectives;
- (B) establishment of criteria for evaluating the risk versus the potential return on a particular investment; and
- (C) a requirement that all investment advisors, and any managers or others with similar duties and responsibilities as investment advisors, shall immediately report all instances of default on investments to the board of trustees and provide such board of trustees with recommendations and options, including, but not limited to, curing the default or withdrawal from the investment.

(2) The board of trustees shall review such policies and objectives, make changes

considered necessary or desirable and readopt such policies and objectives on an annual basis.

(g) Except as provided in subsection (d) and this subsection, the custody of such moneys shall remain in the custody of the state treasurer, except that the board of trustees may arrange for the custody of such moneys as it considers advisable with one or more member banks or trust companies of the federal reserve system or with one or more banks in the state of Kansas, or both, to be held in safekeeping by the banks or trust companies for the collection of the principal and interest or other income or of the proceeds of sale. All such moneys shall be considered moneys in the state treasury for purposes of K.S.A. 75-6704, and amendments thereto.

(h) All interest or other income of the investments of the moneys invested under this section, after payment of any management fees, shall be deposited in the state treasury to the credit of the state general fund.

(i) Subject to the provisions of subsection (j), the state treasurer shall certify to the board of trustees a portion of state moneys available for investment by the pooled money investment board that is equivalent to the aggregate net amount received for unclaimed property. The state treasurer shall transfer the amount certified to the board of trustees. During fiscal years 2018 and 2019, the state treasurer shall not certify or transfer any state moneys available for investment pursuant to this subsection.

(j) (1) During fiscal year 2017, the board of trustees shall liquidate all investments and reinvestments of state moneys certified by the state treasurer to the board of trustees pursuant to subsection (a).

(2) Upon receiving any such amounts from any such liquidation, the state treasurer shall remit the entire amount 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 and credit any earnings from the liquidation to the state general fund and credit the principal that had been invested and reinvested to the pooled money investment portfolio.

(k) As used in this section:

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

(2) "Fiduciary" means a person who, with respect to the moneys invested under this section, is a person who:

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

(B) exercises any authority to invest or manage such moneys or has any authority or responsibility to do so;

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

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

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

Sec. 125. K.S.A. 2017 Supp. 75-4209 is hereby amended to read as follows: 75-4209. (a) The director of investments may invest and reinvest state moneys eligible for investment which are not invested in accordance with K.S.A. 75-4237, and amendments thereto, in the following investments:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of the United States sponsored enterprises which under federal law may be accepted as security for public funds, on and after the effective date of this act moneys available for investment under this subsection shall not be invested in mortgage-backed securities of such enterprises and of the government national mortgage association, except that any such mortgage-backed securities held prior to the effective date of this act may be held to maturity;

(2) repurchase agreements with a bank or a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof and obligations and securities of United States government sponsored enterprises which under federal law may be accepted as security for public funds;

(3) commercial paper that does not exceed 270 days to maturity and which has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm; and

(4) corporate bonds which have received one of the two highest ratings by a nationally recognized investment rating firm.

(b) When moneys are available for deposit or investments, the director of investments may invest in SKILL act projects and bonds pursuant to K.S.A. 74-8920, and amendments thereto, and in state agency bonds and bond projects.

(c) When moneys are available for deposits or investments, the director of investments may invest in preferred stock of Kansas venture capital, inc., under terms and conditions prescribed by K.S.A. 74-8203, and amendments thereto, but such investments shall not in the aggregate exceed a total amount of \$10,000,000.

(d) When moneys are available for deposits or investments, the director of investments may invest in loans pursuant to legislative mandates, except that not more than the greater of 10% or \$140,000,000 of the state moneys shall be invested. The provisions of this subsection shall not apply to the provisions of subsection (m).

(e) Interest on investment accounts in banks is to be paid at maturity, but not less than annually.

(f) Investments made by the director of investments under the provisions of this section shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

(g) Investments under subsection (a) or (b) or under K.S.A. 75-4237, and amendments thereto, shall be for a period not to exceed four years, except that linked deposits authorized under the provisions of K.S.A. 2-3703 through 2-3707, and amendments thereto, shall not exceed a period of 10 years; agricultural production loan deposits authorized under the provisions of K.S.A. 2017 Supp. 75-4268 through 75-4274, and amendments thereto, shall not exceed a period of eight years and housing loan deposits authorized under K.S.A. 2017 Supp. 75-4276 through 75-4282, and amendments thereto, shall not exceed a period of five years or 20 years, as applicable pursuant to K.S.A. 2017 Supp. 75-4279, and amendments thereto.

(h) Investments in securities under subsection (a)(1) shall be limited to securities

which do not have any more interest rate risk than do direct United States government obligations of similar maturities. For purposes of this subsection, "interest rate risk" means market value changes due to changes in current interest rates.

(i) The director of investments shall not invest state moneys eligible for investment under subsection (a), in the municipal investment pool fund, created under K.S.A. 12-1677a, and amendments thereto.

(j) The director of investments shall not invest moneys in the pooled money investment portfolio in derivatives. As used in this subsection, "derivatives" means a financial contract whose value depends on the value of an underlying asset or index of asset values.

(k) Moneys and investments in the pooled money investment portfolio shall be invested and reinvested by the director of investments in accordance with investment policies developed, approved, published and updated on an annual basis by the board. Such investment policies shall include at a minimum guidelines which identify credit standards, eligible instruments, allowable maturity ranges, methods for valuing the portfolio, calculating earnings and yields and limits on portfolio concentration for each type of investment. Any changes in such investment policies shall be approved by the pooled money investment board. Such investment policies may specify the contents of reports, methods of crediting funds and accounts and other operating procedures.

(l) The board shall adopt rules and regulations to establish an overall percentage limitation on the investment of moneys in investments authorized under subsection (a) (3), and within such authorized investment, the board shall establish a percentage limitation on the investment in any single business entity.

(m) (1) During the fiscal year ending June 30, 2017, the director of the budget shall estimate on or before June 27, 2017, the amount of the unencumbered ending balance in the state general fund for fiscal year 2017. If the amount of such unencumbered ending balance in the state general fund is less than \$50,000,000, the director of the budget shall certify the difference between \$50,000,000, and the amount of such unencumbered ending balance to the pooled money investment board. Upon the liquidation of all investments and reinvestments of state moneys pursuant to K.S.A. 2017 Supp. 75-2263(j), and amendments thereto, and upon receipt of such certification by the director of the budget, during the fiscal year ending June 30, 2017, the pooled money investment board shall authorize the director of accounts and reports to transfer an amount equal to the amount certified by the director of the budget pursuant to this subsection from the pooled money investment portfolio to the state general fund. Upon receipt of such authorization, the director of accounts and reports shall make such transfer. The chairperson of the pooled money investment board shall transmit a copy of such authorization to the director of legislative research and the director of the budget.

(2) On or before June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, the director of accounts and reports shall transfer an amount equal to $\frac{1}{6}$ of the amount transferred pursuant to subsection (m)(1) from the state general fund to the pooled money investment portfolio. Any transfer made pursuant to this subsection shall be reduced by the amount of moneys credited to any fiscal year payment pursuant to section 116, and amendments thereto.

(3) During the fiscal year ending June 30, 2018, after any transfer made pursuant to subsection (m)(1), the pooled money investment board shall authorize the director of accounts and reports to transfer the remaining amount of all investments and

reinvestments of state moneys liquidated pursuant to K.S.A. 2017 Supp. 75-2263(j), and amendments thereto, from the pooled money investment portfolio to the state general fund. Upon receipt of such authorization, the director of accounts and reports shall make such transfer. The chairperson of the pooled money investment board shall transmit a copy of such authorization to the director of legislative research and the director of the budget.

(4) On or before June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, the director of accounts and reports shall transfer an amount equal to $\frac{1}{6}$ of the amount transferred pursuant to subsection (m)(3) from the state general fund to the pooled money investment portfolio. Any transfer made pursuant to this subsection shall be reduced by the amount of moneys credited to any fiscal year payment pursuant to section 116, and amendments thereto.

Sec. 126. K.S.A. 2017 Supp. 75-6706 is hereby amended to read as follows: 75-6706. (a) On July 1, 2017, the budget stabilization fund is hereby established in the state treasury.

(b) On or before the 10th day of each month commencing July 1, 2017, the director of accounts and reports shall transfer from the state general fund to the budget stabilization fund interest earnings based on:

(1) The average daily balance of moneys in the budget stabilization fund, for the preceding month; and

(2) the net earnings rate of the pooled money investment portfolio for the preceding month.

(c) On and after July 1, 2017, no moneys in the budget stabilization fund shall be expended pursuant to this subsection unless the expenditure either has been approved by an appropriation or other act of the legislature or has been approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711(c), and amendments thereto.

(d) (1) The legislative budget committee shall study and review the policy concerning the balance of, transfers to and expenditures from the budget stabilization fund. The legislative budget committee study and review shall include, but not be limited to, the following:

(A) Risk-based budget stabilization fund practices utilized in other states.

(B) The appropriate number of years to review the state general fund:

(i) Revenue variances from projections; and

(ii) expenditure variances from budgets.

(C) The entity to certify the amount necessary in the budget stabilization fund to maintain the appropriate risk-based balance.

(D) Plan to fund the budget stabilization fund.

(E) Process and circumstances to reach the appropriate risk-based balance, including the amount of risk that is acceptable.

(F) Circumstances under which expenditures may be made from the fund.

(2) The legislative budget committee may make recommendations and introduce legislation as it deems necessary to implement such recommendations.

(e) On or before August 15, ~~2019~~ 2021, the director of the budget, in consultation with the director of legislative research, shall certify the amount of the unencumbered ending balance in the state general fund for fiscal year ~~2019~~ 2021. Such ending balance

shall not include the transfers made pursuant to section 116, and amendments thereto. Upon making such certification, the director of the budget shall authorize the director of accounts and reports to transfer 10% of such ending balance from the state general fund to the budget stabilization fund.

Sec. 127. K.S.A. 2017 Supp. 79-4804 is hereby amended to read as follows: 79-4804. (a) After the transfer of moneys pursuant to K.S.A. 2017 Supp. 79-4806, and amendments thereto, an amount equal to 85% of the balance of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state economic development initiatives fund. Expenditures from the state economic development initiatives fund shall be made in accordance with appropriations acts for the financing of such programs supporting and enhancing the existing economic foundation of the state and fostering growth through the expansion of current, and the establishment and attraction of new, commercial and industrial enterprises as provided by this section and as may be authorized by law and not less than $\frac{1}{2}$ of such money shall be distributed equally among the congressional districts of the state. Except as provided by subsection (g), all moneys credited to the state economic development initiatives fund shall be credited within the fund, as provided by law, to an account or accounts of the fund which are created by this section.

(b) There is hereby created the Kansas capital formation account in the state economic development initiatives fund. All moneys credited to the Kansas capital formation account shall be used to provide, encourage and implement capital development and formation in Kansas.

(c) There is hereby created the Kansas economic development research and development account in the state economic development initiatives fund. All moneys credited to the Kansas economic development research and development account shall be used to promote, encourage and implement research and development programs and activities in Kansas and technical assistance funded through state educational institutions under the supervision and control of the state board of regents or other Kansas colleges and universities.

(d) There is hereby created the Kansas economic development endowment account in the state economic development initiatives fund. All moneys credited to the Kansas economic development endowment account shall be accumulated and invested as provided in this section to provide an ongoing source of funds which shall be used for economic development activities in Kansas, including, but not limited to, continuing appropriations or demand transfers for programs and projects which shall include, but are not limited to, specific community infrastructure projects in Kansas that stimulate economic growth.

(e) Except as provided in subsection (f), the director of investments may invest and reinvest moneys credited to the state economic development initiatives fund in accordance with investment policies established by the pooled money investment board under K.S.A. 75-4232, and amendments thereto, in the pooled money investment portfolio. All moneys received as interest earned by the investment of the moneys credited to the state economic development initiatives fund shall be deposited in the state treasury and credited to the Kansas economic development endowment account of such fund.

(f) Moneys credited to the Kansas economic development endowment account of the state economic development initiatives fund may be invested in government

guaranteed loans and debentures as provided by law in addition to the investments authorized by subsection (e) or in lieu of such investments. All moneys received as interest earned by the investment under this subsection of the moneys credited to the Kansas economic development endowment account shall be deposited in the state treasury and credited to the Kansas economic development endowment account of the state economic development initiatives fund.

(g) Except as provided further, in each fiscal year, the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 which in the aggregate equal \$2,000,000 from the state economic development initiatives fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto. In state fiscal year 2019, the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 that in the aggregate equal \$500,000 from the state economic development initiatives fund to the state water plan fund. No moneys shall be transferred from the state economic development initiatives fund to the state water plan fund on such dates during state fiscal year 2018, ~~state fiscal year 2019~~, and state fiscal year 2020. No other moneys credited to the state economic development initiatives fund shall be used for: (1) Water-related projects or programs, or related technical assistance; or (2) any other projects or programs, or related technical assistance, which meet one or more of the long-range goals, objectives and considerations set forth in the state water resource planning act.

Sec. 128. K.S.A. 2017 Supp. 82a-953a is hereby amended to read as follows: 82a-953a. During each fiscal year, the director of accounts and reports shall transfer \$6,000,000 from the state general fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto, one-half of such amount to be transferred on July 15 and one-half to be transferred on January 15, except that during the fiscal year ending June 30, 2018, the transfer shall not exceed ~~\$1,200,000~~ \$1,400,000. On the effective date of this act, the director of accounts and reports shall transfer \$200,000 from the state general fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto. During the fiscal year ending June 30, 2019, the transfer shall not exceed \$2,750,000. No moneys shall be transferred from the state general fund to the state water plan fund during the ~~fiscal years year ending June 30, 2019, and~~ June 30, 2020.

Sec. 129. Severability. If any provision or clause of this act or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 130. Appeals to exceed expenditure limitations. (a) Upon written application to the governor and approval of the state finance council, expenditures from special revenue funds may exceed the amounts specified in this act.

(b) This section shall not apply to the expanded lottery act revenues fund, the state economic development initiatives fund, the children's initiatives fund, the state water plan fund or the Kansas endowment for youth fund, or to any account of any of such funds.

Sec. 131. If any fund or account name described by words and the numerical accounting code that follows such fund or account name do not match, it shall be conclusively presumed that the legislature intended that the fund or account name

described by words is the correct fund or account name, and such fund or account name described by words shall control over a contradictory or incorrect numerical accounting code.

Sec. 132. K.S.A. 2017 Supp. 75-2263, 75-4209, 75-6706, 79-4804 and 82a-953a are hereby repealed.";

And by renumbering the remaining section accordingly;

On page 1, in the title, in line 1, by striking all after "ACT"; by striking all in lines 2 through 14 and inserting "making and concerning appropriations for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, for state agencies; authorizing and directing payment of certain claims against the state; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2017 Supp. 75-2263, 75-4209, 75-6706, 79-4804 and 82a-953a and repealing the existing sections.";

TROY WAYMASTER
RICHARD PROEHL
KATHY WOLFE MOORE

Conferees on part of House

CAROLYN MCGINN
RICK BILLINGER
LAURA KELLY

Conferees on part of Senate

Senator McGinn moved the Senate adopt the Conference Committee Report on **H Sub SB 109**.

On roll call, the vote was: Yeas 26; Nays 14; Present and Passing 0; Absent or Not Voting 0.

Yeas: Berger, Billinger, Bollier, Bowers, Denning, Doll, Faust-Goudeau, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, Longbine, McGinn, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor, Wagle.

Nays: Alley, Baumgardner, Estes, Fitzgerald, Hilderbrand, Lynn, Masterson, Olson, Petersen, Pilcher-Cook, Pyle, Suellentrop, Tyson, Wilborn.

The Conference Committee Report was adopted.

On motion of Senator Denning, the Senate recessed until the sound of the gavel.

The Senate met pursuant to recess with Vice President Longbine in the chair.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2228** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee of the Whole amendments, as follows:

On page 5, following line 24, by inserting:

(xxvi) For all taxable years commencing after December 31, 2016, the amount of any deduction claimed under section 965(c) of the federal internal revenue code of 1986, in determining federal adjusted gross income.

(xxvii) For all taxable years commencing after December 31, 2017, the amount of any deduction claimed under section 250 of the federal internal revenue code of 1986, in determining federal adjusted gross income.

(xxviii) For tax year 2018, the amount deducted by reason of a carry forward of disallowed business interest pursuant to section 163(j) of the federal internal revenue code of 1986 as in effect on January 1, 2018.;"

On page 9, in line 27, by striking "80%" and inserting "100%"; in line 28, after the first "income" by inserting "as used in determining federal adjusted gross income"; in line 29, by striking "after" and inserting "before"; in line 30, by striking all after the period; by striking all in lines 31 and 32; in line 33, by striking "all taxable years beginning after December 31, 2017, 80%" and inserting "tax year 2018, 100%"; in line 35, by striking "250(b)(1)" and inserting "951A"; in line 36, by striking "after" and inserting "before"; in line 37, by striking "(b)(3)"; following line 37, by inserting:

"(xxvii) For tax year 2018, the amount disallowed as a deduction pursuant to section 163(j) of the federal internal revenue code of 1986 as in effect on January 1, 2018.;"

On page 10, by striking all in lines 8 through 36;

On page 11, in line 25, by striking "years" and inserting "year"; in line 26, before "the" by inserting "and ending before January 1, 2019, "; in line 32, by striking "100%" and inserting "75%"; in line 34, by striking "100%" and inserting "75%"; in line 36, by striking "100%" and inserting "75%";

On page 12, following line 19, by inserting:

"(4) For the tax years commencing on and after January 1, 2019, the Kansas itemized deduction of an individual means the following deductions from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section: (A) 100% of charitable contributions that qualify as charitable contributions allowable as deductions in section 170 of the federal internal revenue code; (B) 100% of expenses for medical care allowable as deductions in section 213 of the federal internal revenue code; (C) 100% of the amount of qualified residence interest as provided in section 163(h) of the federal internal revenue code; and (D) 100% of the amount of taxes on real and personal property as provided in section 164(a) of the federal internal revenue code.;"

Also on page 12, in line 31, after "section" by inserting "; provided, however, that in determination of such federal taxable income for tax year 2018, section 118 of the federal internal revenue code of 1986 will be applied as in effect on December 21, 2017";

On page 13, in line 12, after the stricken material by inserting "and"; in line 13, by striking all after "deduction"; by striking all in lines 14 through 18; also in line 19, by striking all before the period;

On page 14, in line 1, after "(v)" by inserting "notwithstanding any provisions in K.S.A. 79-32,117(c)(xxv) and (xxvi), and amendments thereto, "; in line 3, after "income" by inserting "; and

(vi) for tax year 2018, the amount disallowed as a deduction pursuant to section

162(r) of the federal internal revenue code of 1986 as in effect on January 1, 2018";

Also on page 14, in line 24, by striking "2011" and inserting "2017"; in line 39, after "the" by inserting "sum of the"; in line 40, after "(k)" by inserting "and the amount of expensing deduction being claimed for such property pursuant to section 179"; in line 41, by striking all after the second comma; by striking all in line 42; in line 43, by striking all before "multiplied";

On page 15, in line 8, by striking all after the period; by striking all in lines 9 through 12;

On page 17, in line 19, by striking "and" and inserting a comma; in line 20, after "2016" by inserting "and 2017"; by striking all in lines 28 through 36 and inserting "(3) For tax year 2018, and all tax years thereafter, the deduction allowed by this section shall be available to all taxpayers subject to the income tax imposed pursuant to K.S.A. 79-32,110, and amendments thereto, or the privilege tax imposed upon any national banking association, state bank, savings bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and used only to determine such taxpayer's income or privilege tax liability.";

Also on page 17, in line 37, by striking all after "For"; in line 38, by striking all before the second comma and inserting "tax years 2018 and 2019";

On page 18, in line 8, by striking "\$350,000" and inserting "\$250,000";

On page 20, in line 18, by striking "2011" and inserting "2017"; in line 22, by striking the first semicolon and inserting a colon; also in line 22, by striking all after "zone"; in line 23, by striking all before "on"; also in line 23, after "2011" by inserting "; or (B) Cowley, Crawford or Seward county on or after July 1, 2018"; in line 26, by striking the second "or" and inserting a comma; also in line 26, after "Crawford" by inserting "or Seward"; in line 29, by striking the second "or" and inserting a comma; also in line 29, after "Crawford" by inserting "or Seward"; in line 31, by striking the second "or" and inserting a comma; in line 32, after "Crawford" by inserting "or Seward"; in line 36, by striking the second "or" and inserting a comma; in line 37, after "Crawford" by inserting "or Seward";

On page 21, following line 7, by inserting:

"Sec. 9. K.S.A. 2017 Supp. 12-187 is hereby amended to read as follows: 12-187.

(a) No city shall impose a retailers' sales tax under the provisions of this act without the governing body of such city having first submitted such proposition to and having received the approval of a majority of the electors of the city voting thereon at an election called and held therefor. The governing body of any city may submit the question of imposing a retailers' sales tax and the governing body shall be required to submit the question upon submission of a petition signed by electors of such city equal in number to not less than 10% of the electors of such city.

(b) (1) The board of county commissioners of any county may submit the question of imposing a countywide retailers' sales tax to the electors at an election called and held thereon, and any such board shall be required to submit the question upon submission of a petition signed by electors of such county equal in number to not less than 10% of the electors of such county who voted at the last preceding general election for the office of secretary of state, or upon receiving resolutions requesting such an election passed by not less than $\frac{2}{3}$ of the membership of the governing body of each of one or more cities within such county which contains a population of not less than 25%

of the entire population of the county, or upon receiving resolutions requesting such an election passed by $\frac{2}{3}$ of the membership of the governing body of each of one or more taxing subdivisions within such county which levy not less than 25% of the property taxes levied by all taxing subdivisions within the county.

(2) The board of county commissioners of Anderson, Atchison, Barton, Brown, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Franklin, Jefferson, Linn, Lyon, Marion, Miami, Montgomery, Neosho, Osage, Ottawa, Reno, Riley, Saline, Seward, Sumner, Thomas, Wabaunsee, Wilson and Wyandotte counties may submit the question of imposing a countywide retailers' sales tax and pledging the revenue received therefrom for the purpose of financing the construction or remodeling of a courthouse, jail, law enforcement center facility or other county administrative facility, to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire when sales tax sufficient to pay all of the costs incurred in the financing of such facility has been collected by retailers as determined by the secretary of revenue. Nothing in this paragraph shall be construed to allow the rate of tax imposed by Butler, Chase, Cowley, Lyon, Montgomery, Neosho, Riley, Sumner or Wilson county pursuant to this paragraph to exceed or be imposed at any rate other than the rates prescribed in K.S.A. 12-189, and amendments thereto.

(3) (A) Except as otherwise provided in this paragraph, the result of the election held on November 8, 1988, on the question submitted by the board of county commissioners of Jackson county for the purpose of increasing its countywide retailers' sales tax by 1% is hereby declared valid, and the revenue received therefrom by the county shall be expended solely for the purpose of financing the Banner Creek reservoir project. The tax imposed pursuant to this paragraph shall take effect on the effective date of this act and shall expire not later than five years after such date.

(B) The result of the election held on November 8, 1994, on the question submitted by the board of county commissioners of Ottawa county for the purpose of increasing its countywide retailers' sales tax by 1% is hereby declared valid, and the revenue received therefrom by the county shall be expended solely for the purpose of financing the erection, construction and furnishing of a law enforcement center and jail facility.

(C) Except as otherwise provided in this paragraph, the result of the election held on November 2, 2004, on the question submitted by the board of county commissioners of Sedgwick county for the purpose of increasing its countywide retailers' sales tax by 1% is hereby declared valid, and the revenue received therefrom by the county shall be used only to pay the costs of: (i) Acquisition of a site and constructing and equipping thereon a new regional events center, associated parking and infrastructure improvements and related appurtenances thereto, to be located in the downtown area of the city of Wichita, Kansas, (the "downtown arena"); (ii) design for the Kansas coliseum complex and construction of improvements to the pavilions; and (iii) establishing an operating and maintenance reserve for the downtown arena and the Kansas coliseum complex. The tax imposed pursuant to this paragraph shall commence on July 1, 2005, and shall terminate not later than 30 months after the commencement thereof.

(D) Except as otherwise provided in this paragraph, the result of the election held on August 5, 2008, on the question submitted by the board of county commissioners of Lyon county for the purpose of increasing its countywide retailers' sales tax by 1% is hereby declared valid, and the revenue received therefrom by the county shall be

expended for the purposes of ad valorem tax reduction and capital outlay. The tax imposed pursuant to this paragraph shall terminate not later than five years after the commencement thereof.

(E) Except as otherwise provided in this paragraph, the result of the election held on August 5, 2008, on the question submitted by the board of county commissioners of Rawlins county for the purpose of increasing its countywide retailers' sales tax by 0.75% is hereby declared valid, and the revenue received therefrom by the county shall be expended for the purposes of financing the costs of a swimming pool. The tax imposed pursuant to this paragraph shall terminate not later than 15 years after the commencement thereof or upon payment of all costs authorized pursuant to this paragraph in the financing of such project.

(F) The result of the election held on December 1, 2009, on the question submitted by the board of county commissioners of Chautauqua county for the purpose of increasing its countywide retailers' sales tax by 1% is hereby declared valid, and the revenue received from such tax by the county shall be expended for the purposes of financing the costs of constructing, furnishing and equipping a county jail and law enforcement center and necessary improvements appurtenant to such jail and law enforcement center. Any tax imposed pursuant to authority granted in this paragraph shall terminate upon payment of all costs authorized pursuant to this paragraph incurred in the financing of the project described in this paragraph.

(G) The result of the election held on April 7, 2015, on the question submitted by the board of county commissioners of Bourbon county for the purpose of increasing its retailers' sales tax by 0.4% is hereby declared valid, and the revenue received therefrom by the county shall be expended solely for the purpose of financing the costs of constructing, furnishing and operating a courthouse, law enforcement center or jail facility improvements. Any tax imposed pursuant to authority granted in this paragraph shall terminate upon payment of all costs authorized pursuant to this paragraph incurred in the financing of the project described in this paragraph.

(4) The board of county commissioners of Finney and Ford counties may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of financing all or any portion of the cost to be paid by Finney or Ford county for construction of highway projects identified as system enhancements under the provisions of K.S.A. 68-2314(b)(5), and amendments thereto, to the electors at an election called and held thereon. Such election shall be called and held in the manner provided by the general bond law. The tax imposed pursuant to this paragraph shall expire upon the payment of all costs authorized pursuant to this paragraph in the financing of such highway projects. Nothing in this paragraph shall be construed to allow the rate of tax imposed by Finney or Ford county pursuant to this paragraph to exceed the maximum rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds remain upon the payment of all costs authorized pursuant to this paragraph in the financing of such highway projects in Finney county, the state treasurer shall remit such funds to the treasurer of Finney county and upon receipt of such moneys shall be deposited to the credit of the county road and bridge fund. If any funds remain upon the payment of all costs authorized pursuant to this paragraph in the financing of such highway projects in Ford county, the state treasurer shall remit such funds to the treasurer of Ford county and upon receipt of such moneys shall be deposited to the credit of the county road and bridge fund.

(5) The board of county commissioners of any county may submit the question of imposing a retailers' sales tax at the rate of 0.25%, 0.5%, 0.75% or 1% and pledging the revenue received therefrom for the purpose of financing the provision of health care services, as enumerated in the question, to the electors at an election called and held thereon. Whenever any county imposes a tax pursuant to this paragraph, any tax imposed pursuant to subsection (a)(2) by any city located in such county shall expire upon the effective date of the imposition of the countywide tax, and thereafter the state treasurer shall remit to each such city that portion of the countywide tax revenue collected by retailers within such city as certified by the director of taxation. The tax imposed pursuant to this paragraph shall be deemed to be in addition to the rate limitations prescribed in K.S.A. 12-189, and amendments thereto. As used in this paragraph, health care services shall include, but not be limited to, the following: Local health departments, city or county hospitals, city or county nursing homes, preventive health care services including immunizations, prenatal care and the postponement of entry into nursing homes by home care services, mental health services, indigent health care, physician or health care worker recruitment, health education, emergency medical services, rural health clinics, integration of health care services, home health services and rural health networks.

(6) The board of county commissioners of Allen county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of operation and construction of a solid waste disposal area or the modification of an existing landfill to comply with federal regulations to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon the payment of all costs incurred in the financing of the project undertaken. Nothing in this paragraph shall be construed to allow the rate of tax imposed by Allen county pursuant to this paragraph to exceed or be imposed at any rate other than the rates prescribed in K.S.A. 12-189, and amendments thereto.

(7)(A) The board of county commissioners of Clay, Dickinson and Miami county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.50% in the case of Clay and Dickinson county and at a rate of up to 1% in the case of Miami county, and pledging the revenue received therefrom for the purpose of financing the costs of roadway construction and improvement to the electors at an election called and held thereon. Except as otherwise provided, the tax imposed pursuant to this paragraph shall expire after five years from the date such tax is first collected. The result of the election held on November 2, 2004, on the question submitted by the board of county commissioners of Miami county for the purpose of extending for an additional five-year period the countywide retailers' sales tax imposed pursuant to this subsection in Miami county is hereby declared valid. The countywide retailers' sales tax imposed pursuant to this subsection in Clay and Miami county may be extended or reenacted for additional five-year periods upon the board of county commissioners of Clay and Miami county submitting such question to the electors at an election called and held thereon for each additional five-year period as provided by law.

(B) The board of county commissioners of Dickinson county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of roadway construction and improvement to the electors at an election called and held thereon. The

tax imposed pursuant to this subparagraph shall expire after 10 years from the date such tax is first collected.

(8) The board of county commissioners of Sherman county may submit the question of imposing a countywide retailers' sales tax at the rate of 1% and pledging the revenue received therefrom for the purpose of financing the costs of street and roadway improvements to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized pursuant to this paragraph in the financing of such project.

(9) (A) The board of county commissioners of Cowley, Crawford, Russell and Woodson county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% in the case of Crawford, Russell and Woodson county and at a rate of up to 0.25%, in the case of Cowley county and pledging the revenue received therefrom for the purpose of financing economic development initiatives or public infrastructure projects. The tax imposed pursuant to this ~~paragraph subparagraph~~ shall expire after five years from the date such tax is first collected.

(B) The board of county commissioners of Russell county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing economic development initiatives or public infrastructure projects. The tax imposed pursuant to this subparagraph shall expire after 10 years from the date such tax is first collected.

(10) The board of county commissioners of Franklin county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of financing recreational facilities. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such facilities.

(11) The board of county commissioners of Douglas county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purposes of conservation, access and management of open space; preservation of cultural heritage; and economic development projects and activities.

(12) The board of county commissioners of Shawnee county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom to the city of Topeka for the purpose of financing the costs of rebuilding the Topeka boulevard bridge and other public infrastructure improvements associated with such project to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such project.

~~(13) The board of county commissioners of Jackson county may submit the question of imposing a countywide retailers' sales tax at a rate of 0.4% and pledging the revenue received therefrom as follows: 50% of such revenues for the purpose of financing for economic development initiatives; and 50% of such revenues for the purpose of financing public infrastructure projects to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after seven years from the date such tax is first collected. The board of county commissioners of Jackson county may submit the question of imposing a countywide retailers' sales tax at a rate of 0.4% which such tax shall take effect after the expiration of the tax imposed pursuant to this paragraph prior to the effective date of this act, and pledging the~~

revenue received therefrom for the purpose of financing public infrastructure projects to the electors at an election called and held thereon. Such tax shall expire after seven years from the date such tax is first collected.

(14) The board of county commissioners of Neosho county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of roadway construction and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized pursuant to this paragraph in the financing of such project.

(15) The board of county commissioners of Saline county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of construction and operation of an expo center to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after five years from the date such tax is first collected.

(16) The board of county commissioners of Harvey county may submit the question of imposing a countywide retailers' sales tax at the rate of 1.0% and pledging the revenue received therefrom for the purpose of financing the costs of property tax relief, economic development initiatives and public infrastructure improvements to the electors at an election called and held thereon.

(17) The board of county commissioners of Atchison county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of financing the costs of construction and maintenance of sports and recreational facilities to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such facilities.

(18) The board of county commissioners of Wabaunsee county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of bridge and roadway construction and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after 15 years from the date such tax is first collected.

(19) The board of county commissioners of Jefferson county may submit the question of imposing a countywide retailers' sales tax at the rate of 1% and pledging the revenue received therefrom for the purpose of financing the costs of roadway construction and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after six years from the date such tax is first collected. The countywide retailers' sales tax imposed pursuant to this paragraph may be extended or reenacted for additional six-year periods upon the board of county commissioners of Jefferson county submitting such question to the electors at an election called and held thereon for each additional six-year period as provided by law.

(20) The board of county commissioners of Riley county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 1% and pledging the revenue received therefrom for the purpose of financing the costs of bridge and roadway construction and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after five years from

the date such tax is first collected.

(21) The board of county commissioners of Johnson county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of financing the construction and operation costs of public safety projects, including, but not limited to, a jail, detention center, sheriff's resource center, crime lab or other county administrative or operational facility dedicated to public safety, to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after 10 years from the date such tax is first collected. The countywide retailers' sales tax imposed pursuant to this subsection may be extended or reenacted for additional periods not exceeding 10 years upon the board of county commissioners of Johnson county submitting such question to the electors at an election called and held thereon for each additional ten-year period as provided by law.

(22) The board of county commissioners of Wilson county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 1% and pledging the revenue received therefrom for the purpose of financing the costs of roadway construction and improvements to federal highways, the development of a new industrial park and other public infrastructure improvements to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized pursuant to this paragraph in the financing of such project or projects.

(23) The board of county commissioners of Butler county may submit the question of imposing a countywide retailers' sales tax at the rate of either 0.25%, 0.5%, 0.75% or 1% and pledging the revenue received therefrom for the purpose of financing the costs of public safety capital projects or bridge and roadway construction projects, or both, to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such projects.

(24) The board of county commissioners of Barton county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of roadway and bridge construction and improvement and infrastructure development and improvement to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire after 10 years from the date such tax is first collected.

(25) The board of county commissioners of Jefferson county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25% and pledging the revenue received therefrom for the purpose of financing the costs of the county's obligation as participating employer to make employer contributions and other required contributions to the Kansas public employees retirement system for eligible employees of the county who are members of the Kansas police and firemen's retirement system, to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such purpose.

(26) The board of county commissioners of Pottawatomie county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of construction or remodeling of a courthouse, jail, law enforcement center facility or other county administrative facility, or public infrastructure improvements, or both, to the electors at an election called and held thereon. The tax imposed pursuant to this

paragraph shall expire upon payment of all costs authorized in financing such project or projects.

(27) The board of county commissioners of Kingman county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.25%, 0.5%, 0.75% or 1% and pledging the revenue received therefrom for the purpose of financing the costs of constructing and furnishing a law enforcement center and jail facility and the costs of roadway and bridge improvements to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire not later than 20 years from the date such tax is first collected.

(28) The board of county commissioners of Edwards county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.375% and pledging the revenue therefrom for the purpose of financing the costs of economic development initiatives to the electors at an election called and held thereon.

(29) The board of county commissioners of Rooks county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue therefrom for the purpose of financing the costs of constructing or remodeling and furnishing a jail facility to the electors at an election called and held thereon. The tax imposed pursuant to this paragraph shall expire upon the payment of all costs authorized in financing such project or projects.

(30) The board of county commissioners of Douglas county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the construction or remodeling of a courthouse, jail, law enforcement center facility, detention facility or other county administrative facility, specifically including mental health and for the operation thereof.

(31) The board of county commissioners of Bourbon county may submit the question of imposing a countywide retailers' sales tax at the rate of up to 1%, in increments of 0.05%, and pledging the revenue received therefrom for the purpose of financing the costs of constructing, furnishing and operating a courthouse, law enforcement center or jail facility improvements to the electors at an election called and held thereon.

(32) The board of county commissioners of Marion county may submit the question of imposing a countywide retailers' sales tax at the rate of 0.5% and pledging the revenue received therefrom for the purpose of financing the costs of property tax relief, economic development initiatives and the construction of public infrastructure improvements, including buildings, to the electors at an election called and held thereon.

(c) The boards of county commissioners of any two or more contiguous counties, upon adoption of a joint resolution by such boards, may submit the question of imposing a retailers' sales tax within such counties to the electors of such counties at an election called and held thereon and such boards of any two or more contiguous counties shall be required to submit such question upon submission of a petition in each of such counties, signed by a number of electors of each of such counties where submitted equal in number to not less than 10% of the electors of each of such counties who voted at the last preceding general election for the office of secretary of state, or upon receiving resolutions requesting such an election passed by not less than $\frac{2}{3}$ of the membership of the governing body of each of one or more cities within each of such

counties which contains a population of not less than 25% of the entire population of each of such counties, or upon receiving resolutions requesting such an election passed by $\frac{2}{3}$ of the membership of the governing body of each of one or more taxing subdivisions within each of such counties which levy not less than 25% of the property taxes levied by all taxing subdivisions within each of such counties.

(d) Any city retailers' sales tax being levied by a city prior to July 1, 2006, shall continue in effect until repealed in the manner provided herein for the adoption and approval of such tax or until repealed by the adoption of an ordinance for such repeal. Any countywide retailers' sales tax in the amount of 0.5% or 1% in effect on July 1, 1990, shall continue in effect until repealed in the manner provided herein for the adoption and approval of such tax.

(e) Any city or county proposing to adopt a retailers' sales tax shall give notice of its intention to submit such proposition for approval by the electors in the manner required by K.S.A. 10-120, and amendments thereto. The notices shall state the time of the election and the rate and effective date of the proposed tax. If a majority of the electors voting thereon at such election fail to approve the proposition, such proposition may be resubmitted under the conditions and in the manner provided in this act for submission of the proposition. If a majority of the electors voting thereon at such election shall approve the levying of such tax, the governing body of any such city or county shall provide by ordinance or resolution, as the case may be, for the levy of the tax. Any repeal of such tax or any reduction or increase in the rate thereof, within the limits prescribed by K.S.A. 12-189, and amendments thereto, shall be accomplished in the manner provided herein for the adoption and approval of such tax except that the repeal of any such city retailers' sales tax may be accomplished by the adoption of an ordinance so providing.

(f) The sufficiency of the number of signers of any petition filed under this section shall be determined by the county election officer. Every election held under this act shall be conducted by the county election officer.

(g) The governing body of the city or county proposing to levy any retailers' sales tax shall specify the purpose or purposes for which the revenue would be used, and a statement generally describing such purpose or purposes shall be included as a part of the ballot proposition.

Sec. 10. K.S.A. 2017 Supp. 12-189 is hereby amended to read as follows: 12-189. The rate of any city retailers' sales tax shall be fixed in increments of 0.05% and in an amount not to exceed 2% for general purposes and not to exceed 1% for special purposes which shall be determined by the governing body of the city. For any retailers' sales tax imposed by a city for special purposes, such city shall specify the purposes for which such tax is imposed. All such special purpose retailers' sales taxes imposed by a city shall expire after 10 years from the date such tax is first collected. The rate of any countywide retailers' sales tax shall be fixed in an amount not to exceed 1% and shall be fixed in increments of 0.25%, and which amount shall be determined by the board of county commissioners, except that:

(a) The board of county commissioners of Wabaunsee county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 1.25%; the board of county commissioners of Osage or Reno county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 1.25% or 1.5%; the board of county commissioners of Cherokee, Crawford, Ford, Saline, Seward, ~~Thomas~~ or Wyandotte

county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 1.5%; the board of county commissioners of Atchison or Thomas county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 1.5% or 1.75%; the board of county commissioners of Anderson, Barton, Jefferson or Ottawa county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 2%; the board of county commissioners of Marion county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at 2.5%; the board of county commissioners of Franklin, Linn and Miami counties, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by the respective board of county commissioners on July 1, 2007, plus up to 1.0%; and the board of county commissioners of Brown county, for the purposes of K.S.A. 12-187(b)(2), and amendments thereto, may fix such rate at up to 2%;

(b) the board of county commissioners of Jackson county, for the purposes of K.S.A. 12-187(b)(3), and amendments thereto, may fix such rate at 2%;

(c) the boards of county commissioners of Finney and Ford counties, for the purposes of K.S.A. 12-187(b)(4), and amendments thereto, may fix such rate at 0.25%;

(d) the board of county commissioners of any county for the purposes of K.S.A. 12-187(b)(5), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by a board of county commissioners on the effective date of this act plus 0.25%, 0.5%, 0.75% or 1%, as the case requires;

(e) the board of county commissioners of Dickinson county, for the purposes of K.S.A. 12-187(b)(7), and amendments thereto, may fix such rate at 1.5%, and the board of county commissioners of Miami county, for the purposes of K.S.A. 12-187(b)(7), and amendments thereto, may fix such rate at 1.25%, 1.5%, 1.75% or 2%;

(f) the board of county commissioners of Sherman county, for the purposes of K.S.A. 12-187(b)(8), and amendments thereto, may fix such rate at 2.25%;

(g) the board of county commissioners of Crawford or Russell county for the purposes of K.S.A. 12-187(b)(9), and amendments thereto, may fix such rate at 1.5%;

(h) the board of county commissioners of Franklin county, for the purposes of K.S.A. 12-187(b)(10), and amendments thereto, may fix such rate at 1.75%;

(i) the board of county commissioners of Douglas county, for the purposes of K.S.A. 12-187(b)(11) and (b)(30), and amendments thereto, may fix such rate at 1.75%;

(j) the board of county commissioners of Jackson county, for the purposes of K.S.A. 12-187(b)(13), and amendments thereto, may fix such rate at 1.4%;

(k) the board of county commissioners of Sedgwick county, for the purposes of K.S.A. 12-187(b)(3)(C), and amendments thereto, may fix such rate at 2%;

(l) the board of county commissioners of Neosho county, for the purposes of K.S.A. 12-187(b)(14), and amendments thereto, may fix such rate at 1.0% or 1.5%;

(m) the board of county commissioners of Saline county, for the purposes of K.S.A. 12-187(b)(15), and amendments thereto, may fix such rate at up to 1.5%;

(n) the board of county commissioners of Harvey county, for the purposes of K.S.A. 12-187(b)(16), and amendments thereto, may fix such rate at 2.0%;

(o) the board of county commissioners of Atchison county, for the purpose of K.S.A. 12-187(b)(17), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by the board of county commissioners of Atchison county on the effective date of this act plus 0.25%;

(p) the board of county commissioners of Wabaunsee county, for the purpose of K.S.A. 12-187(b)(18), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by the board of county commissioners of Wabaunsee county on July 1, 2007, plus 0.5%;

(q) the board of county commissioners of Jefferson county, for the purpose of K.S.A. 12-187(b)(19) and (25), and amendments thereto, may fix such rate at 2.25%;

(r) the board of county commissioners of Riley county, for the purpose of K.S.A. 12-187(b)(20), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by the board of county commissioners of Riley county on July 1, 2007, plus up to 1%;

(s) the board of county commissioners of Johnson county for the purposes of K.S.A. 12-187(b)(21), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by the board of county commissioners of Johnson county on July 1, 2007, plus 0.25%;

(t) the board of county commissioners of Wilson county for the purposes of K.S.A. 12-187(b)(22), and amendments thereto, may fix such rate at up to 2%;

(u) the board of county commissioners of Butler county for the purposes of K.S.A. 12-187(b)(23), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate otherwise allowed pursuant to this section, plus 0.25%, 0.5%, 0.75% or 1%;

(v) the board of county commissioners of Barton county, for the purposes of K.S.A. 12-187(b)(24), and amendments thereto, may fix such rate at up to 1.5%;

(w) the board of county commissioners of Lyon county, for the purposes of K.S.A. 12-187(b)(3)(D), and amendments thereto, may fix such rate at 1.5%;

(x) the board of county commissioners of Rawlins county, for the purposes of K.S.A. 12-187(b)(3)(E), and amendments thereto, may fix such rate at 1.75%;

(y) the board of county commissioners of Chautauqua county, for the purposes of K.S.A. 12-187(b)(3)(F), and amendments thereto, may fix such rate at 2.0%;

(z) the board of county commissioners of Pottawatomie county, for the purposes of K.S.A. 12-187(b)(26), and amendments thereto, may fix such rate at up to 1.5%;

(aa) the board of county commissioners of Kingman county, for the purposes of K.S.A. 12-187(b)(27), and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate otherwise allowed pursuant to this section, plus 0.25%, 0.5%, 0.75%, or 1%;

(bb) the board of county commissioners of Edwards county, for the purposes of K.S.A. 12-187(b)(28), and amendments thereto, may fix such rate at 1.375%;

(cc) the board of county commissioners of Rooks county, for the purposes of K.S.A. 12-187(b)(29), and amendments thereto, may fix such rate at up to 1.5%;

(dd) the board of county commissioners of Bourbon county, for the purposes of K.S.A. 12-187(b)(3)(G) and (b)(31), and amendments thereto, may fix such rate at up to 2.0%; and

(ee) the board of county commissioners of Marion county, for the purposes of K.S.A. 12-187(b)(32), and amendments thereto, may fix such rate at 2.5%.

Any county or city levying a retailers' sales tax is hereby prohibited from administering or collecting such tax locally, but shall utilize the services of the state department of revenue to administer, enforce and collect such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and amendments thereto, such tax shall be

identical in its application, and exemptions therefrom, to the Kansas retailers' sales tax act and all laws and administrative rules and regulations of the state department of revenue relating to the Kansas retailers' sales tax shall apply to such local sales tax insofar as such laws and rules and regulations may be made applicable. The state director of taxation is hereby authorized to administer, enforce and collect such local sales taxes and to adopt such rules and regulations as may be necessary for the efficient and effective administration and enforcement thereof.

Upon receipt of a certified copy of an ordinance or resolution authorizing the levy of a local retailers' sales tax, the director of taxation shall cause such taxes to be collected within or without the boundaries of such taxing subdivision at the same time and in the same manner provided for the collection of the state retailers' sales tax. Such copy shall be submitted to the director of taxation within 30 days after adoption of any such ordinance or resolution. All moneys collected by the director of taxation under the provisions of this section shall be credited to a county and city retailers' sales tax fund which fund is hereby established in the state treasury, except that all moneys collected by the director of taxation pursuant to the authority granted in K.S.A. 12-187(b)(22), and amendments thereto, shall be credited to the Wilson county capital improvements fund. Any refund due on any county or city retailers' sales tax collected pursuant to this act shall be paid out of the sales tax refund fund and reimbursed by the director of taxation from collections of local retailers' sales tax revenue. Except for local retailers' sales tax revenue required to be deposited in the redevelopment bond fund established under K.S.A. 74-8927, and amendments thereto, all local retailers' sales tax revenue collected within any county or city pursuant to this act shall be apportioned and remitted at least quarterly by the state treasurer, on instruction from the director of taxation, to the treasurer of such county or city.

Revenue that is received from the imposition of a local retailers' sales tax which exceeds the amount of revenue required to pay the costs of a special project for which such revenue was pledged shall be credited to the city or county general fund, as the case requires.

The director of taxation shall provide, upon request by a city or county clerk or treasurer or finance officer of any city or county levying a local retailers' sales tax, monthly reports identifying each retailer doing business in such city or county or making taxable sales sourced to such city or county, setting forth the tax liability and the amount of such tax remitted by each retailer during the preceding month and identifying each business location maintained by the retailer and such retailer's sales or use tax registration or account number. Such report shall be made available to the clerk or treasurer or finance officer of such city or county within a reasonable time after it has been requested from the director of taxation. The director of taxation shall be allowed to assess a reasonable fee for the issuance of such report. Information received by any city or county pursuant to this section shall be confidential, and it shall be unlawful for any officer or employee of such city or county to divulge any such information in any manner. Any violation of this paragraph by a city or county officer or employee is a class A misdemeanor, and such officer or employee shall be dismissed from office. Reports of violations of this paragraph shall be investigated by the attorney general. The district attorney or county attorney and the attorney general shall have authority to prosecute violations of this paragraph.

Sec. 11. K.S.A. 2017 Supp. 79-2925c is hereby amended to read as follows: 79-

2925c. (a) (1) On and after January 1, 2017, the governing body of any city or county shall not approve any appropriation or budget which provides for funding by property tax revenues in an amount exceeding that of the next preceding year as adjusted to reflect the average changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding five calendar years, which shall not be less than zero, unless the city or county approves the appropriation or budget with the adoption of a resolution and such resolution has been submitted to and approved by a majority of the qualified electors of the city or county voting at an election called and held thereon, except as otherwise provided.

(2) The election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto, and may be:

(A) Held at the next regularly scheduled election to be held in August or November;

(B) may be a mail ballot election, conducted in accordance with K.S.A. 25-431 et seq., and amendments thereto; or

(C) may be a special election called by the city or county. Nothing in this subsection shall prevent any city or county from holding more than one election in any year. The city or county requesting the election shall be responsible for paying all costs associated with conducting the election.

(b) A resolution by the governing body of a city or county otherwise required by the provisions of this section shall not be required to be approved by an election required by subsection (a) under the following circumstances:

(1) Increased property tax revenues that, in the current year, are produced and attributable to the taxation of:

(A) The construction of any new structures or improvements or the remodeling or renovation of any existing structures or improvements on real property, which shall not include any ordinary maintenance or repair of any existing structures or improvements on the property;

(B) increased personal property valuation;

(C) real property located within added jurisdictional territory;

(D) real property which has changed in use;

(E) expiration of any abatement of property from property tax; or

(F) expiration of a tax increment financing district, rural housing incentive district, neighborhood revitalization area or any other similar property tax rebate or redirection program.

(2) Increased property tax revenues that will be spent on:

(A) Bond, temporary notes, no fund warrants, state infrastructure loans and interest payments not exceeding the amount of ad valorem property taxes levied in support of such payments, and payments made to a public building commission and lease payments but only to the extent such payments were obligations that existed prior to July 1, 2016;

(B) payment of special assessments not exceeding the amount of ad valorem property taxes levied in support of such payments;

(C) court judgments or settlements of legal actions against the city or county and legal costs directly related to such judgments or settlements;

(D) expenditures of city or county funds that are specifically mandated by federal or state law with such mandates becoming effective on or after July 1, 2015, and loss of

funds from federal sources after January 1, 2017, where the city or county is contractually obligated to provide a service;

(E) expenses relating to a federal, state or local disaster or federal, state or local emergency, including, but not limited to, a financial emergency, declared by a federal or state official. The board of county commissioners may request the governor to declare such disaster or emergency; or

(F) increased costs above the consumer price index for law enforcement, fire protection or emergency medical services.

(3) Any increased property tax revenues generated for law enforcement, fire protection or emergency medical services shall be expended exclusively for these purposes but shall not be used for the construction or remodeling of buildings.

(4) The property tax revenues levied by the city or county have declined:

(A) In one or more of the next preceding three calendar years and the increase in the amount of funding for the budget or appropriation from revenue produced from property taxes does not exceed the average amount of funding from such revenue of the next preceding three calendar years, adjusted to reflect changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding calendar year; or

(B) the increase in the amount of ad valorem tax to be levied is less than the change in the consumer price index plus the loss of assessed property valuation that has occurred as the result of legislative action, judicial action or a ruling by the board of tax appeals.

(5) Whenever a city or county is required by law to levy taxes for the financing of the budget of any political or governmental subdivision of this state that is not authorized by law to levy taxes on its own behalf, and the governing body of such city or county is not authorized or empowered to modify or reduce the amount of taxes levied therefore, the tax levies of the political or governmental subdivision shall not be included in or considered in computing the aggregate limitation upon the property tax levies of the city or county.

(6) Any tax levy increase as a result of another taxing entity being dissolved and all powers, responsibilities, duties and liabilities of the entity have been transferred to the city or county to carry on the function and responsibilities of the dissolved taxing entity so long as the levy increase does not exceed the levy of the dissolved taxing entity.

Sec. 12. K.S.A. 2017 Supp. 79-3401 is hereby amended to read as follows: 79-3401. This act, and amendments thereto, shall be known and may be cited as the "motor-fuel tax law," and as so constituted is hereinafter referred to as "this act." The following words, terms and phrases, when used in this act, shall have the meanings ascribed to them in this section, except in those instances clearly indicating a different meaning:

(a) "Aviation fuel" means motor fuels for use as fuel for aircraft;

(b) "agricultural ethyl alcohol" means a motor-vehicle fuel component with a purity of at least 99%, exclusive of any added denaturants, denatured in conformity with one of the methods approved by the United States department of the treasury, bureau of alcohol, tobacco and firearms, and distilled in the United States of America from grain produced in the United States of America;

(c) "bulk plant" means a motor fuels storage facility, other than a terminal, that is primarily used to redistribute motor fuels;

(d) "dealer" means any person engaged in the retail sale of motor-vehicle fuels or special fuels;

(e) "director" means the director of taxation, a duly authorized deputy, agent or representative;

(f) "distributor" means any person, who:

(1) Imports or causes to be imported from any other state or territory of the United States motor-vehicle fuels or special fuels for such person's own use in the state of Kansas, or for sale and delivery therein, after the same shall have come to rest or storage therein, whether or not in the original package, receptacle or container; or

(2) imports or causes to be imported, from a foreign country, motor-vehicle fuels or special fuels for such person's own use in the state of Kansas, or for sale and delivery therein, after the same shall have come to rest or storage, whether or not in the original package, receptacle or container;

(3) purchases or receives motor-vehicle fuels or special fuels in the original package, receptacle or container in the state of Kansas for such person's own use therein, or for sale and delivery therein, from any person who has imported the same from any other state or territory of the United States, or any other nation, in case such motor-vehicle fuels or special fuels have not, prior to such purchase or receipt, come to rest or storage in the state of Kansas; or

(4) received and, in any manner, uses, sells or delivers motor-vehicle fuels or special fuels in the state of Kansas on which the tax provided for in this act has not been previously paid;

(g) "exporter" means any person who exports or causes to be exported motor vehicle fuels or special fuels from Kansas to any other state or territory of the United States or to a foreign country, for such person's own use or for sale or delivery therein, whether or not in the original package, receptacle or container;

(h) "importer" means any person who imports or causes to be imported motor-vehicle fuels or special fuels from any other state or territory of the United States or from a foreign country, for such person's own use in the state of Kansas or for sale or delivery therein, whether or not in the original package, receptacle or container;

(i) "liquid fuels" or "motor fuels" means any inflammable liquid by whatever name such liquid shall be known or sold, which is used, or practically or commercially usable, either alone or when mixed or combined in an internal-combustion engine for the generation of power;

(j) "manufacturer" or "refiner" means any person who or which produces, refines, prepares, blends, distills, manufactures or compounds motor-vehicle fuels or special fuels in the state of Kansas for such person's own use therein, or for sale or delivery therein. The term "manufacturer" shall not include any person who or which mechanically separates liquids from natural gas at production facilities or gathering system pipelines on the lease. No person who produces, refines, prepares, blends, distills, manufactures, or compounds motor-vehicle fuels or special fuels shall be required to render a distributor's (manufacturer's) report as to any particular lot or lots of motor-vehicle fuels or special fuels until such motor-vehicle fuels or special fuels have been loaded at a refinery or other place of production into tank cars, or placed in any tank at such refinery or other place of production from which any withdrawals are made direct into tanks, tank wagons or other types of transportation equipment, containers or facilities;

(k) "motor vehicle" means a motor vehicle as defined by K.S.A. 8-126, and amendments thereto, and which is required to be registered pursuant to K.S.A. 8-126 et seq., and amendments thereto;

(l) "motor-vehicle fuels" means gasoline, casinghead gasoline, natural gasoline, drip gasoline, aviation gasoline, gasohol, gasoline-oxygenate blend and any other spark-ignition motor fuel as defined by the 1995 United States department of commerce, national institute of standards and technology handbook 130 issued December of 1994, and as may subsequently be defined in rules and regulations which the director may adopt pursuant to K.S.A. 79-3419, and amendments thereto;

(m) "oil inspector" means the director of taxation, a duly authorized deputy, agent or representative;

(n) "person" means every natural person, association, partnership, limited partnership, limited liability company or corporation. When used in any statute, prescribing and imposing a fine or imprisonment, or both, the term "person" as applied to firms and associations means the partners or members thereof and, as applied to corporations, the corporation and the officers thereof;

(o) "public highways" means and includes every way or place, of whatever nature, generally open to the use of the public as a matter of right, for the purposes of vehicular travel and notwithstanding that the same shall have been temporarily closed for the purpose of construction, reconstruction or repair;

(p) "received" means motor-vehicle fuel or special fuel produced, refined, prepared, distilled, manufactured, blended or compounded at any refinery or other place, in the state of Kansas by any person, or imported into this state from any other state, territory, or foreign country by pipeline or connecting pipeline at a pipeline terminal or pipeline tank farm for storage, shall be deemed to be "received" by such person thereat when the same shall have been loaded at such refinery, pipeline terminal, pipeline tank farm or other place, into tank cars, tank trucks or other container, or placed in any tank from which any withdrawals are made direct into tank cars, tank trucks or other types of transportation equipment, containers or facilities;

(q) "retailer" means a person that engages in the business of selling or distributing motor fuels to the end user;

(r) "school bus" means every bus, as defined by K.S.A. 8-1406, and amendments thereto, which is: (1) Privately owned and contracted for, leased or hired by a school district or nonpublic school for the transportation of pupils, students or school personnel to or from school or to or from school-related functions or activities; or (2) owned and operated by a school district or nonpublic school which is registered under the provisions of K.S.A. 8-126 et seq., and amendments thereto, used for the transportation of pupils, students or school personnel to or from school or to or from school-related functions or activities;

(s) "special fuels" means all combustible liquids suitable for the generation of power for the propulsion of motor vehicles including, but not limited to, diesel fuel, ~~alcohol~~ and such fuels not defined under the motor-vehicle fuels definition, hereinafter referred to as motor-vehicle fuel;

(t) "terminal" means a fuel storage and distribution facility that is supplied by motor vehicle, pipeline or marine vessel, and from which motor fuels may be removed at a rack. "Terminal" does not include any facility at which motor fuel blend stocks and additives are used in the manufacture of products other than motor fuels and from

which no motor fuels are removed;

(u) "terminal operator" means the person who by ownership or contractual agreement is charged with the responsibility for, or physical control over, and operation of a terminal;

(v) "transporter" means a person who has been issued a liquid-fuels carrier's license pursuant to K.S.A. 55-506 et seq., and amendments thereto; and

(w) "E85 fuels" means an alternative fuel that is a blend of denatured ethanol and hydrocarbon that typically contains 85% ethanol by volume, but at a minimum must contain 70% ethanol by volume, and complies with ASTM specification D5798-99.

Sec. 13. K.S.A. 2017 Supp. 79-3606 is hereby amended to read as follows: 79-3606. The following shall be exempt from the tax imposed by this act:

(a) All sales of motor-vehicle fuel or other articles upon which a sales or excise tax has been paid, not subject to refund, under the laws of this state except cigarettes and electronic cigarettes as defined by K.S.A. 79-3301, and amendments thereto, including consumable material for such electronic cigarettes, cereal malt beverages and malt products as defined by K.S.A. 79-3817, and amendments thereto, including wort, liquid malt, malt syrup and malt extract, which is not subject to taxation under the provisions of K.S.A. 79-41a02, and amendments thereto, motor vehicles taxed pursuant to K.S.A. 79-5117, and amendments thereto, tires taxed pursuant to K.S.A. 65-3424d, and amendments thereto, drycleaning and laundry services taxed pursuant to K.S.A. 65-34,150, and amendments thereto, and gross receipts from regulated sports contests taxed pursuant to the Kansas professional regulated sports act, and amendments thereto;

(b) all sales of tangible personal property or service, including the renting and leasing of tangible personal property, purchased directly by the state of Kansas, a political subdivision thereof, other than a school or educational institution, or purchased by a public or private nonprofit hospital or public hospital authority or nonprofit blood, tissue or organ bank and used exclusively for state, political subdivision, hospital or public hospital authority or nonprofit blood, tissue or organ bank purposes, except when: (1) Such state, hospital or public hospital authority is engaged or proposes to engage in any business specifically taxable under the provisions of this act and such items of tangible personal property or service are used or proposed to be used in such business; or (2) such political subdivision is engaged or proposes to engage in the business of furnishing gas, electricity or heat to others and such items of personal property or service are used or proposed to be used in such business;

(c) all sales of tangible personal property or services, including the renting and leasing of tangible personal property, purchased directly by a public or private elementary or secondary school or public or private nonprofit educational institution and used primarily by such school or institution for nonsectarian programs and activities provided or sponsored by such school or institution or in the erection, repair or enlargement of buildings to be used for such purposes. The exemption herein provided shall not apply to erection, construction, repair, enlargement or equipment of buildings used primarily for human habitation;

(d) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any public or private nonprofit hospital or public hospital authority, public or private elementary or secondary school, a public or private nonprofit educational institution, state correctional institution including a

privately constructed correctional institution contracted for state use and ownership, which would be exempt from taxation under the provisions of this act if purchased directly by such hospital or public hospital authority, school, educational institution or a state correctional institution; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any political subdivision of the state or district described in subsection (s), the total cost of which is paid from funds of such political subdivision or district and which would be exempt from taxation under the provisions of this act if purchased directly by such political subdivision or district. Nothing in this subsection or in the provisions of K.S.A. 12-3418, and amendments thereto, shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any political subdivision of the state or any such district. As used in this subsection, K.S.A. 12-3418 and 79-3640, and amendments thereto, "funds of a political subdivision" shall mean general tax revenues, the proceeds of any bonds and gifts or grants-in-aid. Gifts shall not mean funds used for the purpose of constructing, equipping, reconstructing, repairing, enlarging, furnishing or remodeling facilities which are to be leased to the donor. When any political subdivision of the state, district described in subsection (s), public or private nonprofit hospital or public hospital authority, public or private elementary or secondary school, public or private nonprofit educational institution, state correctional institution including a privately constructed correctional institution contracted for state use and ownership shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the political subdivision, district described in subsection (s), hospital or public hospital authority, school, educational institution or department of corrections concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. As an alternative to the foregoing procedure, any such contracting entity may apply to the secretary of revenue for agent status for the sole purpose of issuing and furnishing project exemption certificates to contractors pursuant to rules and regulations adopted by the secretary establishing conditions and standards for the granting and maintaining of such status. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the political subdivision, district described in subsection (s), hospital or public hospital

authority, school, educational institution or the contractor contracting with the department of corrections for a correctional institution concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(e) all sales of tangible personal property or services purchased by a contractor for the erection, repair or enlargement of buildings or other projects for the government of the United States, its agencies or instrumentalities, which would be exempt from taxation if purchased directly by the government of the United States, its agencies or instrumentalities. When the government of the United States, its agencies or instrumentalities shall contract for the erection, repair, or enlargement of any building or other project, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the government of the United States, its agencies or instrumentalities concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. As an alternative to the foregoing procedure, any such contracting entity may apply to the secretary of revenue for agent status for the sole purpose of issuing and furnishing project exemption certificates to contractors pursuant to rules and regulations adopted by the secretary establishing conditions and standards for the granting and maintaining of such status. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(f) tangible personal property purchased by a railroad or public utility for consumption or movement directly and immediately in interstate commerce;

(g) sales of aircraft including remanufactured and modified aircraft sold to persons using directly or through an authorized agent such aircraft as certified or licensed carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States or any foreign government or sold to any foreign government or agency or instrumentality of such foreign government and all sales of aircraft for use outside of the United States and sales of aircraft repair, modification and replacement parts and sales of services employed in the remanufacture, modification and repair of aircraft;

(h) all rentals of nonsectarian textbooks by public or private elementary or

secondary schools;

(i) the lease or rental of all films, records, tapes, or any type of sound or picture transcriptions used by motion picture exhibitors;

(j) meals served without charge or food used in the preparation of such meals to employees of any restaurant, eating house, dining car, hotel, drugstore or other place where meals or drinks are regularly sold to the public if such employees' duties are related to the furnishing or sale of such meals or drinks;

(k) any motor vehicle, semitrailer or pole trailer, as such terms are defined by K.S.A. 8-126, and amendments thereto, or aircraft sold and delivered in this state to a bona fide resident of another state, which motor vehicle, semitrailer, pole trailer or aircraft is not to be registered or based in this state and which vehicle, semitrailer, pole trailer or aircraft will not remain in this state more than 10 days;

(l) all isolated or occasional sales of tangible personal property, services, substances or things, except isolated or occasional sale of motor vehicles specifically taxed under the provisions of K.S.A. 79-3603(o), and amendments thereto;

(m) all sales of tangible personal property which become an ingredient or component part of tangible personal property or services produced, manufactured or compounded for ultimate sale at retail within or without the state of Kansas; and any such producer, manufacturer or compounder may obtain from the director of taxation and furnish to the supplier an exemption certificate number for tangible personal property for use as an ingredient or component part of the property or services produced, manufactured or compounded;

(n) all sales of tangible personal property which is consumed in the production, manufacture, processing, mining, drilling, refining or compounding of tangible personal property, the treating of by-products or wastes derived from any such production process, the providing of services or the irrigation of crops for ultimate sale at retail within or without the state of Kansas; and any purchaser of such property may obtain from the director of taxation and furnish to the supplier an exemption certificate number for tangible personal property for consumption in such production, manufacture, processing, mining, drilling, refining, compounding, treating, irrigation and in providing such services;

(o) all sales of animals, fowl and aquatic plants and animals, the primary purpose of which is use in agriculture or aquaculture, as defined in K.S.A. 47-1901, and amendments thereto, the production of food for human consumption, the production of animal, dairy, poultry or aquatic plant and animal products, fiber or fur, or the production of offspring for use for any such purpose or purposes;

(p) all sales of drugs dispensed pursuant to a prescription order by a licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto. As used in this subsection, "drug" means a compound, substance or preparation and any component of a compound, substance or preparation, other than food and food ingredients, dietary supplements or alcoholic beverages, recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States or official national formulary, and supplement to any of them, intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease or intended to affect the structure or any function of the body, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of drugs used in the performance or induction of an abortion, as defined in K.S.A. 65-6701, and

amendments thereto;

(q) all sales of insulin dispensed by a person licensed by the state board of pharmacy to a person for treatment of diabetes at the direction of a person licensed to practice medicine by the board of healing arts;

(r) all sales of oxygen delivery equipment, kidney dialysis equipment, enteral feeding systems, prosthetic devices and mobility enhancing equipment prescribed in writing by a person licensed to practice the healing arts, dentistry or optometry, and in addition to such sales, all sales of hearing aids, as defined by K.S.A. 74-5807(c), and amendments thereto, and repair and replacement parts therefor, including batteries, by a person licensed in the practice of dispensing and fitting hearing aids pursuant to the provisions of K.S.A. 74-5808, and amendments thereto. For the purposes of this subsection: (1) "Mobility enhancing equipment" means equipment including repair and replacement parts to same, but does not include durable medical equipment, which is primarily and customarily used to provide or increase the ability to move from one place to another and which is appropriate for use either in a home or a motor vehicle; is not generally used by persons with normal mobility; and does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer; and (2) "prosthetic device" means a replacement, corrective or supportive device including repair and replacement parts for same worn on or in the body to artificially replace a missing portion of the body, prevent or correct physical deformity or malfunction or support a weak or deformed portion of the body;

(s) except as provided in K.S.A. 2017 Supp. 82a-2101, and amendments thereto, all sales of tangible personal property or services purchased directly or indirectly by a groundwater management district organized or operating under the authority of K.S.A. 82a-1020 et seq., and amendments thereto, by a rural water district organized or operating under the authority of K.S.A. 82a-612, and amendments thereto, or by a water supply district organized or operating under the authority of K.S.A. 19-3501 et seq., 19-3522 et seq., or 19-3545, and amendments thereto, which property or services are used in the construction activities, operation or maintenance of the district;

(t) all sales of farm machinery and equipment or aquaculture machinery and equipment, repair and replacement parts therefor and services performed in the repair and maintenance of such machinery and equipment. For the purposes of this subsection the term "farm machinery and equipment or aquaculture machinery and equipment" shall include a work-site utility vehicle, as defined in K.S.A. 8-126, and amendments thereto, and is equipped with a bed or cargo box for hauling materials, and shall also include machinery and equipment used in the operation of Christmas tree farming but shall not include any passenger vehicle, truck, truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as such terms are defined by K.S.A. 8-126, and amendments thereto. "Farm machinery and equipment" includes precision farming equipment that is portable or is installed or purchased to be installed on farm machinery and equipment. "Precision farming equipment" includes the following items used only in computer-assisted farming, ranching or aquaculture production operations: Soil testing sensors, yield monitors, computers, monitors, software, global positioning and mapping systems, guiding systems, modems, data communications equipment and any necessary mounting hardware, wiring and antennas. Each purchaser of farm machinery and equipment or aquaculture machinery and equipment exempted herein must certify in writing on the copy of the invoice or sales ticket to be retained by the seller that the

farm machinery and equipment or aquaculture machinery and equipment purchased will be used only in farming, ranching or aquaculture production. Farming or ranching shall include the operation of a feedlot and farm and ranch work for hire and the operation of a nursery;

(u) all leases or rentals of tangible personal property used as a dwelling if such tangible personal property is leased or rented for a period of more than 28 consecutive days;

(v) all sales of tangible personal property to any contractor for use in preparing meals for delivery to homebound elderly persons over 60 years of age and to homebound disabled persons or to be served at a group-sitting at a location outside of the home to otherwise homebound elderly persons over 60 years of age and to otherwise homebound disabled persons, as all or part of any food service project funded in whole or in part by government or as part of a private nonprofit food service project available to all such elderly or disabled persons residing within an area of service designated by the private nonprofit organization, and all sales of tangible personal property for use in preparing meals for consumption by indigent or homeless individuals whether or not such meals are consumed at a place designated for such purpose, and all sales of food products by or on behalf of any such contractor or organization for any such purpose;

(w) all sales of natural gas, electricity, heat and water delivered through mains, lines or pipes: (1) To residential premises for noncommercial use by the occupant of such premises; (2) for agricultural use and also, for such use, all sales of propane gas; (3) for use in the severing of oil; and (4) to any property which is exempt from property taxation pursuant to K.S.A. 79-201b, Second through Sixth. As used in this paragraph, "severing" shall have the meaning ascribed thereto by K.S.A. 79-4216(k), and amendments thereto. For all sales of natural gas, electricity and heat delivered through mains, lines or pipes pursuant to the provisions of subsection (w)(1) and (w)(2), the provisions of this subsection shall expire on December 31, 2005;

(x) all sales of propane gas, LP-gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises occurring prior to January 1, 2006;

(y) all sales of materials and services used in the repairing, servicing, altering, maintaining, manufacturing, remanufacturing, or modification of railroad rolling stock for use in interstate or foreign commerce under authority of the laws of the United States;

(z) all sales of tangible personal property and services purchased directly by a port authority or by a contractor therefor as provided by the provisions of K.S.A. 12-3418, and amendments thereto;

(aa) all sales of materials and services applied to equipment which is transported into the state from without the state for repair, service, alteration, maintenance, remanufacture or modification and which is subsequently transported outside the state for use in the transmission of liquids or natural gas by means of pipeline in interstate or foreign commerce under authority of the laws of the United States;

(bb) all sales of used mobile homes or manufactured homes. As used in this subsection: (1) "Mobile homes" and "manufactured homes" shall have the meanings ascribed thereto by K.S.A. 58-4202, and amendments thereto; and (2) "sales of used mobile homes or manufactured homes" means sales other than the original retail sale

thereof;

(cc) all sales of tangible personal property or services purchased prior to January 1, 2012, except as otherwise provided, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business or retail business which meets the requirements established in K.S.A. 74-50,115, and amendments thereto, and the sale and installation of machinery and equipment purchased for installation at any such business or retail business, and all sales of tangible personal property or services purchased on or after January 1, 2012, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business which meets the requirements established in K.S.A. 74-50,115(e), and amendments thereto, and the sale and installation of machinery and equipment purchased for installation at any such business. When a person shall contract for the construction, reconstruction, enlargement or remodeling of any such business or retail business, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the owner of the business or retail business a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. As used in this subsection, "business" and "retail business" have the meanings respectively ascribed thereto by K.S.A. 74-50,114, and amendments thereto. Project exemption certificates that have been previously issued under this subsection by the department of revenue pursuant to K.S.A. 74-50,115, and amendments thereto, but not including K.S.A. 74-50,115(e), and amendments thereto, prior to January 1, 2012, and have not expired will be effective for the term of the project or two years from the effective date of the certificate, whichever occurs earlier. Project exemption certificates that are submitted to the department of revenue prior to January 1, 2012, and are found to qualify will be issued a project exemption certificate that will be effective for a two-year period or for the term of the project, whichever occurs earlier;

(dd) all sales of tangible personal property purchased with food stamps issued by the United States department of agriculture;

(ee) all sales of lottery tickets and shares made as part of a lottery operated by the state of Kansas;

(ff) on and after July 1, 1988, all sales of new mobile homes or manufactured homes to the extent of 40% of the gross receipts, determined without regard to any trade-in allowance, received from such sale. As used in this subsection, "mobile homes" and "manufactured homes" shall have the meanings ascribed thereto by K.S.A. 58-

4202, and amendments thereto;

(gg) all sales of tangible personal property purchased in accordance with vouchers issued pursuant to the federal special supplemental food program for women, infants and children;

(hh) all sales of medical supplies and equipment, including durable medical equipment, purchased directly by a nonprofit skilled nursing home or nonprofit intermediate nursing care home, as defined by K.S.A. 39-923, and amendments thereto, for the purpose of providing medical services to residents thereof. This exemption shall not apply to tangible personal property customarily used for human habitation purposes. As used in this subsection, "durable medical equipment" means equipment including repair and replacement parts for such equipment, which can withstand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of illness or injury and is not worn in or on the body, but does not include mobility enhancing equipment as defined in subsection (r), oxygen delivery equipment, kidney dialysis equipment or enteral feeding systems;

(ii) all sales of tangible personal property purchased directly by a nonprofit organization for nonsectarian comprehensive multidiscipline youth development programs and activities provided or sponsored by such organization, and all sales of tangible personal property by or on behalf of any such organization. This exemption shall not apply to tangible personal property customarily used for human habitation purposes;

(jj) all sales of tangible personal property or services, including the renting and leasing of tangible personal property, purchased directly on behalf of a community-based facility for people with intellectual disability or mental health center organized pursuant to K.S.A. 19-4001 et seq., and amendments thereto, and licensed in accordance with the provisions of K.S.A. 75-3307b, and amendments thereto, and all sales of tangible personal property or services purchased by contractors during the time period from July, 2003, through June, 2006, for the purpose of constructing, equipping, maintaining or furnishing a new facility for a community-based facility for people with intellectual disability or mental health center located in Riverton, Cherokee County, Kansas, which would have been eligible for sales tax exemption pursuant to this subsection if purchased directly by such facility or center. This exemption shall not apply to tangible personal property customarily used for human habitation purposes;

(kk) (1) (A) all sales of machinery and equipment which are used in this state as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility;

(B) all sales of installation, repair and maintenance services performed on such machinery and equipment; and

(C) all sales of repair and replacement parts and accessories purchased for such machinery and equipment.

(2) For purposes of this subsection:

(A) "Integrated production operation" means an integrated series of operations engaged in at a manufacturing or processing plant or facility to process, transform or convert tangible personal property by physical, chemical or other means into a different form, composition or character from that in which it originally existed. Integrated production operations shall include: (i) Production line operations, including packaging operations; (ii) preproduction operations to handle, store and treat raw materials; (iii)

post production handling, storage, warehousing and distribution operations; and (iv) waste, pollution and environmental control operations, if any;

(B) "production line" means the assemblage of machinery and equipment at a manufacturing or processing plant or facility where the actual transformation or processing of tangible personal property occurs;

(C) "manufacturing or processing plant or facility" means a single, fixed location owned or controlled by a manufacturing or processing business that consists of one or more structures or buildings in a contiguous area where integrated production operations are conducted to manufacture or process tangible personal property to be ultimately sold at retail. Such term shall not include any facility primarily operated for the purpose of conveying or assisting in the conveyance of natural gas, electricity, oil or water. A business may operate one or more manufacturing or processing plants or facilities at different locations to manufacture or process a single product of tangible personal property to be ultimately sold at retail;

(D) "manufacturing or processing business" means a business that utilizes an integrated production operation to manufacture, process, fabricate, finish, or assemble items for wholesale and retail distribution as part of what is commonly regarded by the general public as an industrial manufacturing or processing operation or an agricultural commodity processing operation. (i) Industrial manufacturing or processing operations include, by way of illustration but not of limitation, the fabrication of automobiles, airplanes, machinery or transportation equipment, the fabrication of metal, plastic, wood, or paper products, electricity power generation, water treatment, petroleum refining, chemical production, wholesale bottling, newspaper printing, ready mixed concrete production, and the remanufacturing of used parts for wholesale or retail sale. Such processing operations shall include operations at an oil well, gas well, mine or other excavation site where the oil, gas, minerals, coal, clay, stone, sand or gravel that has been extracted from the earth is cleaned, separated, crushed, ground, milled, screened, washed, or otherwise treated or prepared before its transmission to a refinery or before any other wholesale or retail distribution. (ii) Agricultural commodity processing operations include, by way of illustration but not of limitation, meat packing, poultry slaughtering and dressing, processing and packaging farm and dairy products in sealed containers for wholesale and retail distribution, feed grinding, grain milling, frozen food processing, and grain handling, cleaning, blending, fumigation, drying and aeration operations engaged in by grain elevators or other grain storage facilities. (iii) Manufacturing or processing businesses do not include, by way of illustration but not of limitation, nonindustrial businesses whose operations are primarily retail and that produce or process tangible personal property as an incidental part of conducting the retail business, such as retailers who bake, cook or prepare food products in the regular course of their retail trade, grocery stores, meat lockers and meat markets that butcher or dress livestock or poultry in the regular course of their retail trade, contractors who alter, service, repair or improve real property, and retail businesses that clean, service or refurbish and repair tangible personal property for its owner;

(E) "repair and replacement parts and accessories" means all parts and accessories for exempt machinery and equipment, including, but not limited to, dies, jigs, molds, patterns and safety devices that are attached to exempt machinery or that are otherwise used in production, and parts and accessories that require periodic replacement such as belts, drill bits, grinding wheels, grinding balls, cutting bars, saws, refractory brick and

other refractory items for exempt kiln equipment used in production operations;

(F) "primary" or "primarily" mean more than 50% of the time.

(3) For purposes of this subsection, machinery and equipment shall be deemed to be used as an integral or essential part of an integrated production operation when used:

(A) To receive, transport, convey, handle, treat or store raw materials in preparation of its placement on the production line;

(B) to transport, convey, handle or store the property undergoing manufacturing or processing at any point from the beginning of the production line through any warehousing or distribution operation of the final product that occurs at the plant or facility;

(C) to act upon, effect, promote or otherwise facilitate a physical change to the property undergoing manufacturing or processing;

(D) to guide, control or direct the movement of property undergoing manufacturing or processing;

(E) to test or measure raw materials, the property undergoing manufacturing or processing or the finished product, as a necessary part of the manufacturer's integrated production operations;

(F) to plan, manage, control or record the receipt and flow of inventories of raw materials, consumables and component parts, the flow of the property undergoing manufacturing or processing and the management of inventories of the finished product;

(G) to produce energy for, lubricate, control the operating of or otherwise enable the functioning of other production machinery and equipment and the continuation of production operations;

(H) to package the property being manufactured or processed in a container or wrapping in which such property is normally sold or transported;

(I) to transmit or transport electricity, coke, gas, water, steam or similar substances used in production operations from the point of generation, if produced by the manufacturer or processor at the plant site, to that manufacturer's production operation; or, if purchased or delivered from off-site, from the point where the substance enters the site of the plant or facility to that manufacturer's production operations;

(J) to cool, heat, filter, refine or otherwise treat water, steam, acid, oil, solvents or other substances that are used in production operations;

(K) to provide and control an environment required to maintain certain levels of air quality, humidity or temperature in special and limited areas of the plant or facility, where such regulation of temperature or humidity is part of and essential to the production process;

(L) to treat, transport or store waste or other byproducts of production operations at the plant or facility; or

(M) to control pollution at the plant or facility where the pollution is produced by the manufacturing or processing operation.

(4) The following machinery, equipment and materials shall be deemed to be exempt even though it may not otherwise qualify as machinery and equipment used as an integral or essential part of an integrated production operation: (A) Computers and related peripheral equipment that are utilized by a manufacturing or processing business for engineering of the finished product or for research and development or product design; (B) machinery and equipment that is utilized by a manufacturing or processing business to manufacture or rebuild tangible personal property that is used in

manufacturing or processing operations, including tools, dies, molds, forms and other parts of qualifying machinery and equipment; (C) portable plants for aggregate concrete, bulk cement and asphalt including cement mixing drums to be attached to a motor vehicle; (D) industrial fixtures, devices, support facilities and special foundations necessary for manufacturing and production operations, and materials and other tangible personal property sold for the purpose of fabricating such fixtures, devices, facilities and foundations. An exemption certificate for such purchases shall be signed by the manufacturer or processor. If the fabricator purchases such material, the fabricator shall also sign the exemption certificate; (E) a manufacturing or processing business' laboratory equipment that is not located at the plant or facility, but that would otherwise qualify for exemption under subsection (3)(E); (F) all machinery and equipment used in surface mining activities as described in K.S.A. 49-601 et seq., and amendments thereto, beginning from the time a reclamation plan is filed to the acceptance of the completed final site reclamation.

(5) "Machinery and equipment used as an integral or essential part of an integrated production operation" shall not include:

(A) Machinery and equipment used for nonproduction purposes, including, but not limited to, machinery and equipment used for plant security, fire prevention, first aid, accounting, administration, record keeping, advertising, marketing, sales or other related activities, plant cleaning, plant communications, and employee work scheduling;

(B) machinery, equipment and tools used primarily in maintaining and repairing any type of machinery and equipment or the building and plant;

(C) transportation, transmission and distribution equipment not primarily used in a production, warehousing or material handling operation at the plant or facility, including the means of conveyance of natural gas, electricity, oil or water, and equipment related thereto, located outside the plant or facility;

(D) office machines and equipment including computers and related peripheral equipment not used directly and primarily to control or measure the manufacturing process;

(E) furniture and other furnishings;

(F) buildings, other than exempt machinery and equipment that is permanently affixed to or becomes a physical part of the building, and any other part of real estate that is not otherwise exempt;

(G) building fixtures that are not integral to the manufacturing operation, such as utility systems for heating, ventilation, air conditioning, communications, plumbing or electrical;

(H) machinery and equipment used for general plant heating, cooling and lighting;

(I) motor vehicles that are registered for operation on public highways; or

(J) employee apparel, except safety and protective apparel that is purchased by an employer and furnished gratuitously to employees who are involved in production or research activities.

(6) Subsections (3) and (5) shall not be construed as exclusive listings of the machinery and equipment that qualify or do not qualify as an integral or essential part of an integrated production operation. When machinery or equipment is used as an integral or essential part of production operations part of the time and for nonproduction purposes at other times, the primary use of the machinery or equipment shall determine whether or not such machinery or equipment qualifies for exemption.

(7) The secretary of revenue shall adopt rules and regulations necessary to administer the provisions of this subsection;

(ll) all sales of educational materials purchased for distribution to the public at no charge by a nonprofit corporation organized for the purpose of encouraging, fostering and conducting programs for the improvement of public health, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such materials purchased by a nonprofit corporation which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto;

(mm) all sales of seeds and tree seedlings; fertilizers, insecticides, herbicides, germicides, pesticides and fungicides; and services, purchased and used for the purpose of producing plants in order to prevent soil erosion on land devoted to agricultural use;

(nn) except as otherwise provided in this act, all sales of services rendered by an advertising agency or licensed broadcast station or any member, agent or employee thereof;

(oo) all sales of tangible personal property purchased by a community action group or agency for the exclusive purpose of repairing or weatherizing housing occupied by low income individuals;

(pp) all sales of drill bits and explosives actually utilized in the exploration and production of oil or gas;

(qq) all sales of tangible personal property and services purchased by a nonprofit museum or historical society or any combination thereof, including a nonprofit organization which is organized for the purpose of stimulating public interest in the exploration of space by providing educational information, exhibits and experiences, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(rr) all sales of tangible personal property which will admit the purchaser thereof to any annual event sponsored by a nonprofit organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such tangible personal property purchased by a nonprofit organization which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto;

(ss) all sales of tangible personal property and services purchased by a public broadcasting station licensed by the federal communications commission as a noncommercial educational television or radio station;

(tt) all sales of tangible personal property and services purchased by or on behalf of a not-for-profit corporation which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the sole purpose of constructing a Kansas Korean War memorial;

(uu) all sales of tangible personal property and services purchased by or on behalf of any rural volunteer fire-fighting organization for use exclusively in the performance of its duties and functions;

(vv) all sales of tangible personal property purchased by any of the following organizations which are exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for the following purposes, and all sales of any such property by or on behalf of any such organization for any such purpose:

(1) The American heart association, Kansas affiliate, inc. for the purposes of providing education, training, certification in emergency cardiac care, research and other related services to reduce disability and death from cardiovascular diseases and stroke;

(2) the Kansas alliance for the mentally ill, inc. for the purpose of advocacy for persons with mental illness and to education, research and support for their families;

(3) the Kansas mental illness awareness council for the purposes of advocacy for persons who are mentally ill and for education, research and support for them and their families;

(4) the American diabetes association Kansas affiliate, inc. for the purpose of eliminating diabetes through medical research, public education focusing on disease prevention and education, patient education including information on coping with diabetes, and professional education and training;

(5) the American lung association of Kansas, inc. for the purpose of eliminating all lung diseases through medical research, public education including information on coping with lung diseases, professional education and training related to lung disease and other related services to reduce the incidence of disability and death due to lung disease;

(6) the Kansas chapters of the Alzheimer's disease and related disorders association, inc. for the purpose of providing assistance and support to persons in Kansas with Alzheimer's disease, and their families and caregivers;

(7) the Kansas chapters of the Parkinson's disease association for the purpose of eliminating Parkinson's disease through medical research and public and professional education related to such disease;

(8) the national kidney foundation of Kansas and western Missouri for the purpose of eliminating kidney disease through medical research and public and private education related to such disease;

(9) the heartstrings community foundation for the purpose of providing training, employment and activities for adults with developmental disabilities;

(10) the cystic fibrosis foundation, heart of America chapter, for the purposes of assuring the development of the means to cure and control cystic fibrosis and improving the quality of life for those with the disease;

(11) the spina bifida association of Kansas for the purpose of providing financial, educational and practical aid to families and individuals with spina bifida. Such aid includes, but is not limited to, funding for medical devices, counseling and medical educational opportunities;

(12) the CHWC, Inc., for the purpose of rebuilding urban core neighborhoods through the construction of new homes, acquiring and renovating existing homes and other related activities, and promoting economic development in such neighborhoods;

(13) the cross-lines cooperative council for the purpose of providing social services to low income individuals and families;

(14) the dreams work, inc., for the purpose of providing young adult day services to individuals with developmental disabilities and assisting families in avoiding institutional or nursing home care for a developmentally disabled member of their family;

(15) the KSDS, Inc., for the purpose of promoting the independence and inclusion of people with disabilities as fully participating and contributing members of their

communities and society through the training and providing of guide and service dogs to people with disabilities, and providing disability education and awareness to the general public;

(16) the lyme association of greater Kansas City, Inc., for the purpose of providing support to persons with lyme disease and public education relating to the prevention, treatment and cure of lyme disease;

(17) the dream factory, inc., for the purpose of granting the dreams of children with critical and chronic illnesses;

(18) the Ottawa Suzuki strings, inc., for the purpose of providing students and families with education and resources necessary to enable each child to develop fine character and musical ability to the fullest potential;

(19) the international association of lions clubs for the purpose of creating and fostering a spirit of understanding among all people for humanitarian needs by providing voluntary services through community involvement and international cooperation;

(20) the Johnson county young matrons, inc., for the purpose of promoting a positive future for members of the community through volunteerism, financial support and education through the efforts of an all volunteer organization;

(21) the American cancer society, inc., for the purpose of eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer, through research, education, advocacy and service;

(22) the community services of Shawnee, inc., for the purpose of providing food and clothing to those in need;

(23) the angel babies association, for the purpose of providing assistance, support and items of necessity to teenage mothers and their babies; and

(24) the Kansas fairgrounds foundation for the purpose of the preservation, renovation and beautification of the Kansas state fairgrounds;

(ww) all sales of tangible personal property purchased by the habitat for humanity for the exclusive use of being incorporated within a housing project constructed by such organization;

(xx) all sales of tangible personal property and services purchased by a nonprofit zoo which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, or on behalf of such zoo by an entity itself exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986 contracted with to operate such zoo and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo which would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit zoo or the entity operating such zoo. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo. When any nonprofit zoo shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of

such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the nonprofit zoo concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the nonprofit zoo concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(yy) all sales of tangible personal property and services purchased by a parent-teacher association or organization, and all sales of tangible personal property by or on behalf of such association or organization;

(zz) all sales of machinery and equipment purchased by over-the-air, free access radio or television station which is used directly and primarily for the purpose of producing a broadcast signal or is such that the failure of the machinery or equipment to operate would cause broadcasting to cease. For purposes of this subsection, machinery and equipment shall include, but not be limited to, that required by rules and regulations of the federal communications commission, and all sales of electricity which are essential or necessary for the purpose of producing a broadcast signal or is such that the failure of the electricity would cause broadcasting to cease;

(aaa) all sales of tangible personal property and services purchased by a religious organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and used exclusively for religious purposes, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization which would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of

such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after July 1, 1998, but prior to the effective date of this act upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(bbb) all sales of food for human consumption by an organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, pursuant to a food distribution program which offers such food at a price below cost in exchange for the performance of community service by the purchaser thereof;

(ccc) on and after July 1, 1999, all sales of tangible personal property and services purchased by a primary care clinic or health center the primary purpose of which is to provide services to medically underserved individuals and families, and which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such clinic or center which would be exempt from taxation under the provisions of this section if purchased directly by such clinic or center, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such tangible personal property and services purchased by a primary care clinic or health center which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto.

Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such clinic or center. When any such clinic or center shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such clinic or center concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such clinic or center concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(ddd) on and after January 1, 1999, and before January 1, 2000, all sales of materials and services purchased by any class II or III railroad as classified by the federal surface transportation board for the construction, renovation, repair or replacement of class II or III railroad track and facilities used directly in interstate commerce. In the event any such track or facility for which materials and services were purchased sales tax exempt is not operational for five years succeeding the allowance of such exemption, the total amount of sales tax which would have been payable except for the operation of this subsection shall be recouped in accordance with rules and regulations adopted for such purpose by the secretary of revenue;

(eee) on and after January 1, 1999, and before January 1, 2001, all sales of materials and services purchased for the original construction, reconstruction, repair or replacement of grain storage facilities, including railroad sidings providing access thereto;

(fff) all sales of material handling equipment, racking systems and other related machinery and equipment that is used for the handling, movement or storage of tangible personal property in a warehouse or distribution facility in this state; all sales of installation, repair and maintenance services performed on such machinery and equipment; and all sales of repair and replacement parts for such machinery and

equipment. For purposes of this subsection, a warehouse or distribution facility means a single, fixed location that consists of buildings or structures in a contiguous area where storage or distribution operations are conducted that are separate and apart from the business' retail operations, if any, and which do not otherwise qualify for exemption as occurring at a manufacturing or processing plant or facility. Material handling and storage equipment shall include aeration, dust control, cleaning, handling and other such equipment that is used in a public grain warehouse or other commercial grain storage facility, whether used for grain handling, grain storage, grain refining or processing, or other grain treatment operation;

(ggg) all sales of tangible personal property and services purchased by or on behalf of the Kansas academy of science which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and used solely by such academy for the preparation, publication and dissemination of education materials;

(hhh) all sales of tangible personal property and services purchased by or on behalf of all domestic violence shelters that are member agencies of the Kansas coalition against sexual and domestic violence;

(iii) all sales of personal property and services purchased by an organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such personal property and services are used by any such organization in the collection, storage and distribution of food products to nonprofit organizations which distribute such food products to persons pursuant to a food distribution program on a charitable basis without fee or charge, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities used for the collection and storage of such food products for any such organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, which would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in such facilities reported and paid by such contractor to the director of

taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after July 1, 2005, but prior to the effective date of this act upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(jjj) all sales of dietary supplements dispensed pursuant to a prescription order by a licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto. As used in this subsection, "dietary supplement" means any product, other than tobacco, intended to supplement the diet that: (1) Contains one or more of the following dietary ingredients: A vitamin, a mineral, an herb or other botanical, an amino acid, a dietary substance for use by humans to supplement the diet by increasing the total dietary intake or a concentrate, metabolite, constituent, extract or combination of any such ingredient; (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap or liquid form, or if not intended for ingestion, in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and (3) is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required pursuant to 21 C.F.R. § 101.36;

(lll) all sales of tangible personal property and services purchased by special olympics Kansas, inc. for the purpose of providing year-round sports training and athletic competition in a variety of olympic-type sports for individuals with intellectual disabilities by giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in a sharing of gifts, skills and friendship with their families, other special olympics athletes and the community, and activities provided or sponsored by such organization, and all sales of tangible personal property by or on behalf of any such organization;

(mmm) all sales of tangible personal property purchased by or on behalf of the Marillac center, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing psycho-social-biological and special education services to children, and all sales of any such property by or on behalf of such organization for such purpose;

(nnn) all sales of tangible personal property and services purchased by the west Sedgwick county-sunrise rotary club and sunrise charitable fund for the purpose of

constructing a boundless playground which is an integrated, barrier free and developmentally advantageous play environment for children of all abilities and disabilities;

(ooo) all sales of tangible personal property by or on behalf of a public library serving the general public and supported in whole or in part with tax money or a not-for-profit organization whose purpose is to raise funds for or provide services or other benefits to any such public library;

(ppp) all sales of tangible personal property and services purchased by or on behalf of a homeless shelter which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal income tax code of 1986, and used by any such homeless shelter to provide emergency and transitional housing for individuals and families experiencing homelessness, and all sales of any such property by or on behalf of any such homeless shelter for any such purpose;

(qqq) all sales of tangible personal property and services purchased by TLC for children and families, inc., hereinafter referred to as TLC, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing emergency shelter and treatment for abused and neglected children as well as meeting additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of TLC for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for TLC for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by TLC. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for TLC. When TLC contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to TLC a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, TLC shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a

certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(rrr) all sales of tangible personal property and services purchased by any county law library maintained pursuant to law and sales of tangible personal property and services purchased by an organization which would have been exempt from taxation under the provisions of this subsection if purchased directly by the county law library for the purpose of providing legal resources to attorneys, judges, students and the general public, and all sales of any such property by or on behalf of any such county law library;

(sss) all sales of tangible personal property and services purchased by catholic charities or youthville, hereinafter referred to as charitable family providers, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing emergency shelter and treatment for abused and neglected children as well as meeting additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of charitable family providers for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for charitable family providers for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by charitable family providers. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for charitable family providers. When charitable family providers contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to charitable family providers a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, charitable family providers shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a

certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(ttt) all sales of tangible personal property or services purchased by a contractor for a project for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility owned by a nonprofit museum which has been granted an exemption pursuant to subsection (qq), which such home or facility is located in a city which has been designated as a qualified hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and amendments thereto, and which such project is related to the purposes of K.S.A. 75-5071 et seq., and amendments thereto, and which would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit museum. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility for any such nonprofit museum. When any such nonprofit museum shall contract for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such nonprofit museum a sworn statement on a form to be provided by the director of taxation that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in a home or facility or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such nonprofit museum shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(uuu) all sales of tangible personal property and services purchased by Kansas children's service league, hereinafter referred to as KCSL, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing for the prevention and treatment of child abuse and maltreatment as well as meeting

additional critical needs for children, juveniles and family, and all sales of any such property by or on behalf of KCSL for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for KCSL for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by KCSL. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for KCSL. When KCSL contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to KCSL a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, KCSL shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(vvv) all sales of tangible personal property or services, including the renting and leasing of tangible personal property or services, purchased by jazz in the woods, inc., a Kansas corporation which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing jazz in the woods, an event benefiting children-in-need and other nonprofit charities assisting such children, and all sales of any such property by or on behalf of such organization for such purpose;

(www) all sales of tangible personal property purchased by or on behalf of the Frontenac education foundation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing education support for students, and all sales of any such property by or on behalf of such organization for such purpose;

(xxx) all sales of personal property and services purchased by the booth theatre

foundation, inc., an organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such personal property and services are used by any such organization in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling of the booth theatre, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling the booth theatre for such organization, which would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after January 1, 2007, but prior to the effective date of this act upon the gross receipts received from any sale which would have been exempted by the provisions of this subsection had such sale occurred after the effective date of this act shall be refunded. Each claim for a sales tax refund shall be verified and submitted to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of sales tax paid as determined under the provisions of this subsection. All refunds shall be paid from the sales tax refund fund upon warrants of the director of accounts and reports pursuant to vouchers approved by the director or the director's designee;

(yyy) all sales of tangible personal property and services purchased by TLC charities foundation, inc., hereinafter referred to as TLC charities, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of encouraging private philanthropy to further the vision, values, and goals of TLC for children and families, inc.; and all sales of such property and services by or on behalf of TLC charities for any such purpose and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for TLC charities for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by TLC charities. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for TLC charities. When TLC charities contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to TLC charities a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be incorporated into the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, TLC charities shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(zzz) all sales of tangible personal property purchased by the rotary club of shawnee foundation which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, as amended, used for the purpose of providing contributions to community service organizations and scholarships;

(aaaa) all sales of personal property and services purchased by or on behalf of victory in the valley, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing a

cancer support group and services for persons with cancer, and all sales of any such property by or on behalf of any such organization for any such purpose;

(bbbb) all sales of entry or participation fees, charges or tickets by Guadalupe health foundation, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for such organization's annual fundraising event which purpose is to provide health care services for uninsured workers;

(cccc) all sales of tangible personal property or services purchased by or on behalf of wayside waifs, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing such organization's annual fundraiser, an event whose purpose is to support the care of homeless and abandoned animals, animal adoption efforts, education programs for children and efforts to reduce animal over-population and animal welfare services, and all sales of any such property, including entry or participation fees or charges, by or on behalf of such organization for such purpose;

(dddd) all sales of tangible personal property or services purchased by or on behalf of goodwill industries or Easter seals of Kansas, inc., both of which are exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing education, training and employment opportunities for people with disabilities and other barriers to employment;

(eeee) all sales of tangible personal property or services purchased by or on behalf of all American beef battalion, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of educating, promoting and participating as a contact group through the beef cattle industry in order to carry out such projects that provide support and morale to members of the United States armed forces and military services;

(ffff) all sales of tangible personal property and services purchased by sheltered living, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing residential and day services for people with developmental disabilities or intellectual disability, or both, and all sales of any such property by or on behalf of sheltered living, inc., for any such purpose; and all sales of tangible personal property or services purchased by a contractor for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling homes and facilities for sheltered living, inc., for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by sheltered living, inc. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities for sheltered living, inc. When sheltered living, inc., contracts for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to sheltered living, inc., a sworn

statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, sheltered living, inc., shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(gggg) all sales of game birds for which the primary purpose is use in hunting;

(hhhh) all sales of tangible personal property or services purchased on or after July 1, 2014, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business identified under the North American industry classification system (NAICS) subsectors 1123, 1124, 112112, 112120 or 112210, and the sale and installation of machinery and equipment purchased for installation at any such business. The exemption provided in this subsection shall not apply to projects that have actual total costs less than \$50,000. When a person contracts for the construction, reconstruction, enlargement or remodeling of any such business, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to the owner of the business a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor of the contractor, who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(iiii) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for Wichita children's home for any such purpose which would be exempt from taxation under the provisions of this section if purchased directly by Wichita children's home. Nothing in this subsection shall be

deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for Wichita children's home. When Wichita children's home contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to Wichita children's home a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, Wichita children's home shall be liable for the tax on all materials purchased for the project, and upon payment, it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(jjjj) all sales of tangible personal property or services purchased by or on behalf of the beacon, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing those desiring help with food, shelter, clothing and other necessities of life during times of special need;

(kkkk) all sales of tangible personal property and services purchased by or on behalf of reaching out from within, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of sponsoring self-help programs for incarcerated persons that will enable such incarcerated persons to become role models for non-violence while in correctional facilities and productive family members and citizens upon return to the community;
~~and~~

(llll) all sales of tangible personal property and services purchased by Gove county healthcare endowment foundation, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of constructing and equipping an airport in Quinter, Kansas, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing and equipping an airport in Quinter, Kansas, for such organization, which would be exempt from taxation under the

provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing or equipping of facilities for such organization. When such organization shall contract for the purpose of constructing or equipping an airport in Quinter, Kansas, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials which will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation no later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. The provisions of this subsection shall expire and have no effect on and after July 1, 2019.

(mmmm) all sales of gold and silver coins; and palladium, platinum, gold or silver bullion. For the purposes of this subsection, "bullion" means bars, ingots, or commemorative medallions of gold, silver, platinum, palladium, or a combination thereof, for which the value of the metal depends on its content and not the form; and

(nnnn) all sales of tangible personal property and services purchased by midland care connection, inc., which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such property and services are used for the purpose of providing healthcare services to persons in the community.";

Also on page 21, in line 8, after "Supp." by inserting "12-187, 12-189, 79-2925c,"; also in line 8, by striking ", 79-32,119"; in line 9, by striking "and" and inserting a comma; also in line 9, after "79-32,267" by inserting ", 79-3401 and 79-3606";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking "income"; also in line 1, by striking "deductions" and inserting "income tax"; in line 2, by striking "standard deduction"; also in line 2, by striking the semicolon and inserting a comma; in line 4, by striking "; credits"; also in line 4, by striking the second semicolon; in line 5, by striking "credits," and inserting "credit, credit for"; in line 7, by striking "qualifications, procedures and

limitations; credits," and inserting "credit for"; in line 8, by striking "Cowley and Crawford" and inserting "certain"; also in line 8, after the semicolon by inserting "sales and compensating use tax, countywide retailers' sales tax, rates for certain counties, ballot authority, exemptions for sales of certain coins or bullion and purchases by midland care connection, inc.; property tax, cities and counties, approval of budgets with increased property tax revenues, election requirements; motor-fuel tax law, definitions, special fuels;"; also in line 8, after "Supp." by inserting "12-187, 12-189, 79-2925c,"; in line 9, by striking ", 79-32,119"; in line 9, by striking "and" and inserting a comma; in line 10, after "32,267" by inserting ", 79-3401 and 79-3606";

CARYN TYSON

DAN KERSCHEN

Conferees on part of Senate

STEVEN JOHNSON

TOM PHILLIPS

Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **S Sub HB 2228**.

On roll call, the vote was: Yeas 21; Nays 19; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Billinger, Bowers, Denning, Estes, Fitzgerald, Goddard, Hilderbrand, Kerschen, Longbine, Lynn, Masterson, Olson, Petersen, Pilcher-Cook, Pyle, Suellentrop, Tyson, Wagle, Wilborn.

Nays: Berger, Bollier, Doll, Faust-Goudeau, Francisco, Givens, Hardy, Haley, Hawk, Hensley, Holland, Kelly, McGinn, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor.

The Conference Committee Report was adopted.

EXPLANATION OF VOTE

Mr. Vice President: Thank you Mr Vice President. I am fully supportive of decoupling from the federal tax code. However it appears that this conference committee report goes far beyond decoupling. Again, I understand the need to decouple from the federal tax law, but until accurate information on the impact of these changes can measured, it seems to be something that would be better delayed until reliable data is in place. I strongly recommend that action be deferred until January when better data is available. Therefore I vote in opposition to the conference committee report.—ED BERGER

Senators Bollier, Doll, Francisco, Givens, Haley, Hawk, Holland, Kelly, McGinn, Pettey, Sykes and Taylor request the record to show they concur with the "Explanation of Vote" offered by Senator Berger on **S Sub HB 2228**.

Mr. Vice President: Last year we took two steps forward by overriding the failed Brownback tax plan. We started putting Kansas back on track to fiscal health. Tonight, we take 3 steps backward. While there are parts to this bill I could support, I can't support a multimillion dollar hit to our budget. I don't know how anyone can convince themselves this benefits low income or even middle income Kansans. We don't have to do this in the dead of night. Actually, this can wait until our next session or at least until we know the true impact of the Federal tax change or whether Kansas farms and

businesses are harmed in an escalating tariff war. Last year we heard we couldn't polish a lump of excrement. It can't be polished this year either.—LYNN ROGERS

Senators Bollier, Francisco, Holland, Kelly, Pettey and Taylor request the record to show they concur with the "Explanation of Vote" offered by Senator Rogers on **S Sub HB 2228**.

Mr. Vice President: I vote "no" on **S Sub HB 2228**. There have been dramatic changes in our tax policy over the past six years. Those abrupt changes have caused an instability in our budget and crippled our ability to effectively plan and fund essential services. We have barely gotten Kansas back on her feet and this bill seeks to make major changes to our tax policy yet again. It's time to take a breath. Kansas taxpayers deserve the certainty that can only come from a well thought out plan. This ping-pong tax policy is not good for the Kansas economy, our local businesses or our families. There is no reason that a study commission couldn't carefully look at this issue and have a bill ready to go early next session to fix these issues. Additionally, there are provisions in this bill that never had a public hearing. This bill simply doesn't measure up to the standard of transparency we hold ourselves to in this chamber or the standard Kansans deserve.—VICKI SCHMIDT

Senators Bollier, Francisco, Hardy, Holland, Kelly, Pettey, Sykes and Taylor request the record to show they concur with the "Explanation of Vote" offered by Senator V. Schmidt on **S Sub HB 2228**.

MESSAGE FROM THE HOUSE

The House announced the appointment of Representatives Johnson, Phillips and Sawyer as conferees on **S Sub HB 2186**.

The House adopts the Conference Committee report on **HB 2438**.

The House adopts the Conference Committee report on **SB 284**.

On motion of Senator Denning, the Senate recessed until the sound of the gavel.

The Senate met pursuant to recess with Vice President Longbine in the chair.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 284** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed with House Committee amendments, as follows:

On page 1, by striking all in lines 6 through 34;

On page 2, by striking all in lines 1 through 37; following line 37, by inserting:

"New Section 1. (a) The provisions of this section shall be known and may be cited as the adoption protection act.

(b) Notwithstanding any other provision of state law, and to the extent allowed by federal law, no child placement agency shall be required to perform, assist, counsel, recommend, consent to, refer or otherwise participate in any placement of a child for foster care or adoption when the proposed placement of such child would violate such agency's sincerely held religious beliefs.

(c) No child placement agency shall be denied a license, permit or other authorization, or the renewal thereof, or have any such license, permit or other authorization revoked or suspended by any state agency, or any political subdivision of the state solely because of the agency's objection to performing, assisting, counseling, recommending, consenting to, referring or otherwise participating in a placement that violates such agency's sincerely held religious beliefs.

(d) No child placement agency, solely because of such agency's objection to performing, assisting, counseling, recommending, consenting to, referring or otherwise participating in a placement that violates such agency's sincerely held religious beliefs, shall be denied:

(1) Participation in any program operated by the department for children and families in which child placement agencies are allowed to participate; or

(2) reimbursement for performing foster care placement or adoption services on behalf of an entity that has a contract with the department for children and families as a case management contractor.

(e) Refusal of a child placement agency to perform, assist, counsel, recommend, consent to, refer or otherwise participate in any placement that would violate such agency's sincerely held religious beliefs shall not form the basis for the imposition of a civil fine or other adverse administrative action or any claim or cause of action under any state or local law.

(f) A child placement agency's sincerely held religious beliefs shall be described in such agency's organizing documents, its written policies or such other written document approved by the governing body of such agency.

(g) As used in this section, the term "child placement agency" means a business or service conducted, maintained or operated by a person engaged in finding homes for children by placing or arranging for the placement of such children for adoption or foster care, and who is licensed under K.S.A. 65-501 et seq., and amendments thereto.

(h) The provisions of this section shall not apply to any entity while such entity has a contract with the department for children and families as a case management contractor.

Sec. 2. K.S.A. 59-2112 is hereby amended to read as follows: 59-2112. As used in K.S.A. 59-2111 through 59-2143, ~~and amendments thereto:~~

(a) "Adult adoption" means the adoption of an individual who has attained the age of majority;

(b) "agency adoption" means the adoption of a minor child where an agency has the authority to consent to the adoption;

(c) "independent adoption" means the adoption of a minor child where the child's parent or parents, legal guardian or nonagency person in loco parentis has the authority to consent to the adoption, but does not include a stepparent adoption;

(d) "stepparent adoption" means the adoption of a minor child by the spouse of a parent with the consent of that parent;

(e) "residence of a child" and "place where a child resides" means:

~~(1) The residence of the child's mother if the child's parents are not married;~~

~~(2) the residence of the child's father, if the father has custody and the child's parents are not married;~~

~~(3) the residence of the child's father if the child's parents are married; or~~

~~(4) the residence of the child's mother if the child's parents are married, but the~~

~~child's mother has established a separate, legal residence and the child resides with the mother~~ the residence of any parent;

(f) "agency" means any public or private entity organized pursuant to Kansas law, or organized pursuant to the laws of the jurisdiction where located, having for its purpose the care and maintenance of children, being authorized to place children for adoption, consent to the adoption and to stand in loco parentis to such children until they are adopted or reach majority; ~~and~~

(g) "person in loco parentis" means an individual or organization vested with the right to consent to the adoption of a child pursuant to relinquishment or an order or judgment by a district court of competent jurisdiction;

(h) "party in interest" means:

(1) A parent whose parental rights have not been terminated;

(2) a prospective adoptive parent;

(3) an adoptive parent;

(4) a legal guardian of a child;

(5) an agency having authority to consent to the adoption of a child;

(6) the child sought to be adopted, if over 14 years of age and of sound intellect; or

(7) an adult adoptee; and

(i) "professional" means any person who receives payment or compensation, but not solely reimbursement for expenses, for providing services related to the placement of children for adoption.

Sec. 3. K.S.A. 59-2113 is hereby amended to read as follows: 59-2113. Any adult, ~~or husband and wife-married adult couple~~ jointly, may adopt any minor or adult as their child in the manner provided in K.S.A. 59-2111 through 59-2143, ~~and amendments thereto~~, except that one spouse cannot do so without the consent of the other.

Sec. 4. K.S.A. 59-2114 is hereby amended to read as follows: 59-2114. (a) Consent shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If consent is acknowledged before a judge of a court of record, it shall be the duty of the court to ~~advise~~ inform the consenting person of the legal consequences of the consent. A consent is final when executed, unless the consenting party, prior to final decree of adoption, alleges and proves by clear and convincing evidence that the consent was not freely and voluntarily given. The burden of proving the consent was not freely and voluntarily given shall rest with the consenting party.

(b) Consent in all cases shall have been executed not more than six months prior to the date the petition for adoption is filed.

Sec. 5. K.S.A. 59-2116 is hereby amended to read as follows: 59-2116. (a) A consent or relinquishment may not be given by the mother or accepted until 12 hours after the birth of a child. Any consent or relinquishment given by the mother before 12 hours after the birth of a child is voidable, prior to the final decree of adoption.

(b) A consent or relinquishment may be given by any father or possible father any time after the birth of a child. A consent may be given by any father or possible father before the birth of the child only if he has the advice of independent legal counsel as to the consequences of the consent prior to its execution. The attorney providing independent legal advice shall be present at the execution of the consent.

Sec. 6. K.S.A. 59-2117 is hereby amended to read as follows: 59-2117. (a) A consent or relinquishment, or document that is the functional equivalent of a Kansas

consent or relinquishment, is valid if executed and acknowledged outside of this state, or in a foreign country either in accordance with the law of this state or in accordance with the law of the place where executed, ~~is valid.~~

~~(b) Where a consent or relinquishment is signed in a foreign country, the execution of the consent or relinquishment shall be acknowledged or affirmed in accordance with the law and procedure of the foreign country.~~

~~(e)~~(b) If the person signing a consent or relinquishment is in the military service of the United States, the execution of the consent or relinquishment may be acknowledged before a commissioned officer and the signature of the officer shall be verified or acknowledged before a notary public or by such other procedure as is then in effect for such division or branch of the armed forces.

Sec. 7. K.S.A. 59-2120 is hereby amended to read as follows: 59-2120. Interstate placements of children shall comply with the procedures contained in the interstate compact on placement of children as set forth in K.S.A. 38-1202, and amendments thereto. Any professional providing services related to the placement of children for adoption who fails to comply with the provisions of the interstate compact for the placement of children is guilty of a class C nonperson misdemeanor. ~~For the purposes of this section, "professional" means any person who receives payment or compensation for providing services related to the placement of children for adoption.~~

Sec. 8. K.S.A. 59-2121 is hereby amended to read as follows: 59-2121. (a) Except as otherwise authorized by law, no person shall request, receive, give or offer to give any consideration in connection with an adoption, or a placement for adoption, other than:

(1) Reasonable fees for legal and other professional services rendered in connection with the placement or adoption not to exceed customary fees for similar services by professionals of equivalent experience and reputation where the services are performed; ~~except that fees for legal and other professional services as provided in this section performed outside the state shall not exceed customary fees for similar services when performed in the state of Kansas;~~

(2) reasonable fees in the state of Kansas of a licensed child-placing agency;

(3) actual and necessary expenses; ~~based on expenses in the state of Kansas,~~ incident to placement or to the adoption proceeding;

(4) actual medical expenses of the mother attributable to pregnancy and birth;

(5) actual medical expenses of the child; and

(6) reasonable living expenses of the mother which are incurred during or as a result of the pregnancy.

(b) In an action for adoption, a detailed accounting of all consideration given, or to be given, and all disbursements made, or to be made, in connection with the adoption and the placement for adoption shall accompany the petition for adoption. Upon review of the accounting, the court shall disapprove any such consideration which the court determines to be unreasonable or in violation of this section and, to the extent necessary to comply with the provisions of this section, shall order reimbursement of any consideration already given in violation of this section.

(c) Knowingly and intentionally receiving or accepting clearly excessive fees or expenses in violation of subsection (a) shall be a severity level 9, nonperson felony. Knowingly failing to list all consideration or disbursements as required by subsection (b) shall be a class B nonperson misdemeanor.

Sec. 9. K.S.A. 2017 Supp. 59-2122 is hereby amended to read as follows: 59-2122. (a) Except as provided in subsections (b) and (c), the files and records of the court in adoption proceedings shall not be open to inspection or copy by persons other than the following:

(1) The parties in interest and their attorneys, party filing for adoption or termination and that party's attorney;

(2) an adoptee who has reached the age of majority;

(3) representatives of the Kansas department for children and families, and the commission on judicial performance in the discharge of the commission's duties pursuant to article 32 of chapter 20 of the Kansas Statutes Annotated, and amendments thereto, except upon an order of the court expressly permitting the same. As used in this section, "parties in interest" shall not include genetic parents once a decree of adoption is entered;

(4) the disciplinary administrator; and

(5) the commission on judicial qualifications.

(b) Prior to the final decree of adoption, any party in interest may request access to the files and records of an adoption proceeding. After notice and a hearing, and upon a written finding of good cause, the court may order that some or all of the files and records of an adoption proceeding be open to inspection or copy by the moving party.

(c) After the final decree of adoption, the court may permit access to some or all of the files and records of an adoption proceeding for good cause shown.

(d) The Kansas department for children and families may contact the adoptive parents of the minor child or the adopted adult at the request of the birth or genetic parents in the event of a health or medical need. The Kansas department for children and families may contact the adopted adult at the request of the birth or genetic parents for any reason. Identifying information shall not be shared with the birth or genetic parents without the permission of the adoptive parents of the minor child ~~or~~, the adopted adult or the legal guardian of the adopted adult. The Kansas department for children and families may contact the birth or genetic parents at the request of the adoptive parents of the minor child ~~or~~, the adopted adult or the legal guardian of the adopted adult in the event of a health or medical need. The Kansas department for children and families may contact the birth or genetic parents at the request of the adopted adult for any reason.

Sec. 10. K.S.A. 2017 Supp. 59-2123 is hereby amended to read as follows: 59-2123. (a) Except as otherwise provided in this section:

(1) Any person who advertises that such person will provide adoption-related services or adopt, find an adoptive home for a child or otherwise place a child for adoption shall state in such advertisement whether or not such person is licensed and if licensed, under what authority such license is issued and in what profession;

(2) no person shall offer to adopt, find a home for or otherwise place a child as an inducement to a woman to come to such person's maternity center during pregnancy or after delivery; and

(3) no person shall offer to adopt, find a home for or otherwise place a child as an inducement to any parent, guardian or custodian of a child to place such child in such person's home, institution or establishment.

(b) The provisions of subsection (a)(1) shall not apply to the Kansas department for children and families or to an individual seeking to adopt a child. The provisions of subsection (a)(3) shall not apply to the Kansas department for children and families, an

individual seeking to adopt a child, an agency or an attorney.

(c) As used in this section:

(1) "Advertise" means to communicate by newspaper, radio, television, handbills, placards or other print, broadcast, telephone directory or electronic medium.

(2) "Person" means an individual, firm, partnership, corporation, joint venture or other association or entity.

(3) "Maternity center" means the same as provided in K.S.A. ~~65-502~~ 65-503, and amendments thereto.

(d) Any person who violates the provisions of this section shall be guilty of an unclassified misdemeanor and shall be fined not more than \$1,000 for each violation.

Sec. 11. K.S.A. 59-2124 is hereby amended to read as follows: 59-2124. (a) Any parent or parents or person in loco parentis may relinquish a child to an agency, and if the agency accepts the relinquishment in writing, the agency shall stand in loco parentis to the child and shall have and possess over the child all rights of a parent or legal guardian, including the power to place the child for adoption and give consent thereto.

(b) All relinquishments to an agency under K.S.A. 59-2111 through 59-2143, and amendments thereto, shall be deemed sufficient if in substantial compliance with the form for relinquishment set forth by the judicial council, and shall be executed by: (1) Both parents of the child; (2) one parent, if the other parent is deceased or the other parent's relinquishment is found unnecessary under K.S.A. 59-2136, and amendments thereto; or (3) a person in loco parentis.

(c) The relinquishment shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If the relinquishment is acknowledged before a judge of a court of record, it shall be the duty of the court to ~~advise~~ inform the relinquishing person of the legal consequences of the relinquishment.

(d) A relinquishment shall be final when executed, unless the relinquishing party, prior to the entry of a final order terminating parental rights, alleges and proves by clear and convincing evidence that the relinquishment was not freely and voluntarily given. The burden of proving that the relinquishment was not freely and voluntarily given shall rest with the relinquishing party.

(~~e~~) Except as otherwise provided, in all cases where a parent or person in loco parentis has relinquished a child to ~~the an~~ agency pursuant to K.S.A. 59-2111 through 59-2143, and amendments thereto, all the rights of the parent or person in loco parentis shall be terminated, ~~including the right to receive notice in a subsequent adoption proceeding involving the child.~~ If a parent has relinquished a child to the agency pursuant to K.S.A. 59-2111 through 59-2143, and amendments thereto, ~~based on a belief that the child's other parent would relinquish the child to the agency, and such the~~ other parent does not relinquish such child to the agency, and the other parent's rights are not terminated by a final court order, the rights of ~~such the~~ parent who has relinquished a child to the agency shall not be terminated. ~~Upon such relinquishment, all the rights of birth parents to such child, including their right to inherit from or through such child, shall cease and the full rights of the parent are restored.~~

(~~e~~)(f) A parent's relinquishment of a child shall not terminate the right of the child to inherit from or through such parent.

Sec. 12. K.S.A. 59-2126 is hereby amended to read as follows: 59-2126. (a) Except as provided in subsection (f), in an independent adoption, venue shall be in the county

in which the petitioner resides or in the county in which the child to be adopted resides.

(b) Except as provided in subsection (f), in an agency adoption, venue shall be in the county:

(1) ~~In the county~~ In which the petitioner resides;

(2) ~~in the county~~ in which the child to be adopted resided prior to receipt of custody by the agency; or

(3) where the principal place of business for the child placing agency is located.

(c) Except as provided in subsection (f), in a stepparent adoption, venue shall be in the county in which the petitioner resides or where the child resides.

(d) If the petitioner resides upon or is stationed at a United States military post or reservation within this state, and the child to be adopted is then residing with the petitioner, venue may be in the district court of the county in which the post or reservation is located, or in the district court of any county located immediately adjacent to such county.

(e) Where the residence of the child, as defined in K.S.A. 59-2112, and amendments thereto, serves as the basis for venue, a sworn affidavit shall be filed with the petition setting forth the factual basis for the child's residency.

(f) In all adoptions, venue may be established in any county in Kansas, if all parties in interest agree in writing to venue in that county.

Sec. 13. K.S.A. 59-2127 is hereby amended to read as follows: 59-2127. ~~(a) A court of this state may not exercise jurisdiction over a proceeding for adoption of a minor if at the time the petition for adoption is filed a proceeding concerning the custody or adoption of the minor is pending in a court of another state exercising jurisdiction substantially in conformity with the uniform child custody jurisdiction act, or the uniform child custody jurisdiction and enforcement act, or this act unless the proceeding is stayed by the court of the other state.~~

~~(b) If a court of another state has issued a decree or order concerning the custody of a minor who may be the subject of a proceeding for adoption in this state, a court of this state may not exercise jurisdiction over a proceeding for adoption of the minor unless:~~

~~(1) The court of this state finds that the court of the state which issued the decree or order:~~

~~(A) Does not have continuing jurisdiction to modify the decree or order under jurisdictional prerequisites substantially in accordance with the uniform child custody jurisdiction act, or the uniform child custody jurisdiction and enforcement act, or has declined to assume jurisdiction to modify the decree or order, or~~

~~(B) does not have jurisdiction over a proceeding for adoption substantially in conformity with subsection (a)(1) through (4) or has declined to assume jurisdiction proceeding for adoption; and~~

~~(2) the court of this state has jurisdiction over the proceeding.~~

~~(c) Before determining whether or not to exercise its jurisdiction the court may communicate with a court of another state and exchange information pertinent to the assumption of jurisdiction by either court with a view to assuring that jurisdiction will be exercised by such court of another state and that a forum will be available to the parties.~~

~~(d) If the court determines not to exercise its jurisdiction, it may dismiss the proceedings, or it may stay the proceedings upon condition that an adoption proceeding be promptly commenced in another named state or upon any other conditions which~~

may be just and proper. Jurisdiction over proceedings under the Kansas adoption and relinquishment act including a proceeding to terminate parental rights pursuant to K.S.A. 59-2136, and amendments thereto, is governed by the uniform child custody jurisdiction and enforcement act, K.S.A. 23-37,101 through 23-37,405, and amendments thereto, except that in adoption proceedings, the notice provisions of K.S.A. 59-2133 and 59-2136, and amendments thereto, shall control.

Sec. 14. K.S.A. 59-2128 is hereby amended to read as follows: 59-2128. (a) A petition for adoption shall be filed by the person desiring to adopt the child, and shall state the following information, if reasonably ascertainable, under oath:

- (1) The name, residence and address of the petitioner;
- (2) the suitability of the petitioner to assume the relationship;
- (3) the name of the child, the date, time and place of the child's birth, and the present address or whereabouts of the child;
- (4) the places where the child has lived during the last five years;
- (5) the names and present addresses of the persons with whom the child has lived during that period;
- (6) whether the party has participated, as a party or witness or in any other capacity, in any other proceeding concerning the custody of or visitation with the child and, if so, identify the court, the case number, and the date of the child-custody determination, if any;
- (7) whether the party knows of any proceeding that could affect the current proceeding, including proceedings for enforcement and proceedings relating to domestic violence, protective orders, termination of parental rights, and adoptions and, if so, identify the court, the case number, and the nature of the proceeding;
- (8) whether the party knows the names and addresses of any person not a party to the proceeding who has physical custody of the child or claims rights of legal custody or physical custody of, or visitation with, the child and, if so, the names and addresses of those persons;
- (9) whether one or both parents are living and the name, date of birth, residence and address of those living, so far as known to the petitioner;
- (10) the facts relied upon as eliminating the necessity for the consent or relinquishment, if the consent or relinquishment of either or both parents is not obtained;
- (11) whether the interstate compact on placement of children, K.S.A. 38-1201 et seq., and amendments thereto, and the Indian child welfare act, 25 U.S.C. § 1901 et seq. have been or will be complied with prior to the hearing.

(b) If the information required by subsection (a) is not furnished, the court, upon motion of a party or its own motion, may stay the proceeding until the information is furnished.

(c) If the declaration as to any of the items described in subsection (a)(6) through (a)(9) is in the affirmative, the declarant shall give additional information under oath as required by the court. The court may examine the parties under oath as to details of the information furnished and other matters pertinent to the court's jurisdiction and the disposition of the case.

(d) The petitioner has a continuing duty to inform the court of any proceeding in this or any other state that could affect the current proceeding.

(e) A petition filed in a step parent adoption shall not require a statement in

compliance with the interstate compact on placement of children.

(f) The written consents to adoption required by K.S.A. 59-2129, and amendments thereto, or any relinquishment pursuant to K.S.A. 59-2124, and amendments thereto, the background information required by K.S.A. 59-2130, and amendments thereto, the accounting required by K.S.A. 59-2121, and amendments thereto, and any affidavit required by K.S.A. 59-2126, and amendments thereto, shall be filed with the petition for adoption.

Sec. 15. K.S.A. 2017 Supp. 59-2130 is hereby amended to read as follows: 59-2130. (a) The following information shall be filed with the petition in an independent or agency adoption:

(1) A complete written genetic, medical and social history of the child and the parents;

(2) the names, dates of birth, addresses, telephone numbers, and social security numbers of each of the child's parents, if known;

(3) ~~any hospital records pertaining to the child or a properly executed authorization for release of those~~ any hospital records pertaining to the child; and

(4) the child's birth verification, which shall include the date, time and place of birth and the name of the attending physician.

(b) The genetic, medical and social history required by this section shall be in conformity with the rules and regulations adopted by the secretary for children and families and on forms provided by the secretary.

(c) If any information required to be filed under this section is not available, an affidavit explaining the reasons why it is not available shall be filed with the petition for adoption.

(d) The secretary for children and families shall adopt rules and regulations establishing procedures for updating a child's genetic, medical and social history if new information becomes known at a later date. The agency or person conducting the investigation under K.S.A. 59-2132, and amendments thereto, shall advise in writing each of the child's biological parents, if known, of those procedures.

(e) Any employee or agent of the Kansas department for children and families, a child-placing agency or a district court who intentionally destroys any information required to be filed under this section is guilty of a class C nonperson misdemeanor.

Sec. 16. K.S.A. 2017 Supp. 59-2132 is hereby amended to read as follows: 59-2132. (a) Except as provided in subsection (h), in independent and agency adoptions, the court shall require the petitioner to obtain an assessment of the advisability of the adoption by a court approved:

(1) (A) Licensed social worker, licensed specialist social worker, licensed specialist clinical social worker, licensed masters social worker, licensed baccalaureate social worker or licensed associate social worker licensed by the behavioral sciences regulatory board;

(B) licensed clinical marriage and family therapist as defined in K.S.A. 65-6402, and amendments thereto;

(C) licensed marriage and family therapist as defined in K.S.A. 65-6402, and amendments thereto;

(D) licensed clinical professional counselor as defined in K.S.A. 65-5802, and amendments thereto;

(E) licensed professional counselor as defined in K.S.A. 65-5802, and amendments

thereto;

(F) licensed psychologist as defined in K.S.A. 65-6319, and amendments thereto;

(G) licensed masters level psychologist as defined in K.S.A. 74-5362, and amendments thereto;

(H) licensed clinical psychotherapist as defined in K.S.A. 74-5363, and amendments thereto; or

(I) a licensed child-placing agency.

(2) Any person performing an assessment pursuant to this subsection shall:

(A) Possess a minimum of two years experience in adoption services or be supervised by a person with such experience; or

(B) if licensed by the behavioral sciences regulatory board to diagnose and treat mental disorders in independent practice, possess a minimum of one year of experience in adoption services or be supervised by a person with such experience.

(b) The petitioner shall file with the court, ~~not less than 10 days~~ before the hearing on the petition; a report of the assessment and, if necessary, confirmation or clarification of the information filed under K.S.A. 59-2130, and amendments thereto.

(c) If there is no one authorized pursuant to this section available to make the assessment and report to the court, the court may use the Kansas department for children and families for that purpose.

(d) The costs of making the assessment and report may be assessed as court costs in the case as provided in article 20 of chapter 60 of the Kansas Statutes Annotated, and amendments thereto.

(e) In making the assessment, the person authorized pursuant to this section or Kansas department for children and families is authorized to observe the child in the petitioner's home, verify financial information of the petitioner, shall clear the name of the petitioner with the child abuse and neglect registry through the Kansas department for children and families and, when appropriate, with a similar registry in another state or nation, shall determine whether the petitioner has been convicted of a felony for any act described in articles 34, 35 or 36 of chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or articles 54, 55 or 56 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2017 Supp. 21-6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments thereto, or, within the last five years been convicted of a felony violation of K.S.A. 2010 Supp. 21-36a01 through 21-36a17, prior to their transfer, or article 57 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, or any felony violation of any provision of the uniform controlled substances act prior to July 1, 2009, and, when appropriate, any similar conviction in another jurisdiction, and to contact the agency or individuals consenting to the adoption and confirm and, if necessary, clarify any genetic and medical history filed with the petition. This information shall be made a part of the report to the court. The report to the court by any person authorized pursuant to this section to perform this assessment shall include the results of the investigation of the petitioner, the petitioner's home and the ability of the petitioner to care for the child.

(f) In the case of a nonresident who is filing a petition to adopt a child in Kansas, the assessment and report required by this section must be completed in the petitioner's state of residence by a person authorized in that state to conduct such assessments. ~~Such report shall be filed with the court not less than 10 days before the hearing on the petition.~~

(g) The assessment and report required by this section shall comply with any applicable rules and regulations of the department of health and environment and shall have been completed not more than one year prior to the filing of the petition for adoption.

(h) The assessment and report required by this section may be waived by the court upon:

- (1) Review of a petition requesting such waiver by a relative of the child; or
- (2) the court's own motion.

Sec. 17. K.S.A. 2017 Supp. 59-2133 is hereby amended to read as follows: 59-2133. (a) Upon filing the petition, the court shall fix the time and place for the hearing. The time fixed for the hearing may be any time not more than 60 days from the date the petition is filed. The time fixed for the hearing may be extended by the court for good cause.

(b) In independent and stepparent adoptions, notice of the hearing on the petition shall be given to the parents or ~~presumed possible~~ parents at least 10 calendar days before the hearing, unless waived by the party entitled to notice or unless parental rights have been previously terminated, and ~~any other persons as the court may direct, to any person who has physical custody of the child~~, unless waived by the ~~party person~~ party person entitled to notice. Notice also shall be given in an independent adoption to a legal guardian of the child or ~~individual in loco parentis~~, unless waived by the party entitled to notice.

(c) In an agency adoption, notice of the hearing on the petition shall be given to the consenting agency, the parents or possible parents, any relinquishing party and any person who has physical custody of the child at least 10 calendar days before the hearing, unless waived by the ~~party person~~ party person entitled to notice.

(d) Notice of the hearing shall be by personal service, certified mail return receipt requested or in any other manner the court may direct. Notice given pursuant to this section shall not include a copy of the petition.

Sec. 18. K.S.A. 59-2134 is hereby amended to read as follows: 59-2134. (a) Upon the hearing of the petition, the court shall consider the assessment and all evidence, including evidence relating to determination of whether or not the court should exercise its jurisdiction ~~as provided in K.S.A. 59-2127~~, offered by any ~~interested party in interest~~. If the adoption is granted, the court shall ~~make enter~~ make enter a final decree of adoption, which terminates parental rights if not previously terminated.

(b) If the adoption is denied, the court shall enter appropriate orders. Such orders may include an order giving temporary custody of the child to another person or agency for a period not to exceed 30 days pending termination of the instant case or a new case being filed.

(c) The costs of the adoption proceedings shall be paid by the petitioner or as assessed by the court.

Sec. 19. K.S.A. 2017 Supp. 59-2136 is hereby amended to read as follows: 59-2136. (a) The provisions of this section shall apply where a relinquishment or consent to an adoption has not been obtained from a parent and K.S.A. 59-2124 and 59-2129, and amendments thereto, state that the necessity of a parent's relinquishment or consent can be determined under this section.

(b) Insofar as practicable, the provisions of this section applicable to the father also shall apply to the mother and those applicable to the mother also shall apply to the father.

(c) ~~In stepparent adoptions under subsection (d), the court may appoint an attorney to represent any father who is unknown or whose whereabouts are unknown. In all other cases,~~The court shall appoint an attorney to represent any father who is unknown or whose whereabouts are unknown. If no person is identified as the father or a possible father, or if the father's whereabouts are unknown, the court shall order publication notice of the hearing in such manner as the court deems appropriate.

(d) ~~In a stepparent adoption, if a mother consents to the adoption of a child who has a presumed father under subsection (a)(1), (2) or (3) of K.S.A. 2017 Supp. 23-2208, and amendments thereto, or who has a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction, the consent of such father must be given to the adoption unless such father has failed or refused to assume the duties of a parent for two consecutive years next preceding the filing of the petition for adoption or is incapable of giving such consent. In determining whether a father's consent is required under this subsection, the court may disregard incidental visitations, contacts, communications or contributions. In determining whether the father has failed or refused to assume the duties of a parent for two consecutive years next preceding the filing of the petition for adoption, there shall be a rebuttable presumption that if the father, after having knowledge of the child's birth, has knowingly failed to provide a substantial portion of the child support as required by judicial decree, when financially able to do so, for a period of two years next preceding the filing of the petition for adoption, then such father has failed or refused to assume the duties of a parent. The court may consider the best interests of the child and the fitness of the noneconsenting parent in determining whether a stepparent adoption should be granted.~~

(e) ~~Except as provided in subsection (d), if a mother desires to relinquish or consents to the adoption of such mother's child, a petition shall be filed in the district court to terminate the parental rights of the father, unless the father's relationship to the child has been previously terminated or determined not to exist by a court. The petition may be filed by the mother, the petitioner for adoption, the person or agency having custody of the child or the agency to which the child has been or is to be relinquished. Where appropriate, the request to terminate parental rights may be contained in a petition for adoption.~~

(d) (1) A petition to terminate parental rights may be filed as part of a petition for adoption or as an independent action. If the request to terminate parental rights is not filed in connection with as part of an adoption proceeding, venue shall be in the county in which the child, the mother or the presumed or alleged father or a parent resides or is found.

(2) The petition may be filed by a parent, the petitioner for adoption, the person or agency having legal custody of the child, or the agency to which the child has been relinquished.

(3) Absent a finding of good cause by a court with jurisdiction under this act, a proceeding to terminate parental rights shall have precedence over any proceeding involving custody of the child under the Kansas family law code, K.S.A. 23-2101 et seq., and amendments thereto, or the protection from abuse act, K.S.A. 60-3101 et seq., and amendments thereto, until a final order is entered on the termination issues or until further orders of the court.

(e) In an effort to identify the father, the court shall determine by deposition, affidavit or hearing, the following:

(1) Whether there is a presumed father under K.S.A. 2017 Supp. 23-2208, and amendments thereto;

(2) whether there is a father whose relationship to the child has been determined by a court;

(3) whether there is a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction;

(4) whether the mother was cohabitating with a man at the time of conception or birth of the child;

(5) whether the mother has received support payments or promises of support with respect to the child or in connection with such mother's pregnancy; and

(6) whether any ~~man~~ person has formally or informally acknowledged or declared such ~~man's person's~~ possible paternity parentage of the child.

If the father is identified to the satisfaction of the court, or if more than one man is identified as a possible father, each shall be given notice of the proceeding in accordance with subsection (f).

(f) Notice of the proceeding shall be given to every person identified as the father or a possible father by personal service, certified mail return receipt requested or in any other manner the court may direct. Notice shall be given at least 10 calendar days before the hearing, unless waived by the person entitled to notice. Proof of notice or waiver of notice shall be filed with the court before the petition or request is heard.

(g) (1) If, after the inquiry, the court is unable to identify the father or any possible father and no person has appeared claiming to be the father and claiming custodial rights, the court shall enter an order terminating the unknown father's parental rights with reference to the child without ~~regard to~~ consideration of subsection (h).

(2) If any person identified as the father or possible father of the child fails to appear or, if appearing, fails to claim custodial rights, such person's parental rights with reference to the child shall be terminated without ~~regard to~~ consideration of subsection (h).

(h) (1) When a father or alleged father appears and ~~asserts claims~~ parental rights, the court shall determine parentage, if necessary pursuant to the Kansas parentage act, K.S.A. 2017 Supp. 23-2201 et seq., and amendments thereto. If a father desires but is financially unable to employ an attorney, the court shall appoint an attorney for the father. Thereafter, the court may order that parental rights be terminated and find the consent or relinquishment unnecessary, upon a finding by clear and convincing evidence, of any of the following:

(A) The father abandoned or neglected the child after having knowledge of the child's birth;

(B) the father is unfit as a parent or incapable of giving consent;

(C) the father has made no reasonable efforts to support or communicate with the child after having knowledge of the child's birth;

(D) the father, after having knowledge of the pregnancy, failed without reasonable cause to provide support for the mother during the six months prior to the child's birth;

(E) the father abandoned the mother after having knowledge of the pregnancy;

(F) the birth of the child was the result of rape of the mother; or

(G) the father has failed or refused to assume the duties of a parent for two consecutive years ~~next~~ immediately preceding the filing of the petition.

(2) In making a finding whether parental rights shall be terminated under this

subsection, the court ~~may~~:

(A) ~~Consider and weigh the best interest of the child; and~~ Shall consider all of the relevant surrounding circumstances; and

(B) may disregard incidental visitations, contacts, communications or contributions.

(3) In determining whether the father has failed or refused to assume the duties of a parent for two consecutive years ~~next immediately~~ preceding the filing of the petition for adoption, there shall be a rebuttable presumption that if the father, after having knowledge of the child's birth, has knowingly failed to provide a substantial portion of the child support as required by judicial decree, when financially able to do so, for a period of two years ~~next immediately~~ preceding the filing of the petition for adoption, then such father has failed or refused to assume the duties of a parent.

(4) For the purposes of this subsection, "support" means monetary or non-monetary assistance that is reflected in specific and significant acts and sustained over the applicable period.

(i) A termination of parental rights under this section shall not terminate the right of the child to inherit from or through the parent. Upon such termination, all the rights of birth parents to such child, including their right to inherit from or through such child, shall cease.

Sec. 20. K.S.A. 59-2138 is hereby amended to read as follows: 59-2138. (a) A court of this state has jurisdiction over a proceeding for the adoption of an adult if the petitioner or the adult to be adopted resides in this state.

(b) Venue shall be in the county in which the petitioner or the adult to be adopted resides. Venue may be established in any county in Kansas if all parties in interest agree in writing to venue in that county.

Sec. 21. K.S.A. 59-2141 is hereby amended to read as follows: 59-2141. (a) The court, by order, shall fix a time and place for hearing on the petition for adult adoption. The hearing may be with or without notice as the court shall direct and the court may hear the petition forthwith.

(b) The court may order that notice of the hearing be given to the parents of the adult subject of the adoption and shall require notice, unless waived, to any consenting party.

Sec. 22. K.S.A. 59-2143 is hereby amended to read as follows: 59-2143. ~~The form forms~~ forms for consent ~~and~~, relinquishment and waiver of notice of hearing to be utilized under the Kansas adoption and relinquishment act shall be set forth by the judicial council.

Sec. 23. K.S.A. 59-2112, 59-2113, 59-2114, 59-2116, 59-2117, 59-2120, 59-2121, 59-2124, 59-2126, 59-2127, 59-2128, 59-2134, 59-2138, 59-2141 and 59-2143 and K.S.A. 2017 Supp. 59-2122, 59-2123, 59-2130, 59-2132, 59-2133 and 59-2136 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; in line 2, by striking all before "amending" and inserting "children and minors; creating the adoption protection act; relating to the placement of children for foster care or adoption; Kansas adoption and relinquishment act"; after "amending" by inserting "K.S.A. 59-2112, 59-2113, 59-2114, 59-2116, 59-2117, 59-2120, 59-2121, 59-2124, 59-2126, 59-2127, 59-2128, 59-2134, 59-2138, 59-2141 and 59-2143 and"; also in line 2, by striking "9-512

and 9-513" and inserting "59-2122, 59-2123, 59-2130, 59-2132, 59-2133 and 59-2136";

RONALD HIGHLAND

SUSAN HUMPHRIES

Conferees on part of House

RICHARD WILBORN

JULIA LYNN

Conferees on part of Senate

Senator Wilborn moved the Senate adopt the Conference Committee Report on **SB 284**.

On roll call, the vote was: Yeas 24; Nays 15; Present and Passing 1; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Berger, Billinger, Bowers, Denning, Doll, Estes, Fitzgerald, Goddard, Hardy, Hilderbrand, Kerschen, Longbine, Lynn, Masterson, Olson, Petersen, Pilcher-Cook, Pyle, Suellentrop, Tyson, Wagle, Wilborn.

Nays: Bollier, Faust-Goudeau, Francisco, Haley, Hawk, Hensley, Holland, Kelly, McGinn, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor.

Present and Passing: Givens.

The Conference Committee Report was adopted.

EXPLANATION OF VOTE

Mr. Vice President: To frame support of this bill as one who is promulgating discrimination could not be further from the truth. Support of this bill should be reflective of concern for adoption opportunities for a young woman who is at a critical stage of her life. Giving one's child up for adoption is certainly one of the most difficult decisions a mother can make. To not have access to adoption services or to have these services restricted makes that decision untenable. Conversely, it is incumbent for a faith based agency to facilitate the choice of the mother. If they are not able to provide the service it is vital for the faith based agency to provide referrals to an appropriate agency. This debate has politicized and unfortunately monetized something that is personal. Those who are a part of this emotional issue would be well served to consider what is best for the mother and child and to broaden access not constrict it. I would hope that my voice is a voice for the mother. I would hope that my voice is for the child. It is my hope that the entities in these discussions can restrict the political polarization and think of what is important in the lives of the mother and child.—ED BERGER

Senators Goddard, Hardy, Hilderbrand and Petersen request the record to show they concur with the "Explanation of Vote" offered by Senator Berger on **SB 284**

Mr. Vice President: My track record of nondiscrimination and embracing and supporting diverse communities throughout my service in the classroom and at the Legislature has been strong and unflinching - my goal here was to make it easier, not more difficult, for people in my district to adopt. This is especially important in Western Kansas, where adoption opportunities have been historically limited by the lack of services. It was in no way an attempt to discriminate against any individuals or groups.

—JOHN DOLL

Mr. Vice President: Today, we say we are placing the need of children as a priority. We want to protect them. These children are in need of care. Parental rights have been severed. They are in a difficult place. However, this bill creates preferential treatment for agencies, rather than preferential care for children. In the process, we lose sight of our goal. **SB 284** allows Kansas taxpayers hard-earned monies, entrusted to us, to be used by groups without the expectation that they follow state law. This actually limits the number of foster placements, for we are disqualifying families already approved by the state to take children. This effectively increases the time children are in foster care. In an effort to allow more businesses to receive state funding, we legislators, who are not experts in the field, are altering the path of current safe and stable placements for children. There are many who object to this law: the Kansas bar association, the Kansas Association of Social Workers, many of our constituents, businesses in and out of our state, and faith-leaders, including the nuns that pointed out the teaching of the Pope to me this week. His recent teaching of March 19, is worth contemplating. In discussing our ideologies, he states, "Some Catholics consider (many issues like this) a secondary issue compared to the "grave" bioethical questions. That a politician looking for votes might say such a thing is understandable, but not a Christian, for whom the only proper attitude is to stand in the shoes of those brothers and sisters of ours who risk their lives to offer a future to their children . . . At stake is the dignity of a human life, which is always sacred and demand love for each person . . . Equally sacred . . . are the lives of the poor, those already born, the destitute, the abandoned and the underprivileged, the vulnerable infirm and elderly. . . the victims of human trafficking, new forms of slavery and every form of rejection. We cannot uphold an ideal of holiness that would ignore injustice. If we trust the Pope's guidance, we cannot in good faith, choose to embrace one group of people and reject another. For these reasons added to thoughts expressed previously, I vote no on **SB 284**—LYNN ROGERS

Senators Faust-Goudeau, Francisco and Haley request the record to show they concur with the "Explanation of Vote" offered by Senator Rogers on **SB 284**.

On motion of Senator Denning, the Senate adjourned until 10:00 a.m., Friday, May 4, 2018.

CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks*.

COREY CARNAHAN, *Secretary of the Senate*.



MAY 3, 2018

2473