Session of 2006

# HOUSE BILL No. 2648

By Representative Otto

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AN ACT transferring the state fire marshal and the office of state fire 9 10 marshal to the Kansas bureau of investigation and prescribing the duties thereof; amending K.S.A. 31-144, 31-148, 31-157, 36-510, 39-928, 11 1240-252, 40-252b, 55-1811, 65-429 and 75-1510 and K.S.A. 2005 Supp. 13 39-935, 39-945, 39-946, 75-1508 and 76-3319 and repealing the exist-14ing sections. 1516 Be it enacted by the Legislature of the State of Kansas: New Section 1. (a) The state fire marshal and the office of the state 17fire marshal are hereby transferred to the Kansas bureau of investigation. 18(b) All orders and directives of the office of state fire marshal in ex-1920istence immediately prior to the effective date of this act shall continue 21to be effective and shall be the orders and directives of the office of state 22fire marshal within the Kansas bureau of investigation until revised, 23amended, repealed or nullified pursuant to law. All property and records of the office of state fire marshal in ex-24 (c) istence immediately prior to the effective date of this act are hereby trans-2526ferred to the office of state fire marshal within the Kansas bureau of 27investigation. The balance of all funds or accounts thereof appropriated or reap-28(d) 29propriated for the office of state fire marshal are hereby transferred 30 within the state treasury to the office of state fire marshal within the 31 Kansas bureau of investigation and shall be used only for the purpose for 32 which the appropriations were originally made. Any conflict as to the 33 proper disposition of such money shall be resolved by the governor, whose 34 decision shall be final. 35 All officers and employees of the office of state fire marshal shall (e) continue to be officers and employees of the office of state fire marshal 36 37 within the Kansas bureau of investigation board. Such officers and em-38 ployees shall retain all retirement benefits and leave balances and rights 39 which had accrued or vested prior to the effective date of this act and the 40 service of each shall be deemed to have been continuous. Any subsequent transfers, layoffs and abolition of classified service positions under the 41 Kansas civil service act shall be made in accordance with the civil service 42

43 laws and any rules and regulations adopted thereunder. Every act per-

1 formed in the exercise of such powers, duties and functions by or under the authority of the office of state fire marshal or the state fire marshal 2 3 within the Kansas bureau of investigation shall be deemed to have the same force and effect as if performed by the office of state fire marshal 4 or the state fire marshal in which such powers, duties and functions were  $\mathbf{5}$ 6 vested prior to the effective date of this act. 7 No suit, action or other proceeding, judicial or administrative, law-(f)8 fully commenced, or which could have been commenced, by or against 9 the office of state fire marshal transferred by this act, or by or against any officer or employee of such office in the official capacity of such officer 10 or employee or in relation to the discharge of official duties of such officer 11 12 or employee, shall abate by reason of the transfer effected under the 13 provisions of this act. The court may allow any such suit, action or other proceeding to be maintained by or against the successor of such office or 1415 any officer or employee affected. 16 New Sec. 2. (a) The office of state fire marshal shall have as its pri-17mary duties: (1)The investigation of any fire or explosion described in K.S.A. 31-18157, and amendments thereto; and 1920(2)the investigation of methamphetamine laboratories, other clan-21destine laboratories and other threats to the public health and safety, as 22 determined by the director of the Kansas bureau of investigation. 23In addition to the duties prescribed in subsection (a), the office (b) of state fire marshal shall perform such other duties as provided by law. 24 (c) The office of state fire marshal shall not conduct inspections ex-2526cept as otherwise specifically provided by law. 27K.S.A. 31-144 is hereby amended to read as follows: 31-144. Sec. 3. 28(a) As used in this act, "school building" means any building or structure 29operated or used for any purpose by, or located upon the land of, any 30 school district, community college district, area vocational school, area 31 vocational-technical school, institution under the state board of regents 32 or any private or nonpublic school, college or university, whether or not 33 operated for profit. The term school building does not include within its 34 meaning any single-family dwelling or duplex constructed as part of a 35 vocational education program or construction trades class if such single-36 family dwelling or duplex is to be sold, after its construction, for private 37 use. 38 (b) All school buildings shall be inspected at least once each year. In 39 all cities of the first and second class in which there is a full-time fire chief or full-time fire inspector, the inspection of the school buildings 40

- 41 shall be conducted by such chief or inspector. Such inspection shall be
- 42 conducted by the fire chief or fire inspector of the city, fire district, im-
- 43 provement district or other entity providing fire protection services to the

area where the school is located, except, upon request by such chief or
 inspector, the state fire marshal or the state fire marshal's authorized
 assistants shall conduct the inspection. If the inspection is conducted by
 such chief or inspector, the chief or inspector shall report the findings
 from the inspection to the state fire marshal within 30 days after such
 inspection. In all other cases, school buildings shall be inspected by the
 state fire marshal or the fire marshal's authorized assistants.

8 (c) The state fire marshal shall order the governing body having con-9 trol of any school building or facility thereof to correct any condition in 10 such building or facility which is in violation of this act, or any condition which the fire marshal deems dangerous, or which in any way prevents a 11 12speedy exit from such building. After any such order is rendered, such 13 governing body shall make the changes required to comply therewith. A board of education of any school district is hereby authorized to make 14 15 expenditures from its general fund or capital outlay fund to comply with 16 such order, or the board may issue no-fund warrants in such amounts as are necessary to pay expenses incurred in complying with such order. 17Such no-fund warrants shall be issued, registered, paid and redeemed 18and bear interest as provided by K.S.A. 79-2940, and amendments 1920thereto, except that the approval of the state board of tax appeals shall 21not be required. Such warrants shall recite that they are issued by the 22board of education of the school district under authority of this act. Any 23 board of education issuing warrants hereunder shall make a tax levy at the same time as other tax levies are made, after such warrants are issued, 24 25sufficient to pay such warrants and the interest thereon.

26 (d) Whenever a board of education receives an order from the state 27fire marshal pursuant to subsection (c), the board, in lieu of repairing or 28remodeling the school building or facility as ordered by the state fire 29 marshal, may close such building or facility as an attendance center. 30 Whenever any board of education finds that any such order of the state 31 fire marshal involves a cost in excess of that which the board of education 32 finds the school district can afford, or that the changes ordered are un-33 warranted or unnecessary, the board may petition for review of such order in the district court of the home county of such school district. Upon 34 35 receiving such petition, the district court shall appoint three disinterested commissioners, one of whom shall be a licensed architect. The commis-36 37 sioners shall inspect the building or facility affected by the order and 38 report to the court its findings of fact as to the necessity for the improve-39 ments or changes ordered by the state fire marshal, together with the 40 estimated cost of each such improvement or change and such other recommendations as the commissioners deem advisable. Upon receiving 41 such findings of fact and recommendations, or any other evidence relating 42

43 to the petition for review, the court shall enter its order affirming, re-

versing or modifying the order of the state fire marshal. Such order of
 the court may be reviewed by the appellate courts in the same manner
 as other orders and judgments of the district court may be reviewed.

4 (e) Except as provided in subsection (d), any action of the state fire 5 marshal pursuant to this section is subject to review in accordance with 6 the act for judicial review and civil enforcement of agency actions.

Sec. 4. K.S.A. 31-148 is hereby amended to read as follows: 31-148.
The state fire marshal at least annually shall inspect all buildings institutions under the jurisdiction of the state penal director and the division of institutional management of the department of social welfare secretary of corrections and the secretary of social and rehabilitation services.

12Sec. 5. K.S.A. 31-157 is hereby amended to read as follows: 31-157. 13 (a) The state fire marshal, the state fire marshal's deputies and full-time 14fire prevention personnel assigned investigation duties who are members 15 of a paid fire department who have been certified by the state fire marshal 16 pursuant to this section shall have the authority to make arrests, carry 17firearms and conduct searches and seizures while investigating any fire or explosion in which arson or attempted arson is suspected or in which 18there is an attempt or suspected attempt to defraud an insurance com-1920pany. Any affidavits necessary to authorize arrests, searches or seizures 21pursuant to this section shall be made in accordance with K.S.A. 22-2302 22 and 22-2502, and amendments thereto.

23(b) The state fire marshal director of the Kansas bureau of investigation, with the assistance of an advisory committee appointed pursuant 24 to K.S.A. 31-135 and amendments thereto the state fire marshal, shall 2526 adopt rules and regulations and specify the number of investigators for departments or areas and establish standards for certification of members 2728of fire departments to make arrests, carry firearms and conduct searches 29and seizures pursuant to this section. No fire department personnel shall 30 be certified to carry firearms under the provisions of this act without 31 having first successfully completed the firearm training course or courses 32 prescribed for law enforcement officers under K.S.A. 74-5604 74-5604a, 33 and amendments thereto.

34 (c) With the exception of firearms training, nothing in this section 35 shall be construed to require persons employed prior to the effective date of this act to comply with the standards established by the state fire mar-36 37 shal pursuant to this section as a condition of continued employment, and 38 such persons' failure to comply with such standards shall not make such 39 persons ineligible for any promotional examination for which they are otherwise eligible or affect in any way any pension rights to which they 40are entitled on the effective date of this act. 41

42 Sec. 6. K.S.A. 36-510 is hereby amended to read as follows: 36-510.43 (a) The secretary shall be responsible for the enforcement of the lodging

1 and food service standards promulgated pursuant to this act, but the sec-2 retary is hereby authorized and empowered to contract with the govern-3 ing body of any municipality for the enforcement of all or any portion of such standards, whenever the secretary shall determine that such munic-4 ipality has adequate personnel to provide proper enforcement. Any mu- $\mathbf{5}$ 6 nicipality entering into a contract with the secretary to enforce such standards shall act as an agent of the secretary in carrying out such duties, 7 8 and no such municipality shall charge any lodging establishment or food 9 service establishments a fee for services performed as an agent of the 10 secretary under such contract which is in addition to and separate from any fee such establishment is required to pay to the secretary under the 11 12provisions of this act. Such municipality shall enforce such standards 13 within such municipalities of this state as are designated in the contract. 14Any inspection of lodging or food service establishments by officers, employees or agents of any such municipality, and any notice of noncompli-1516 ance issued as a result of any such inspection, shall have the same force 17and effect as if such had been done by the secretary. The secretary and the state fire marshal fire chief or fire inspector 18(b) of the city, fire district, improvement district or other entity providing 1920fire protection services to the area where a lodging or food service estab-21*lishment is located* are hereby authorized and empowered to enter into a 22 contract authorizing the state fire marshal and the fire marshal's deputies 23such chief or inspector, or lawful agents, to enforce all or any portion of the lodging or food service standards promulgated pursuant to this act. 24 Such contract shall designate specific lodging or food service establish-2526ments, or types of lodging or food service establishments, wherein such 27authority may be exercised. Any inspection of such establishments by the 28state fire marshal or the fire marshal's deputies such chief or inspector, 29 or lawful agents, to determine compliance with lodging or food service 30 standards established pursuant to this act, and any notice of noncompli-31 ance issued as a result of any such inspection, shall have the same force 32 and effect as if such had been done by the secretary. 33 Such contract also may provide similar authority for the secretary of 34 health and environment and the secretary's officers, employees and 35 agents with respect to enforcement of all or any portion of the Kansas fire prevention code in specified lodging or food service establishments, 36 37 or in types of lodging or food service establishments. Any inspection of 38 such establishments by the secretary, or the secretary's officers, employ-39 ees and agents, to determine compliance with the Kansas fire prevention 40 code, shall have the same force and effect as if performed by the state

41 fire marshal or the marshal's deputies and such chief or inspector, or 42 *lawful* agents.

43 (c) Any food service establishment which is not required to be li-

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1 censed under the provisions of this act, but which is licensed by the 2 secretary pursuant to any other law, or which is maintained in connection 3 with premises which are licensed by the secretary pursuant to any other law, shall be subject to the food service standards established pursuant 4 to this act. In the discretion of the secretary, enforcement of such stan-5dards may be delegated to the personnel of the department who are 6 responsible for enforcing the provisions of the law under which such food 7 8 service establishment or premises are licensed. Failure of any such prem-9 ises to comply with the food service standards promulgated pursuant to this act shall be grounds for the suspension or revocation of the license 10 issued for the premises under such other law. The licensee shall not have 11 12any license revoked or suspended without first being given an opportunity 13 for a hearing in accordance with the provisions of the Kansas administra-14tive procedure act. 15 Sec. 7. K.S.A. 39-928 is hereby amended to read as follows: 39-928. 16 Upon receipt of an application for license, the licensing agency with (a)17the approval of the state fire marshal shall issue a license if the applicant is fit and qualified and if the adult care home facilities meet the require-18ments established under this law. 1920(b)The licensing agency, the state fire marshal, and the county, city-21county or multicounty health departments or their designated represen-22tatives shall make such inspections and investigations as are necessary to 23determine the conditions existing in each case and. A written report of 24 such inspections and investigations and the recommendations of the state 25fire marshal and the county, city-county or multicounty health depart-26ment or their authorized agents shall be filed with the licensing agency. 27The licensing agency and the state fire marshal may designate and use 28county, city-county or multicounty health departments and local fire and 29 safety authorities as their as its agents in making such inspections and 30 investigations as are deemed necessary or advisable. Such local authorities 31 *departments* are hereby authorized, empowered and directed to perform 32 such duties as are designated. A copy of any inspection reports required 33 by this section shall be furnished to the applicant. 34 (c) (1) Except as provided by subsection (c)(2), the fire chief or fire 35 inspector of the city, fire district, improvement district or other entity providing fire protection services to the area where the adult care home 36 37 is located shall make such inspections and investigations as are necessary 38 to determine the conditions existing in each case. A written report of such 39 inspections and investigations and the recommendations of the fire chief 40or fire inspector shall be filed with the licensing agency and the office of 41 the state fire marshal. A copy of any inspection reports required by this subsection shall be furnished to the applicant. 42

43 (2) Upon request of the fire chief or fire inspector of the city, fire

1 district, improvement district or other entity providing fire protection 2 services to the area where the adult care home is located, the state fire 3 marshal or the state fire marshal's authorized assistants shall conduct the 4 inspections and investigations required by subsection (c)(1). A written report of such inspections and investigations and the recommendations of 5the state fire marshal shall be filed with the licensing agency. A copy of 6 any inspection reports required by this subsection shall be furnished to 7 8 the applicant. 9 (d) A license, unless sooner suspended or revoked, shall remain in 10 effect upon filing by the licensee, and approval by the licensing agency and the state fire marshal or their duly authorized agents, of an annual 11 12report upon such uniform dates and containing such information in such 13 form as the licensing agency prescribes and payment of an annual fee. 14Each license shall be issued only for the premises and persons named in 15 the application and shall not be transferable or assignable. It shall be 16 posted in a conspicuous place in the adult care home. If the annual report 17is not so filed and annual fee is not paid, such license is automatically canceled. Any license granted under the provisions of this act shall state 18the type of facility for which license is granted, number of residents for 1920which granted, the person or persons to whom granted, the date and such 21additional information and special limitations as are deemed advisable by 22 the licensing agency. 23Sec. 8. K.S.A. 2005 Supp. 39-935 is hereby amended to read as fol-24 lows: 39-935. (a) Inspections shall be made and reported in writing by 25the authorized agents and representatives of the licensing agency and 26state fire marshal, and of, the fire chief or fire inspector of the city, fire 27district, improvement district or other entity providing fire protection 28services to the area where the adult care home is located and the county, 29city-county and multicounty health departments as often and in the man-30 ner and form prescribed by the rules and regulations promulgated under 31 the provisions of this act. Upon request of the fire chief or fire inspector, 32 the state fire marshal or the state fire marshal's authorized assistants shall 33 conduct such inspections. Access shall be given to the premises of any 34 adult care home at any time upon presenting adequate identification to 35 carry out the requirements of this section and the provisions and purposes of this act, and failure to provide such access shall constitute grounds for 36 37 denial or revocation of license. A copy of any inspection reports required 38 by this section shall be furnished to the state fire marshal and to the 39 applicant, except that a copy of the preliminary inspection report signed 40jointly by a representative of the adult care home and the inspector shall 41 be left with the applicant when an inspection under this section is completed. This preliminary inspection report shall constitute the final record 42

43 of deficiencies assessed against the adult care home during the inspection,

1 all deficiencies shall be specifically listed and no additional deficiencies

2 based upon the data developed at that time shall be assessed at a later 3 time. An exit interview shall be conducted in conjunction with the joint

4 signing of the preliminary inspection report.

5 (b) The authorized agents and representatives of the licensing agency 6 shall conduct at least one unannounced inspection of each adult care 7 home within 15 months of any previous inspection for the purpose of 8 determining whether the adult care home is complying with applicable 9 statutes and rules and regulations relating to the health and safety of the 10 residents of the adult care home. The statewide average interval between 11 inspections shall not exceed 12 months.

(c) Every adult care home shall post in a conspicuous place a notice
indicating that the most recent inspection report and related documents
may be examined in the office of the administrator of the adult care home.
Upon request, every adult care home shall provide to any person a copy
of the most recent inspection report and related documents, provided the
person requesting such report agrees to pay a reasonable charge to cover
copying costs.

(d) Each nursing facility that provides skilled nursing care, nursing 1920facility for mental health that provides skilled nursing care or assisted 21living facility may establish and maintain a risk management program 22which shall consist of: (1) A system for investigation and analysis of the 23frequency and causes of reportable incidents within the facility; (2) measures to minimize the occurrence of reportable incidents and the resulting 24 injuries within the facility; and (3) a reporting system based upon the duty 2526of all health care providers staffing the facility and all agents and em-27ployees of the facility directly involved in the delivery of health care serv-28ices to report reportable incidents to the chief of the medical staff, chief 29 administrative officer or risk manager of the facility. Any reports and 30 records reviewed, obtained or prepared by the department on aging in 31 connection with any reportable incidents referred for investigation under 32 such risk management program, including any reports and records re-33 flecting the results of an inspection or survey under this chapter or in 34 accordance with the regulations, guidelines and procedures issued by the 35 United States secretary of health and human services under Titles XVIII and XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, 36 37 as amended, shall not be admissible in any civil action under the laws of 38 the state of Kansas unless the court determines on the record, following 39 a hearing outside the presence of the jury, that the proffered evidence 40 excerpted from any report, record, inspection or survey is relevant and substantially related to the plaintiff's allegations and otherwise admissible 41 under the rules of evidence set forth in article 4, chapter 60 of the Kansas 42

43 Statutes Annotated and amendments thereto. This subsection shall not

1 be construed to limit or impair a person's or entity's discovery of or access to any such report, record, inspection or survey under state or federal 2 3 law; limit or impair the authority of the department on aging to investigate 4 complaints or reportable incidents under state or federal law; or diminish or expand the department on aging's discovery of or access to quality  $\mathbf{5}$ assessment and assurance committee records under state or federal law. 6 7 Sec. 9. K.S.A. 2005 Supp. 39-945 is hereby amended to read as fol-8 lows: 39-945. A correction order may be issued by the secretary of aging 9 or the secretary's designee to a person licensed to operate an adult care home whenever the fire chief or fire inspector, the state fire marshal or 10 the marshal's representative or a duly authorized representative of the 11 12secretary of aging inspects or investigates an adult care home and deter-13 mines that the adult care home is not in compliance with the provisions 14of article 9 of chapter 39 of the Kansas Statutes Annotated or rules and 15 regulations promulgated thereunder which individually or jointly affects 16 significantly and adversely the health, safety, nutrition or sanitation of the 17adult care home residents. The correction order shall be served upon the licensee either personally or by certified mail, return receipt requested. 18The correction order shall be in writing, shall state the specific deficiency, 1920cite the specific statutory provision or rule and regulation alleged to have 21been violated, and shall specify the time allowed for correction. 22 Sec. 10. K.S.A. 2005 Supp. 39-946 is hereby amended to read as 23 follows: 39-946. (a) If upon reinspection by the fire chief or fire inspector, the state fire marshal or the marshal's representative or a duly authorized 24 representative of the secretary of aging, which reinspection shall be con-2526ducted within 14 days from the day the correction order is served upon 27the licensee, it is found that the licensee of the adult care home which 28was issued a correction order has not corrected the deficiency or defi-29 ciencies specified in the order, the secretary of aging may assess a civil 30 penalty in an amount not to exceed \$500 per day per deficiency against 31 the licensee of an adult care home for each day subsequent to the day 32 following the time allowed for correction of the deficiency as specified in 33 the correction order that the adult care home has not corrected the de-34 ficiency or deficiencies listed in the correction order, but the maximum 35 assessment shall not exceed \$2,500. A written notice of assessment shall be served upon the licensee of an adult care home either personally or 36 37 by certified mail, return receipt requested. 38 Before the assessment of a civil penalty, the secretary of aging (b) 39 shall consider the following factors in determining the amount of the civil

40 penalty to be assessed: (1) The severity of the violation; (2) the good faith
41 effort exercised by the adult care home to correct the violation; and (3)

42 the history of compliance of the ownership of the adult care home with

43 the rules and regulations. If the secretary of aging finds that some or all

1 deficiencies cited in the correction order have also been cited against the 2 adult care home as a result of any inspection or investigation which oc-3 curred within 18 months prior to the inspection or investigation which resulted in such correction order, the secretary of aging may double the 4  $\mathbf{5}$ civil penalty assessed against the licensee of the adult care home, the 6 maximum not to exceed \$5,000. 7 (c) All civil penalties assessed shall be due and payable within 10 days after written notice of assessment is served on the licensee, unless a longer 8 9 period of time is granted by the secretary. If a civil penalty is not paid within the applicable time period, the secretary of aging may file a cer-10 tified copy of the notice of assessment with the clerk of the district court 11 12in the county where the adult care home is located. The notice of assess-13 ment shall be enforced in the same manner as a judgment of the district 14 court. 15 Sec. 11. K.S.A. 40-252 is hereby amended to read as follows: 40-252. Every insurance company or fraternal benefit society organized under the 16 laws of this state or doing business in this state shall pay to the commis-17sioner of insurance fees and taxes specified in the following schedule: 1819А 20Insurance companies organized under 21the laws of this state: 22 1. Capital stock insurance companies and mutual legal reserve life insurance companies: 23Filing application for sale of stock or certificates of indebtedness ..... \$25 24 Admission fees: 25Examination of charter and other documents ..... 500 26 Filing annual statement 100 27 Certificate of authority ..... 10 28Annual fees 29 Filing annual statement 100 30 Continuation of certificate of authority ..... 10 31 2. Mutual life, accident and health associations: 32 Admission fees: 33 Examination of charter and other documents ..... \$500 34 Filing annual statement 100 35 Certificate of authority 10 36 Annual fees: 37 Filing annual statement 100 38 Continuation of certificate of authority ..... 10 39 Mutual fire, hail, casualty and multiple line insurers and reciprocal or interinsurance 3. 40 exchanges: 41 Admission fees: 42Examination of charter and other documents ..... \$500

1	Filing annual statement
2	Certificate of authority
3	Annual fees:
4	Filing annual statement
5	Continuation of certificate of authority
6	In addition to the above fees and as a condition precedent to the con-
7	tinuation of the certificate of authority provided in this code, all such
8	companies shall pay a fee of \$2 for each agent certified by the company
9	and shall also pay a tax annually upon all premiums received on risk lo-
10	cated in this state at the rate of 1% for tax year 1997, and 2% for all tax
11	years thereafter per annum less (1) for tax years prior to 1984, any taxes
12	paid on business in this state pursuant to the provisions of K.S.A. 40-1701
13	to 40-1707, inclusive, and 75-1508 and amendments thereto and (2) for
14	tax years 1984 and thereafter, any taxes paid on business in this state
15	pursuant to the provisions of K.S.A. 75-1508 and amendments thereto
16	and the amount of the firefighters relief tax credit determined by the
17	commissioner of insurance. The amount of the firefighters relief tax credit
18	for a company for the current tax year shall be determined by the com-
19	missioner of insurance by dividing (A) the total amount of credits against
20	the tax imposed by this section for taxes paid by all such companies on
21	business in this state under K.S.A. 40-1701 to 40-1707, inclusive, and
22	amendments thereto for tax year 1983, by (B) the total amount of taxes
23	paid by all such companies on business in this state under K.S.A. 40-1703
24	and amendments thereto for the tax year immediately preceding the cur-
25	rent tax year, and by multiplying the result so obtained by (C) the amount
26	of taxes paid by the company on business in this state under K.S.A. 40-
27	1703 and amendments thereto for the current tax year.
28	In the computation of the gross premiums all such companies shall be
29	entitled to deduct any premiums returned on account of cancellations,
30	including funds accepted before January 1, 1997, and declared and taxed
31	as annuity premiums which, on or after January 1, 1997, are withdrawn
32	before application to the purchase of annuities, all premiums received for
33	reinsurance from any other company authorized to do business in this
34	state, dividends returned to policyholders and premiums received in con-
35	nection with the funding of a pension, deferred compensation, annuity

nection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404,

408, 457 or 501 of the United States internal revenue code of 1986. Funds

received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed

taxable premiums or be subject to tax under this section for tax years 

commencing on or after January 1, 1997. 

1	В	
2	Fraternal benefit societies organized	
3	under the laws of this state:	
4	Admission fees:	
5	Examination of charter and other documents	\$500
6	Filing annual statement	100
7	Certificate of authority	10
8	Annual fees:	
9	Filing annual statement	100
10	Continuation of certificate of authority	10
11	С	
12	Mutual nonprofit hospital service corporations, nonprofit medical service corporation	ons, non-
13	profit dental service corporations, nonprofit optometric service corporations of	and non-
14	profit pharmacy service corporations organized under the laws of this state:	
15	1. Mutual nonprofit hospital service corporations:	
16	Admission fees:	
17	Examination of charter and other documents	\$500
18	Filing annual statement	100
19	Certificate of authority	10
20	Annual fees:	
21	Filing annual statement	100
22	Continuation of certificate of authority	10
23	2. Nonprofit medical service corporations:	
24	Admission fees:	
25	Examination of charter and other documents	\$500
26	Filing annual statement	100
27	Certificate of authority	10
28	Annual fees:	
29	Filing annual statement	100
30	Continuation of certificate of authority	10
31	3. Nonprofit dental service corporations:	
32	Admission fees:	
33	Examination of charter and other documents	\$500
34	Filing annual statement	100
35	Certificate of authority	10
36	Annual fees:	
37	Filing annual statement	100
38	Continuation of certificate of authority	10
39	4. Nonprofit optometric service corporations:	
40	Admission fees:	
41	Examination of charter and other documents	\$500
42	Filing annual statement	100
43	Certificate of authority	10

1	Annual fees:
2	Filing annual statement       100
3	Continuation of certificate of authority
4	5. Nonprofit pharmacy service corporations:
5	Admission fees:
6	Examination of charter and other documents
7	
8	Filing annual statement       100         Certificate of authority       10
9	Annual fees:
9 10	Filing annual statement
11	Continuation of certificate of authority
$11 \\ 12$	In addition to the above fees and as a condition precedent to the con-
12	tinuation of the certificate of authority, provided in this code, every cor-
14	poration or association shall pay annually to the commissioner of insur-
$15^{14}$	ance a tax in an amount equal to 1% for tax year 1997, and 2% for all tax
16	years thereafter per annum of the total of all premiums, subscription
$10 \\ 17$	charges, or any other term which may be used to describe the charges
18	made by such corporation or association to subscribers for hospital, med-
19	ical or other health services or indemnity received during the preceding
20	year. In such computations all such corporations or associations shall be
20 21	entitled to deduct any premiums or subscription charges returned on
$\frac{21}{22}$	account of cancellations and dividends returned to members or
23	subscribers.
24 24	D
25	Insurance companies organized under the
26	laws of any other state, territory or country:
27	<ol> <li>Capital stock insurance companies and mutual legal reserve life insurance companies:</li> </ol>
28	Filing application for sale of stock or certificates of indebtedness
29	Admission fees:
30	Examination of charter and other documents
31	Filing annual statement
32	Certificate of authority
33	Annual fees:
34	Filing annual statement
35	Continuation of certificate of authority
36	In addition to the above fees all such companies shall pay \$5 for each
37	agent certified by the company, except as otherwise provided by law.
38	As a condition precedent to the continuation of the certificate of au-
39	thority, provided in this code, every company organized under the laws
40	of any other state of the United States or of any foreign country shall pay
41	a tax upon all premiums received during the preceding year at the rate
42	of 2% per annum.
43	In the computation of the gross premiums all such companies shall be

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exchanges:

1 entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed 2 3 as annuity premiums which, on or after January 1, 1997, are withdrawn 4 before application to the purchase of annuities, dividends returned to policyholders and all premiums received for reinsurance from any other 56 company authorized to do business in this state and premiums received 7 in connection with the funding of a pension, deferred compensation, an-8 nuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. 9 10 Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be 11 12 deemed taxable premiums or be subject to tax under this section for tax 13 years commencing on or after January 1, 1997. 142. Mutual life, accident and health associations: 15 Admission fees: 16 Examination of charter and other documents ..... \$500 17Filing annual statement 100 18Certificate of authority ..... 10 19Annual fees: 20 Filing annual statement 100 21 Continuation of certificate of authority ..... 10 22 In addition to the above fees, every such company organized under the 23laws of any other state of the United States shall pay \$5 for each agent certified by the company, and shall pay a tax annually upon all premiums 24 25received at the rate of 2% per annum. 26In the computation of the gross premiums all such companies shall be 27 entitled to deduct any premiums returned on account of cancellations, 28including funds accepted before January 1, 1997, and declared and taxed 29as annuity premiums which, on or after January 1, 1997, are withdrawn 30 before application to the purchase of annuities, dividends returned to 31 policyholders and all premiums received for reinsurance from any other 32 company authorized to do business in this state and premiums received 33 in connection with the funding of a pension, deferred compensation, an-34 nuity or profit-sharing plan qualified or exempt under sections 401, 403, 35 404, 408, 457 or 501 of the United States internal revenue code of 1986. 36 Funds received by life insurers for the purchase of annuity contracts and 37 funds applied by life insurers to the purchase of annuities shall not be 38 deemed taxable premiums or be subject to tax under this section for tax 39 years commencing on or after January 1, 1997. 40 Mutual fire, casualty and multiple line insurers and reciprocal or interinsurance 3.

Admission fees:		
Examination of charter and other docum	ents and issuance of certificate of	
authority		)
Filing annual statement		)
Certificate of authority		)
Annual fees:		
Filing annual statement		)
Continuation of certificate of authority		)
In addition to the above fees, ev	ery such company or association or-	-
ganized under the laws of any other	state of the United States shall pay	7
a fee of \$5 for each agent certified	by the company and shall also pay a	ı
tax annually upon all premiums received at the rate of 2% per annum.		
For tax years 1998 and thereafter, the annual tax shall be reduced by		
the "applicable percentage" of (1) any taxes paid on business in this state		<b>)</b>
pursuant to the provisions of K.S.A. 75-1508 and amendments thereto		
and (2) the amount of the firefighters relief tax credit determined by the		
commissioner of insurance. The amount of the firefighters relief tax credit		
for a company taxable under this subsection for the current tax year shall		
be determined by the commissioner of insurance by dividing (A) the total		
then in effect, by (B) the total amount of taxes paid by all such companies		
on business in this state under K.S.A. 40-1703 and amendments thereto		
for the tax year immediately preceding the current tax year, and by mul-		
	e "applicable percentage" shall be as	3
follows:		
Tax Year	Applicable Percentage	
1998	10%	
1999	20%	
2000	30%	
	Examination of charter and other docume authority Filing annual statement Certificate of authority Annual fees: Filing annual statement Continuation of certificate of authority In addition to the above fees, eve ganized under the laws of any other a fee of \$5 for each agent certified tax annually upon all premiums rece For tax years 1998 and thereafter the "applicable percentage" of (1) ar pursuant to the provisions of K.S.A and (2) the amount of the firefighter commissioner of insurance. The amo for a company taxable under this sub be determined by the commissioner amount of taxes paid by all such comp K.S.A. 40-1701 to 40-1707 and amen then in effect, by (B) the total amoun on business in this state under K.S.A for the tax year immediately precedit tiplying the result so obtained by (( company on business in this state und thereto for the current tax year. The follows: Tax Year 1998 1999	Examination of charter and other documents and issuance of certificate of authority       \$500         Filing annual statement       100         Certificate of authority       101         Annual fees:       100         Filing annual statement       100         Continuation of certificate of authority       100         In addition to the above fees, every such company or association organized under the laws of any other state of the United States shall pay a fee of \$5 for each agent certified by the company and shall also pay a tax annually upon all premiums received at the rate of 2% per annum.         For tax years 1998 and thereafter, the annual tax shall be reduced by the "applicable percentage" of (1) any taxes paid on business in this state pursuant to the provisions of K.S.A. 75-1508 and amendments thereto and (2) the amount of the firefighters relief tax credit for a company taxable under this subsection for the current tax year shall be determined by the commissioner of insurance by dividing (A) the tota amount of taxes paid by all such companies on business in this state under K.S.A. 40-1701 to 40-1707 and amendments thereto for tax year instheate thereto for the current tax year. The "a

30	1998	10%
31	1999	20%
32	2000	30%
33	2001	40%
34	2002	50%
35	2003	60%
36	2004	70%
37	2005	80%
38	2006	90%
39	2007 and thereafter	100%

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, all 40

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premiums received for reinsurance from any other company authorized 42

43 to do business in this state, and dividends returned to policyholders.

### 1 Е 2 Fraternal benefit societies organized under the laws 3 of any other state, territory or country: 4 Admission fees: $\mathbf{5}$ Examination of charter and other documents ..... \$500 6 Filing annual statement 100 7 Certificate of authority ..... 10 8 Annual fees: 9 100 Filing annual statement 10 Continuation of certificate of authority ..... 10 11 $\mathbf{F}$ 12Mutual nonprofit hospital service corporations, nonprofit medical service corporations, non-13 profit dental service corporations, nonprofit optometric service corporations and non-14profit pharmacy service corporations organized under the laws of any other state, ter-15 ritory or country: 16 1. Mutual nonprofit hospital service corporations: 17Admission fees: 18Examination of charter and other documents ..... \$500 19Filing annual statement 100 20Certificate of authority ..... 10 21Annual fees: 22 Filing annual statement 100 23 Continuation of certificate of authority ..... 10Nonprofit medical service corporations, nonprofit dental service corporations, nonprofit 24 2. 25optometric service corporations and nonprofit pharmacy service corporations: 26 Admission fees: 27 Examination of charter and other documents ..... \$500 28Filing annual statement 100 29 Certificate of authority ..... 1030 Annual fees: 31 Filing annual statement 100 32 Continuation of certificate of authority ..... 10 33 In addition to the above fees and as a condition precedent to the continuation of the certificate of authority, provided in this code, every cor-34 35 poration or association shall pay annually to the commissioner of insurance a tax in an amount equal to 2% per annum of the total of all 36 37 premiums, subscription charges, or any other term which may be used to 38 describe the charges made by such corporation or association to subscrib-39 ers in this state for hospital, medical or other health services or indemnity 40 received during the preceding year. In such computations all such cor-

41 porations or associations shall be entitled to deduct any premiums or42 subscription charges returned on account of cancellations and dividends

43 returned to members or subscribers.

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## G Payment of Taxes.

3 For the purpose of insuring the collection of the tax upon premiums, 4 assessments and charges as set out in subsection A, C, D or F, every  $\mathbf{5}$ insurance company, corporation or association shall at the time it files its 6 annual statement, as required by the provisions of K.S.A. 40-225, and 7 amendments thereto, make a return, verified by affidavits of its president 8 and secretary or other chief officers, to the commissioner of insurance, 9 stating the amount of all premiums, assessments and charges received by 10 the companies or corporations in this state, whether in cash or notes, during the year ending on the December 31 next preceding. 11

12Commencing in 1985 and annually thereafter the estimated taxes shall 13 be paid as follows: On or before June 15 and December 15 of such year 14 an amount equal to 50% of the full amount of the prior year's taxes as reported by the company shall be remitted to the commissioner of in-1516 surance. As used in this paragraph, "prior year's taxes" includes (1) taxes 17assessed pursuant to this section for the prior calendar year, (2) fees and taxes assessed pursuant to K.S.A. 40-253, and amendments thereto, for 18 the prior calendar year, and (3) taxes paid for maintenance of the <del>de-</del> 1920partment office of the state fire marshal or the Kansas bureau of inves-21tigation pursuant to K.S.A. 75-1508, and amendments thereto, for the 22 prior calendar year. 23Upon the receipt of such returns the commissioner of insurance shall

24 verify the same and assess the taxes upon such companies, corporations 25or associations on the basis and at the rate provided herein and the bal-26 ance of such taxes shall thereupon become due and payable giving credit for amounts paid pursuant to the preceding paragraph, or the commis-2728sioner shall make a refund if the taxes paid in the prior June and Decem-29 ber are in excess of the taxes assessed.

The fee prescribed for the examination of charters and other docu-31 32 ments shall apply to each company's initial application for admission and 33 shall not be refundable for any reason.

34 Sec. 12. K.S.A. 40-252b is hereby amended to read as follows: 40-35 252b. For taxable years commencing on and after January 1, 1998, the fees, charges and taxes provided for by K.S.A. 40-252 and amendments 36 37 thereto shall be in lieu of all other license fees, premium or occupation 38 taxes, income taxes, intangible property taxes, or other fees levied or as-39 sessed upon the basis of income, premiums, gross receipts and intangible property by this state and any municipality, county or other political sub-40division of this state, and no municipality, county or other political sub-41 division of this state shall impose any license fee or privilege, premium, 4243 income, intangible property or gross receipts tax or fee upon any insur-

1 ance company or corporation taxed under the provisions of K.S.A. 40-252 and amendments thereto and organized under the laws of this state or 2 3 doing business in this state, or upon any of its agents or representatives for the privilege of doing an insurance business therein. This section shall 4 not be construed to prohibit the levy and collection of (a) state, county  $\mathbf{5}$ or municipal taxes upon the real and tangible personal property of such 6 7 company, (b) tax for the purpose of maintaining the office of the fire 8 marshal of this state Kansas bureau of investigation as provided in K.S.A. 9 75-1508 and amendments thereto, (c) the firemen's relief fund tax as provided for in K.S.A. 40-1701 through 40-1707 and amendments 10 thereto, and (d) municipal occupation taxes levied upon any basis other 11 12 than income, intangible property, premiums or gross receipts. 13 Sec. 13. K.S.A. 55-1811 is hereby amended to read as follows: 55-1811. (a) A liquefied petroleum gas advisory board shall be created within 1415and as part of the state fire marshal's office within the Kansas bureau of 16 investigation. 17(b) The advisory board shall serve in an advisory capacity to the governor and the state fire marshal. The advisory board shall review and make 18recommendations on proposed rules and regulations or proposed revi-1920sions to current rules and regulations concerning liquefied petroleum gas 21prior to the submission of such rules and regulations to the secretary of 22 administration pursuant to K.S.A. 77-420, and amendments thereto. Per-23sonnel matters of the state fire marshal shall not be reviewed by the advisory board. The advisory board shall not have any powers, duties or 24functions concerning the day-to-day operations of the office of the state 2526 fire marshal. 27(c) The board shall be composed of nine members who shall be appointed by the governor. Four members shall represent retail marketers

2829 of liquefied petroleum gas; one member shall represent the insurance 30 industry; one member shall represent wholesalers, resellers, suppliers and 31 importers of liquefied petroleum gas; one member shall represent man-32 ufacturers and distributors of liquefied petroleum gas equipment and transporters of liquefied petroleum gas; and two members shall come 33 34 from the public. At no time shall more than five members of the advisory 35 board be members of the same political party. (d) The regular term of office of members of the advisory board shall 36 37 be four years. Regular terms shall commence on the second Monday in

38 January following the appointment of a board member.

39 (e) Of the members of the board appointed in the year 2004:

Four members shall have terms ending on the second Monday in 40(1)January 2008 and no more than two such members shall be members of 41 the same political party; and 42

43 (2) five members shall have terms ending on the second Monday in January 2007 and no more than three such members shall be members
 of the same political party.

(f) Any member appointed subsequent to 2004 shall be appointed for
a four-year term, unless such appointment is to fill the unexpired term
where a vacancy has occurred on the advisory board, in which case the
member shall be appointed for the remainder of the unexpired term.

7 (g) Members of any such advisory committee shall serve without 8 compensation. The membership shall be selected based on the individ-9 ual's knowledge regarding liquefied petroleum gas, insurance or other 10 relevant expertise.

Sec. 14. K.S.A. 65-429 is hereby amended to read as follows: 65-429. 11 12Upon receipt of an application for license, the licensing agency shall issue, 13 with the approval of the state fire marshal fire chief or fire inspector of 14the city, fire district, improvement district or other entity providing fire 15protection services to the area where the medical care facility is located, 16 shall issue a license provided the applicant and the physical facilities of 17the medical care facility meet the requirements established under this act. A license, unless suspended or revoked, shall be renewable annually 1819without charge upon the filing by the licensee, and approval by the li-20censing agency, of an annual report upon such uniform dates and con-21taining such information in such form as the licensing agency prescribes 22by rules and regulations. A medical care facility which has been licensed 23by the licensing agency and which has received certification for partici-24 pation in federal reimbursement programs and which has been accredited 25by the joint commission on accreditation of health care organizations or 26the American osteopathic association may be granted a license renewal 27based on such certification and accreditation. The cost of administration 28of the medical care facilities licensure and risk management program 29 provisions of this act pursuant to K.S.A. 65-433 and 65-4921 et seq., and 30 amendments thereto, shall be funded by an annual assessment from the 31 health care stabilization fund, which assessment shall not exceed \$200,000 32 in any one fiscal year. The licensing agency shall make an annual report 33 to the health care stabilization fund regarding the use of these funds. 34 Each license shall be issued only for the premises and persons or gov-35 ernmental units named in the application and shall not be transferable or assignable except with the written approval of the licensing agency. A 36 37 separate license is not required for two separate establishments which 38 are located in the same or contiguous counties, which provide the services 39 required by K.S.A. 65-431 and amendments thereto and which are organized under a single owner or governing board with a single designated 4041 administrator and medical staff. Licenses shall be posted in a conspicuous 42place on the licensed premises.

43 Sec. 15. K.S.A. 2005 Supp. 75-1508 is hereby amended to read as

1 follows: 75-1508. (a) For the purpose of maintaining the department of the state fire marshal functions and programs of the Kansas bureau of 2 investigation relating to investigations of fires, explosions, methamphet-3 amine and other clandestine laboratories and other fire safety functions 4 and programs, and the payment of the expenses incident thereto, each 5fire insurance company doing business in this state shall pay to the com-6 7 missioner of insurance, on or before March 15 each year, in addition to 8 the taxes, fees and charges now required by law to be paid by it, such 9 levy as may be made by the state fire marshal director of the Kansas bureau of investigation. The levy shall not be more than .80% for calendar 10 year 2004, and each calendar year thereafter, of a sum equal to the gross 11 12cash receipts as premiums of such company on all fire business transacted 13 by it in the state of Kansas during the calendar year next preceding, as shown by its annual statement under oath to the state insurance depart-14 15 ment. 16 (b) For the purposes of maintaining the emergency medical services 17board and the payment of the expenses incident thereto, each fire insurance company doing business in this state shall pay to the commissioner 18of insurance, on or before March 15 each year, beginning with calendar 1920year 2002 and each calendar year thereafter, in addition to the taxes, fees 21and charges now required by law to be paid by it, such levy as may be 22made by the emergency medical services board. The levy shall not be 23more than .25% of a sum equal to the gross cash receipts as premiums 24 of such company on all fire business transacted by it in the state of Kansas 25during the calendar year next preceding, as shown by its annual statement 26under oath to the state insurance department. 27(c) For the purposes of maintaining the fire service training program 28of the university of Kansas and the payment of the expenses incident 29 thereto, each fire insurance company doing business in this state shall 30 pay to the commissioner of insurance, on or before March 15 each year, 31 beginning with calendar year 2004, and each calendar year thereafter, in 32 addition to the taxes, fees and charges now required by law to be paid by 33 it, such levy as may be made by the Kansas fire service training commis-34 sion. The levy shall not be more than .20% of a sum equal to the gross 35 cash receipts as premiums of such company on all fire business transacted by it in the state of Kansas during the calendar year next preceding, as 36

shown by its annual statement under oath to the state insurance depart ment.

(d) The director of the fire service training program of the university
of Kansas shall submit a report concerning expenditures and activities of
the fire service training program of the university of Kansas to the house
committee on appropriations on or before February 1, 2005, and each
ensuing year thereafter.

1 Sec. 16. K.S.A. 75-1510 is hereby amended to read as follows: 75-2 1510. There is hereby established the office of state fire marshal *within* 3 the Kansas bureau of investigation. The state fire marshal shall be ap-4 pointed by the governor and shall serve at the pleasure of the governor.  $\mathbf{5}$ Any person appointed state fire marshal on or after July 1, 1982, shall be 6 appointed subject to confirmation by the senate as provided in K.S.A. 75-7 4315b. Any person appointed as state fire marshal The person serving as 8 state fire marshal on the effective date of this act shall continue to serve 9 until January 8, 2007, or the date such person vacates the office, whichever is first. At that time and thereafter, the state fire marshal shall be 10 appointed by the director of the Kansas bureau of investigation and shall 11 12serve at the pleasure of the director. The director shall make the appointment from among three nominees submitted by a nominating committee 13 14comprised of nine members, three appointed by the Kansas firefighters 15association, three appointed by the Kansas professional fire chiefs asso-16 ciation and three appointed by the Kansas association of fire chiefs. Any 17such nominee shall have a knowledge of building construction and, at the time of appointment, shall have had not less than five years' experience 18 in fire safety inspection and investigation. The state fire marshal shall 1920maintain an office in the city of Topeka. 21Sec. 17. K.S.A. 2005 Supp. 76-3319 is hereby amended to read as 22 follows: 76-3319. (a) Notwithstanding any laws or regulations to the con-23trary, the authority shall not be subject to any further process or proce-24dure that requires the submission, review or approval to any capital pro-25ject; however, the authority shall ensure that nationally recognized fire 26prevention code and life safety inspections under K.S.A. 31-132 et seq. 27and amendments thereto of any capital project are conducted and that 28such projects are inspected by the state fire marshal, or the state fire 29marshal's designee by the fire chief or fire inspector of the city, fire dis-30 trict, improvement district or other entity providing fire protection serv-31 ices to the area where the project is located, prior to certification for 32 building occupancy. 33 (b) The authority shall also be subject to any applicable state, county 34 and local building codes. 35 The state building codes shall supersede any like standards of a (c) county or local code unless those standards are more stringent than the 36 37 state standards. 38 Sec. 18. K.S.A. 31-144, 31-148, 31-157, 36-510, 39-928, 40-252, 40-

39 252b, 55-1811, 65-429 and 75-1510 and K.S.A. 2005 Supp. 39-935, 3940 945, 39-946, 75-1508 and 76-3319 are hereby repealed.

41 Sec. 19. This act shall take effect and be in force from and after its42 publication in the statute book.