Journal of the Senate

SIXTY-EIGHTH DAY

SENATE CHAMBER, TOPEKA, KANSAS Saturday, May 4, 2002—10:00 a.m.

The Senate was called to order by President Dave Kerr. The roll was called with forty senators present.

Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,

As a legislator, I pray that You will sharpen my political senses:

Sharpen my sense of taste which enables me to distinguish the bitter from the sweet, along with a willingness to taste before I decide which is which.

Sharpen my sense of touch which makes me tough enough to withstand unfair accusations, but tender enough to feel the pulse of the people.

Sharpen my sense of smell which allows me to sniff out the hidden meanings, and to know when something's fishy.

Sharpen my sense of sight by making me far sighted enough to perceive the future ramifications of today's actions, but blind to the economic or social status of those who seek justice.

Sharpen my sense of hearing keen enough to hear the cries of the needy, but deaf to the calls of the corruptors.

In addition, O God, grant me a portion of that sixth sense, which only You have in its fullness, so I can love the unlovable, forgive the unforgivable, and forget the unforgettable.

I pray in the Name of Christ, Who exemplifies the best of all the senses, AMEN

PRESENTATION OF PETITIONS

The following petition was presented, read and filed:

SP 10, by Senator Dave Jackson: A petition urging the passage of a tax relief package which would positively impact Goodyear Topeka Tire Plant, signed by Larry Cranwell and 530 Goodyear employees.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

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

SENATE RESOLUTIONS No. 1857—

A RESOLUTION congratulating and commending Harold and Elva Mae Dyck.

WHEREAS, Harold and Elva Mae Dyck will be honored an June 10 at the Dyck Arboretum of the Plains in Hesston at a 20th Anniversary Tribute Dinner; and

WHEREAS, The arboretum was a gift of Harold and Elva Mae Dyck. The dream for the arboretum began in the mid 1970's after a visit to the Bartlett Arboretum in Belle Plaine. They began talking about what an arboretum featuring native Kansas plants and trees could mean to the community and to the state. It was their hope that the arboretum would

encourage a better understanding of and appreciation for the open prairies and the simple beauty of Kansas; and

WHEREAS, The site chosen for the arboretum was adjacent to Schowalter Villa and one block south of the Hesston College campus. They wanted it to be close enough to the Villa and the college so that residents and students could walk in it and enjoy it throughout the year. Because of the Dyck's desire to see the arboretum operated as a nonprofit educational facility, Hesston College was chosen as the operating organization. Planning for the project began in the late 1970's with the help of Planning Development Services, a Wichita firm, and the Kansas State University horticultural department. Landscape architect Tim Hanson designed the project. Ted Brantingham oversaw the project from 1984 to 1985 and the following individuals have served as directors of the arboretum: Joe Oppe (1985-87); Jim Locklear (1989-94); Larry Vickerman (1994-2000) and Julie Irish Torseth (2000 to present); and

WHEREAS, The first tree of the Dyck Arboretum of the Plains was Planted October 11, 1981, on the 13 acres that comprise the current gardens. Now in its 20th year, the Dyck Arboretum of the Plains has matured into one of the largest native plant gardens in the region and features more than 600 types of native and adaptable plants, including trees, shrubs, wildflowers and grasses. It will continue to grow as an additional 18 acres called the "Prairie Window Project" is developed south of the present site; and

WHEREAS, In 1999 a Visitor and Education Center was completed after a successful capital campaign. This past year the arboretum attracted 14,000 visitors from 36 states and nine countries: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend Harold and Elva Mae Dyck for their vision of an Arboretum of the Plains, for their continued dedication to this project and for the pleasure they have given to those viewing native Kansas plants and trees at the arboretum; and

Be it further resolved: That the Secretary of the Senate provide an enrolled copy this resolution to Mr. and Mrs. Harold Dyck at 223 Lake Vista Circle, Hesston, Kansas 67062. On emergency motion of Senator Downey SR 1857 was adopted unanimously.

REPORTS OF STANDING COMMITTEES

Committee on **Ways and Means** recommends **HB 3009**, as amended by House Committee of the Whole, be amended on page 1, by striking all in lines 16 through 43;

By striking all on pages 2 through 6;

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

And by renumbering the remaining sections accordingly;

on page 10, after line 34, by inserting the following:

"Sec. 7. K.S.A. 75-4506 is hereby amended to read as follows: 75-4506. No motor vehicle, whether privately or publicly owned, may be parked upon parking lots, facilities or drives of any state owned or operated property or building in Shawnee county, Kansas, except on properties listed as exceptions in K.S.A. 75-4503, or except as authorized under rules and regulations adopted by the secretary of administration as provided in K.S.A. 75-3706 and amendments thereto or, in the case of the statehouse grounds, in accordance with signs posted by the capitol area security patrol. Such rules and regulations may fix and provide for collection of rents, charges or fees and administrative fines and procedures for violation of such rules and regulations to be imposed in connection with and for the use of the parking facilities so owned and operated, and the secretary of administration may enter into any contract or contracts therefor with any state officer or employee or with any board, commission, agency or instrumentality of the state of Kansas. The secretary of administration may design and issue parking permits or other forms of authorization to facilitate the best use of any such parking lots, facilities or drives. Parking permits to park on the statehouse grounds shall be designed and issued in accordance with rules or instructions of the legislative coordinating council. Notwithstanding the foregoing provisions of this section, the secretary of administration shall provide not less than one hundred forty (140) 140 parking spaces to meet the needs of the legislative branch and whenever the legislative coordinating council shall determine that additional parking spaces are necessary the secretary of administration shall provide such number of additional parking spaces as may be specified by the legislative coordinating council.

- Sec. 8. K.S.A. 75-4508 is hereby amended to read as follows: 75-4508. (a) Except as provided in subsection (b), any person who shall violate any of the provisions of K.S.A. 75-4505, 75-4506 or 75-4507 and amendments thereto, or any rule or regulation made thereunder shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than twenty-five dollars (\$25) \$25 or by imprisonment in the county jail for not more than thirty (30) 30 days or by both such fine and imprisonment.
- (b) (1) The secretary of administration is authorized to adopt rules and regulations establishing administrative fines for parking violations in areas where a fee for parking is assessed, except that this subsection shall not apply to parking on the statehouse grounds. Persons paying any such fine shall not be subject to prosecution pursuant to subsection (a) relating to such offense. The secretary of administration shall assign responsibility for enforcement of parking violations under this subsection to the capitol area security patrol, the department of administration or other personnel designated by the secretary.
- (2) Any administrative fines received under this subsection (b) shall be remitted by the secretary of administration to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.
- Sec. 9. K.S.A. 75-4510a is hereby amended to read as follows: 75-4510a. Unlawful state-house parking is parking a vehicle within the statehouse grounds bounded by 8th street, 10th street, Jackson street and Harrison street in the city of Topeka, Kansas:
 - (a) Contrary to any sign posted by the capitol area security patrol;
 - (b) Contrary to any order of an officer of the capitol area security patrol; or
- (c) Without a permit issued under authority of the legislative coordinating council, except for guests in parking spaces posted for guests, emergency vehicles and delivery or maintenance vehicles on authorized business.

Any person found guilty of unlawful statehouse parking shall pay a fine of five dollars (\$5) in accordance with K.S.A. 8-2118, and amendments thereto.

New Sec. 10. (a) The secretary of administration may lease real estate titled in the name of the state of Kansas or any state agency, other than real estate which is held by a state agency under the jurisdiction and control of the state board of regents or by the Kansas department of transportation, upon a finding that such real estate is not currently required for state purposes. No such lease shall be executed until the secretary of administration has consulted with and reviewed the lease with the joint committee on state building construction. Except as otherwise specifically provided by law, the state buildings operating fund shall be utilized for the operating expenses and revenues of any such leased property.

- (b) Any real estate leased by the state pursuant to this section shall be exempt from ad valorem taxation as long as such property is owned by the state of Kansas and such property is:
 - (1) Used by the state of Kansas or any of its agencies;
 - (2) vacant;
 - (3) leased by an entity exempt from the payment of ad valorem taxation; or
 - (4) used for a purpose that is exempt from the payment of ad valorem taxation.

The provisions of K.S.A. 79-201 et seq., and amendments thereto, requiring the requesting and filing of property tax exemptions shall not apply to the exemption provided by this section.

- (c) The only portion of state-owned property that shall not be exempt from ad valorem taxation is the actual space leased by a person or entity that is not exempt from the payment of ad valorem taxation and is not used for a tax exempt purpose. Any common area used by such a lessee that is also used by the state, an entity exempt from the payment of ad valorem taxation or used for the purpose that is exempt from the payment of ad valorem taxation, shall be exempt from ad valorem taxation.
- (d) The provisions of K.S.A. 41-719 and amendments thereto relating to alcoholic liquor and the provisions of K.S.A. 75-3337 *et seq.* and amendments thereto relating to vending facilities on state property shall not be applicable to property leased pursuant to this section unless the lessee is a governmental entity.

- Sec. 11. K.S.A. 2001 Supp. 75-6609 is hereby amended to read as follows: 75-6609. (a) When used in this section, "surplus real estate" means real estate which is no longer needed by the state agency which owns such real estate as determined in accordance with this section.
- (b) (1) The secretary of administration shall develop criteria for the identification of surplus real estate, including but not limited to, a review of any legal restrictions associated with the real estate and the reasons for the state agency to keep the real estate. In accordance with such criteria, the secretary shall assist state agencies in the identification of surplus real estate. The secretary of administration shall periodically review the status of all real estate of state agencies subject to this section to determine if any of the real estate owned by state agencies is potentially surplus real estate. If any real estate owned by a state agency is determined by the secretary of administration, in consultation with the head of the state agency, to be surplus real estate in accordance with the criteria developed under subsection (a), then the secretary of administration shall recommend to the governor that such real estate be sold under the procedures prescribed by this section.
- (2) The secretary of administration shall develop guidelines for the sale of surplus real estate. In accordance with such guidelines and upon the approval of the governor, after consultation with the head of the state agency which owns such surplus real estate, after consultation with the joint committee on state building construction and after approval by the state finance council under subsection (c), the secretary may offer such property for sale by one of the following means: (A) Public auction; (B) by listing the surplus property with a licensed real estate broker or salesperson; or (C) by sealed bid. Subject to the approval of the state finance council as required by subsection (c), the secretary of administration may sell surplus real estate and any improvements thereon on behalf of the state agency which owns such property.
- (c) Prior to the sale of any surplus real estate under subsection (b), the state finance council shall approve the sale, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711, and amendments thereto. The matter may be submitted to the state finance council for approval at any time, including periods of time during which the legislature is in session.
- (d) Prior to offering any real estate for sale, such property shall be appraised pursuant to K.S.A. 75-3043a, and amendments thereto, unless the appraisal is waived as provided in this subsection. The secretary of administration may waive the requirement for appraisal for any parcel of surplus real estate that is to be sold at public auction under this section if the secretary of administration determines that it is in the best interests of the state to waive the requirement for appraisal for such parcel of surplus real estate. The costs of any such appraisal may be paid from the proceeds of the sale.
- (e) Conveyance of title in surplus real estate offered for sale by the secretary of administration shall be executed on behalf of the state agency by the secretary of administration. The deed for the conveyance may be by warranty deed or by quitelaim deed as determined to be in the best interests of the state by the secretary of administration in consultation with the head of the state agency which owns the surplus real estate.
- (f) (1) Any proceeds from the sale of surplus real estate and any improvements thereon, after deduction of the expenses of such sale and any cost of appraisal of the surplus real estate, shall be deposited in the state treasury as prescribed by this subsection, unless otherwise authorized by law. On and after the effective date of this act, a portion 20% of the proceeds from each such sale deposited in the state treasury shall be determined and designated 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 subsection (c) of K.S.A. 75-3711c and amendments thereto and acting on this matter in conjunction with approval of such sale under subsection (c), to be credited to the surplus real estate fund or another appropriate special revenue fund of the state agency which owned the surplus real estate, as is prescribed by law or as may be determined by the state agency, except that such portion shall not exceed the amount equal to 50% of such proceeds unless otherwise required by state or federal law or by the limitations or restrictions of the state's title to the real estate being sold. In the case of proceeds from the sale of surplus real estate at a state mental health institution or a state mental retardation institution, such portion of the pro-

ceeds shall be credited to the client benefit fund of such institution or to another special revenue fund of such institution for (A) rehabilitation and repair or other capital improvements for such institution, or (B) one-time expenditures for community mental health organizations if the real estate sold was at a state mental health institution or for community developmental disabilities organizations if the real estate sold was at a state mental retardation institution, and, in any such case, shall be expended in accordance with the provisions of appropriation acts. After crediting the amount designated by the state finance council, the remainder The remaining 80% of the proceeds from each such sale deposited in the state treasury shall be credited to the state general fund.

- (2) The amount of expenses and the cost of appraisal for each sale of surplus real estate pursuant to this section shall be transferred and credited to the property contingency fund created under K.S.A. 75-3652, and amendments thereto, and may be expended for any operations of the department of administration.
- (3) Any state agency owning real estate may apply to the director of accounts and reports to establish a surplus real estate special revenue fund in the state treasury. Subject to the provisions of appropriation acts, moneys in a surplus real estate special revenue fund may be expended for the operating expenditures of the state agency.
- (g) Any sale of property by the secretary of transportation pursuant to K.S.A. 68-413, and amendments thereto, shall not be subject to the provisions of this section. The provisions of this section shall not be applicable to real estate given as an endowment, bequest, or gift to a state educational institution as defined in subsection (g) of K.S.A. 72-4412, and amendments thereto, or to the university of Kansas medical center.
- (h) Sale of the Olathe travel information center shall not be subject to the provisions of this section."

And by renumbering sections accordingly;

Also on page 10, in line 35, after "K.S.A." by inserting "75-4506, 75-4508, 75-4510a,"; in line 36, by striking "74-4925 and"; also in line 36, after "75-5525" by inserting "and 75-6609".

On page 1, in the title, in line 10, by striking "officers and employees" and inserting "agencies"; in line 11, by striking "retirement annuities;" and inserting "state property operations, parking, leasing and surplus real estate;"; also in line 11, after "K.S.A." by inserting "75-4506, 75-4508, 75-4510a,"; in line 12, by striking "74-4925 and"; in line 13, after "75-5525" by inserting "and 75-6609"; and the bill be passed as amended.

ORIGINAL MOTION

On motion of Senator Harrington, the Senate acceded to the request of the House for a conference on ${\bf HB~2020}$.

The President appointed Senators Harrington, Brungardt and Gooch as conferees on the part of the Senate.

On motion of Senator Oleen, the Senate recessed until 1:00 p.m.

AFTERNOON SESSION

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

MESSAGE FROM THE HOUSE

Announcing, the House nonconcurs in Senate amendments to **HB 2828** and requests a conference and has appointed Representatives Edmonds, Huff and Larkin as conferees on the part of the House.

The House nonconcurs in Senate amendments to **Substitute HB 2285** and requests a conference and has appointed Representatives Boston, Jim Morrison and Showalter as conferees on the part of the House.

ORIGINAL MOTION

Senator Oleen 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: **Sub SB** 467; **SB** 541, **SB** 664; **Sub HB** 2979; **HB** 2991.

CONFERENCE COMMITTEE REPORT

MR. President and Mr. Speaker: Your committee on conference on House amendments to **SB 467**, 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, in line 40, by striking "during the"; in line 41, by striking "preceding 36 months"; in line 42, before "application" by inserting "express authorization,";

On page 2, in line 21, after "agreeing" by inserting "to"; in line 37, before the period by inserting "or in electronic mail messages, other than messages of a sexually explicit or otherwise adult oriented nature, sent to less than 500 recipients per month";

On page 3, in line 8, before the period by inserting 'and the legal name of the person or entity initiating the transmission, including such person's or entity's (i) physical address for the receipt of the United States mail or (ii) a toll free telephone number that the recipient may call to notify the sender not to send any subsequent communications";

On page 4, after line 30, by inserting the following:

"(k) It shall be an affirmative defense to a violation of this section if the person can demonstrate, by clear and convincing evidence, (1) that the sender at the time of the alleged violation had: (A) Maintained a list of consumers who have notified the person not to send any subsequent commercial electronic messages; (B) established and implemented, with due care, reasonable practices and procedures to effectively prevent unsolicited commercial electronic mail messages in violation of this section; (C) trained the sender's personnel in the requirements of this section; and (D) maintained records demonstrating compliance with this section; and (2) the unsolicited commercial electronic message was the result of an error. Such defense shall not be exercised by any person more than once within the state of Kansas in any 12-month period. A person shall be deemed to have exercised such defense if asserted in response to any consumer complaint about a violation of this section, regardless of whether litigation has been initiated.";

Also on page 4, in line 31, by striking "(k)"; in line 34, before "The" by inserting "(l)"; in line 40, by striking "(l)" and inserting "(m)"; by striking all of lines 42 and 43;

On page 5, by striking all of lines 1 through 43; On page 6, by striking all of lines 1 through 10;

And by renumbering the remaining section accordingly;

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

MICHAEL O'NEAL WARD LOYD JANICE L. PAULS Conferees on part of House

KARIN BROWNLEE
NICK JORDAN
JIM BARONE
Conferees on part of Senate

Senator Brownlee moved the Senate adopt the Conference Committee Report on **Sub SB 467**.

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

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: O'Connor.

The Conference Committee report was adopted.

CONFERENCE COMMITTEE REPORT

MR. President and Mr. Speaker: Your committee on conference on House amendments to **SB 541**, 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 21 through 43;

On page 2, by striking all in lines 1 through 12;

By renumbering section 2 as section 1;

Also on page 2, by striking all in lines 42 and 43;

On page 3, by striking all in lines 1 through 43;

On page 4, by striking all in lines 1, 2 and 3; following line 3, by inserting:

- "Sec. 2. K.S.A. 48-928, as amended by section 2 of 2002 Senate Bill No. 629, is hereby amended to read as follows: 48-928. In addition to other duties imposed under this act, the division of emergency management shall:
- (a) Determine the requirements of the state and the counties and cities thereof for food, clothing and other necessities in event of a disaster;
- (b) procure and distribute about the state, such supplies, medicines, materials and equipment which are deemed necessary for use during a disaster;
- (c) promulgate standards and requirements for local and interjurisdictional disaster emergency plans including adequate provisions for the rendering and receipt of mutual aid;
- (d) periodically examine or review and approve local and interjurisdictional disaster emergency plans which are in accordance with the standards and requirements promulgated therefor:
- (e) establish and operate training or public information programs relating to emergency management, and assist counties and cities, the disaster agencies of such counties or cities and interjurisdictional disaster agencies, in the establishment and operation of such programs;
- (f) make surveys of industries, resources and facilities within the state, both public and private, as are necessary to carry out the purposes of this act;
- (g) plan and make arrangements for the availability and use of any private facilities, services and property for emergency management activities and, if necessary and if in fact used, provide for payment for such use under terms and conditions agreed upon;
- (h) establish a register of persons with types of training and skills important in emergency management activities;
- (i) establish a register of mobile and construction equipment and temporary housing available for use in a disaster;
- (j) prepare drafts of orders or proclamations for the governor as necessary or appropriate in coping with disasters;
- (k) serve, for all those agencies which regulate any matter affecting the transportation of hazardous materials:
 - (1) As the coordinating and supervising state agency; and
 - (2) to provide continuing liaison between such state agencies;
- (l) establish an informational system under which state agencies shall notify the division of emergency management;
- (m) cooperate with the federal government and any public or private agency or entity in achieving any purpose of this act and in implementing programs for disaster prevention, preparation response and recovery;
- (n) under the direction of the adjutant general, develop a regional emergency management system which includes the use of regional coordinators that provide training and preparation of state, county, city and interjurisdictional disaster agencies to prevent, respond to, mitigate and recover from emergency and disaster situations; and

- (o) under the direction of the adjutant general, implement the use of an incident management system during emergency and disaster situations by all state, county, city and interjurisdictional disaster agencies which respond to such emergency or disaster situations;
- (p) develop and administer a program to provide financial assistance to cities, counties or interjurisdictional disaster agencies for the development and implementation of a terrorism preparedness program. Such program shall provide criteria for receiving such financial assistance and such other conditions as the division may deem necessary; and
- (q) develop, implement and administer, with the assistance and advice of the commission on emergency planning and response, a plan for regional emergency medical response

By renumbering sections accordingly:

On page 15, in line 20, following "48-928", by inserting ", as amended by section 2 of

2002 Senate Bill No. 629,"; in line 21, by striking "48-904,";
In the title, in line 12, by striking "developing"; by striking all in line 13; in line 14, by striking all before the semicolon and inserting "concerning the powers and duties thereof"; in line 16, following "48-928" by inserting ", as amended by section 2 of 2002 Senate Bill No. 629,"; also in line 16, by striking all after "44-511,"; in line 17, by striking "904,";

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

CARL C. KREHBIEL LEE TAFANELLI JOE SHRIVER Conferees on part of House PETE BRUNGARDT JIM BARNETT . U. L. Gooch Conferees on part of Senate

Senator Brungardt moved the Senate adopt the Conference Committee Report on SB 541.

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

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Navs: O'Connor.

The Conference Committee report was adopted.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2979, 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 as Substitute for House Bill No. 2979, as amended by Senate Committee of the Whole, as follows:

On page 1, in line 34, by striking "or" the second time it appears; in line 35, by striking "otherwise"; by striking all in lines 39 through 43;

On page 2, by striking all in lines 1 through 18;

And by renumbering sections accordingly;

On page 1, in the title, in line 15, by striking all after "lienholders"; in line 16, by striking "counties":

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

JOHN VRATIL
EDWARD W. PUGH
GRETA GOODWIN
Conferees on part of Senate
MICHAEL O'NEAL
WARD LOYD

WARD LOYD
JANICE L. PAULS

Conferees on part of House

Senator Vratil moved the Senate adopt the Conference Committee Report on ${\bf Sub~HB}$ 2979

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

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The Conference Committee report was adopted.

FINAL ACTION OF BILLS AND CONCURRENT RESOLUTIONS

 $\bf SB~664$, An act reconciling amendments to certain statutes; amending K.S.A. 2001 Supp. 65-171d, 72-979, 74-3256, 74-3267a, 74-3298, 74-32,107, 74-32,138 and 74-4921 and repealing the existing sections; also repealing K.S.A. 2001 Supp. 19-2881c, 65-171z, 72-979a, 74-3256a, 74-3267b, 74-3298a, 74-32,107a, 74-32,138a and 74-4921b, was considered on final action.

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

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The bill passed, as amended.

HB 2991, An act relating to fire service training; concerning the university of Kansas; establishing the Kansas fire service training commission; authorizing certain transfers to such fund; amending K.S.A. 76-327 and repealing the existing section, was considered on final action.

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

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The bill passed, as amended.

COMMITTEE OF THE WHOLE

On motion of Senator Oleen, the Senate resolved itself into Committee of the Whole for consideration of bills on the calendar under the heading of General Orders with Senator Adkins in the chair.

On motion of Senator Adkins the following report was adopted:

Recommended ${\bf HB~3032}$ be passed.

The following amendments to **HB 3032** were rejected:

Senator O'Connor moved to amend the bill as amended by House Committee, on page 3, following line 20, by inserting:

"Sec. 2. K.S.A. 12-2536 through 12-2540 are hereby repealed.";

And by renumbering the remaining section accordingly;

In the title, in line 10, following "ACT" by inserting "concerning certain municipalities; relating to taxation;"; in line 12, before the period, by inserting "; repealing K.S.A. 12-2536 through 12-2540"

Senator O'Connor moved to amend the bill as amended by House Committee, on page 2, in line 27, before "Section" by inserting "New";

On page 3, by striking all in lines 21 and 22 and inserting:

"New Sec. 2. This act shall be known and may be cited as the bi-state county equity act.

Sec. 3. K.S.A. 12-2536 is hereby amended to read as follows: 12-2536. The Kansas and Missouri metropolitan culture district compact is hereby enacted into law and entered into by the state of Kansas with the state of Missouri legally joining therein, in the form substantially as follows:

Kansas and Missouri Metropolitan Culture District Compact

Article I.—Agreement and Pledge

The states of Kansas and Missouri agree to and pledge, each to the other, faithful cooperation in the future planning and development of the metropolitan culture district, holding in high trust for the benefit of its people and of the nation, the special blessings and natural advantages thereof.

Article II.—Policy and Purpose

The party states, desiring by common action to fully utilize and improve their cultural facilities, coordinate the services of their cultural organizations, enhance the cultural activities of their citizens, and achieve solid financial support for such cultural facilities, organizations and activities, declare that it is the policy of each state to realize such desires on a basis of cooperation with one another, thereby serving the best interests of their citizenry and effecting economies in capital expenditures and operational costs. The purpose of this compact is to provide for the creation of a metropolitan culture district as the means to implementation of the policy herein declared with the most beneficial and economical use of human and material resources.

Article III.—Definitions

As used in this compact, unless the context clearly requires otherwise:

- (a) "Metropolitan culture district" means a political subdivision of the states of Kansas and Missouri which is created under and pursuant to the provisions of this compact and which is composed of the counties in the states of Kansas and Missouri which act to create or to become a part of the district in accordance with the provisions of Article IV.
 - (b) "Commission" means the governing body of the metropolitan culture district.
- (c) "Cultural activities" means sports or activities which contribute to or enhance the aesthetic, artistic, historical, intellectual or social development or appreciation of members of the general public.
- (d) "Cultural organizations" means nonprofit and tax exempt social, civic or community organizations and associations which are dedicated to the development, provision, operation, supervision, promotion or support of cultural activities in which members of the general public may engage or participate.
- (e) "Cultural facilities" means facilities operated or used for sports or participation or engagement in cultural activities by members of the general public.

Article IV.—The District

(a) The counties in Kansas and Missouri eligible to create and initially compose the metropolitan culture district shall be those counties which meet one or more of the following criteria: (1) The county has a population in excess of 300,000, and is adjacent to the state line; (2) the county contains a part of a city with a population according to the most recent federal census of at least 400,000; or (3) the county is contiguous to any county described in provisions (1) or (2) of this subpart (a). The counties of Johnson in Kansas and Jackson in Missouri shall be *sine qua non* to the creation and initial composition of the district.

Additional counties in Kansas and Missouri shall be eligible to become a part of the metropolitan culture district if such counties are contiguous to any one or more of the counties which compose the district and within 60 miles of the counties required by this article to establish the district.

- (b) (1) Whenever the governing body of any county which is eligible to create or become a part of the metropolitan culture district shall determine that creation of or participation in the district is in the best interests of the citizens of the county and that the levy of a tax to provide on a cooperative basis with another county or other counties for financial support of the district would be economically practical and cost beneficial to the citizens of the county, the governing body may adopt by majority vote a resolution authorizing the same.
- (2) Whenever a petition, signed by not less than the number of qualified electors of an eligible county equal to 5% of the number of ballots cast and counted at the last preceding gubernatorial election held in the county and requesting adoption of a resolution authorizing creation of or participation in the metropolitan culture district and the levy of a tax for the purpose of contributing to the financial support of the district, is filed with the governing body of the county, the governing body shall adopt such a resolution.
- (3) Implementation of a resolution adopted under this subpart (b) shall be conditioned upon approval of the resolution by a majority of the qualified electors of the county voting at an election conducted for such purpose.
- (c) (1) Upon adoption of a resolution pursuant to subpart (b)(1) or subpart (b)(2), the governing body of the county shall request, within 36 months after adoption of the resolution, the county election officer to submit to the qualified electors of the county the question of whether the governing body shall be authorized to implement the resolution. The resolution shall be printed on the ballot and in the notice of election. The question shall be submitted to the electors of the county at the primary or general election next following the date of the request filled with the county election officer. If a majority of the qualified electors are opposed to implementation of the resolution authorizing creation of or participation in the district and the levy of a tax for financial support thereof, the same shall not be implemented. The governing body of the county may renew procedures for authorization to create or become a part of the district and to levy a tax for financial support thereof at any time following rejection of the question.

for the support of cultural facilities and organizations within the district?"

The governing body of the county may place additional language on the ballot to describe the use or allocation of the funds.

- (d) (1) The metropolitan culture district shall be created when implementation of a resolution authorizing the creation of the district and the levy of a tax for contribution to the financial support thereof is approved by respective majorities of the qualified electors of at least Johnson county, Kansas, and Jackson county, Missouri.
- (2) When implementation of a resolution authorizing participation in the metropolitan culture district and the levy of a tax for contribution to the financial support thereof is approved by a majority of the qualified electors of any county eligible to become a part of the district, the governing body of the county shall proceed with the performance of all things necessary and incidental to participation in the district.
- (3) Any question for the levy of a tax submitted after July 1, 2000, may be submitted to the electors of the county at the primary or general election next following the date of the request filed with the county election officer; at a special election called and held as otherwise provided by law; at an election called and held on the first Tuesday after the first Monday in February, except in presidential election years; at an election called and held on the first Tuesday after the first Monday in March, June, August or November; or at an

election called and held on the first Tuesday in April, except that no question for a tax levy may be submitted to the electors prior to January 1, 2002.

- (4) No question shall be submitted to the electors authorizing the levy of a tax the proceeds of which will be exclusively dedicated to sports or sports facilities.
- (e) Any of the counties composing the metropolitan culture district may withdraw from the district by adoption of a resolution and approval of the resolution by a majority of the qualified electors of the county, all in the same manner provided in this Article IV for creating or becoming a part of the metropolitan culture district. The governing body of a withdrawing county shall provide for the sending of formal written notice of withdrawal from the district to the governing body of the other county or each of the other counties comprising the district. Actual withdrawal shall not take effect until 90 days after notice has been sent. A withdrawing county shall not be relieved from any obligation which such county may have assumed or incurred by reason of being a part of the district, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district.

Article V.—The Commission

- (a) The metropolitan culture district shall be governed by the metropolitan culture commission which shall be a body corporate and politic and which shall be composed of resident electors of the states of Kansas and Missouri, respectively, as follows: (1) A member of the governing body of each county which is a part of the district, who shall be appointed by majority vote of such governing body; (2) a member of the governing body of each city, with a population according to the most recent federal census of at least 50,000, located in whole or in part within each county which is a part of the district, who shall be appointed by majority vote of such governing body; (3) two members of the governing body of a county with a consolidated or unified county government and city of the first class which is a part of the district, who shall be appointed by majority vote of such governing body; (4) a member of the arts commission of Kansas or the Kansas commission for the humanities, who shall be appointed by the governor of Kansas; and (5) a member of the arts commission of Missouri or the Missouri humanities council, who shall be appointed by the governor of Missouri. To the extent possible, the gubernatorial appointees to the commission shall be residents of the district. The term of each commissioner initially appointed by a county governing body shall expire concurrently with such commissioner's tenure as a county officer or three years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a county governing body shall expire concurrently with such successor commissioner's tenure as a county officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner initially appointed by a city governing body shall expire concurrently with such commissioner's tenure as a city officer or two years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a city governing body shall expire concurrently with such successor commissioner's tenure as a city officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner appointed by the governor of Kansas or the governor of Missouri shall expire concurrently with the term of the appointing governor, the commissioner's tenure as a state officer, or four years after the date of appointment as a commissioner of the district, whichever occurs sooner. Any vacancy occurring in a commissioner position for reasons other than expiration of terms of office shall be filled for the unexpired term by appointment in the same manner that the original appointment was made. Any commissioner may be removed for cause by the appointing authority of the commissioner.
- (b) The commission shall select annually, from its membership, a chairperson, a vice-chairperson, and a treasurer. The treasurer shall be bonded in such amounts as the commission may require.
- (c) The commission may appoint such officers, agents and employees as it may require for the performance of its duties, and shall determine the qualifications and duties and fix the compensation of such officers, agents and employees.

- (d) The commission shall fix the time and place at which its meetings shall be held. Meetings shall be held within the district and shall be open to the public. Public notice shall be given of all meetings.
- (e) A majority of the commissioners from each state shall constitute, in the aggregate, a quorum for the transaction of business. No action of the commission shall be binding unless taken at a meeting at which at least a quorum is present, and unless a majority of the commissioners from each state, present at such meeting, shall vote in favor thereof. No action of the commission taken at a meeting thereof shall be binding unless the subject of such action is included in a written agenda for such meeting, the agenda and notice of meeting having been mailed to each commissioner by postage paid first-class mail at least 14 calendar days prior to the meeting.
- (f) The commissioners from each state shall be subject to the provisions of the laws of the states of Kansas and Missouri, respectively, which relate to conflicts of interest of public officers and employees. If any commissioner has a direct or indirect financial interest in any cultural facility, organization or activity supported by the district or commission or in any other business transaction of the district or commission, the commissioner shall disclose such interest in writing to the other commissioners and shall abstain from voting on any matter relating to such facility, organization or activity or to such business transaction.
- (g) If any action at law or equity, or other legal proceeding, shall be brought against any commissioner for any act or omission arising out of the performance of duties as a commissioner, the commissioner shall be indemnified in whole and held harmless by the commission for any judgment or decree entered against the commissioner and, further, shall be defended at the cost and expense of the commission in any such proceeding.

Article VI.—Powers and Duties of the Commission

- $\mbox{(a)}$ The commission shall adopt a seal and suitable by laws governing its management and procedure.
- (b) The commission has the power to contract and to be contracted with, and to sue and to be sued.
- (c) The commission may receive for any of its purposes and functions any contributions or moneys appropriated by counties or cities and may solicit and receive any and all donations, and grants of money, equipment, supplies, materials and services from any state or the United States or any agency thereof, or from any institution, foundation, organization, person, firm or corporation, and may utilize and dispose of the same.
- (d) Upon receipt of recommendations from the advisory committee provided in subsection (g), the commission may provide donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities or activities in counties which are part of the district. In determining whether to provide any such support the commission shall consider the following factors:
 - Economic impact upon the district;
 - (2) cultural benefit to citizens of the district and to the general public;
 - (3) contribution to the quality of life and popular image of the district;
- (4) contribution to the geographical balance of cultural facilities and activities within and outside the district;
 - (5) the breadth of popular appeal within and outside the district;
- (6) the needs of the community as identified in an objective cultural needs assessment study of the metropolitan area; and
 - (7) any other factor deemed appropriate by the commission.
- (e) The commission may own and acquire by gift, purchase, lease or devise cultural facilities within the territory of the district. The commission may plan, construct, operate and maintain and contract for the operation and maintenance of cultural facilities within the territory of the district. The commission may sell, lease or otherwise dispose of cultural facilities within the territory of the district.
- (f) At any time following five years from and after the creation of the metropolitan cultural district as provided in paragraph (1) of subsection (d) of article IV, the commission, may borrow moneys for the planning, construction, equipping, operation, maintenance,

repair, extension, expansion, or improvement of any cultural facility and, in that regard, the commission at such time may:

- (1) Issue notes, bonds or other instruments in writing of the commission in evidence of the sum or sums to be borrowed. No notes, bonds or other instruments in writing shall be issued pursuant to this subsection until the issuance of such notes, bonds or instruments has been submitted to and approved by a majority of the qualified electors of the district voting at an election called and held thereon. Such election shall be called and held in the manner provided by the general bond law;
- (2) issue refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its outstanding indebtedness from time to time, whether evidenced by notes, bonds or other instruments in writing. Such refunding notes, bonds or other instruments in writing shall not exceed in amount the principal of the outstanding indebtedness to be refunded and the accrued interest thereon to the date of such refunding;
- (3) provide that all notes, bonds and other instruments in writing issued hereunder shall or may be payable, both as to principal and interest, from sales tax revenues authorized under this compact and disbursed to the district by counties comprising the district, admissions and other revenues collected from the use of any cultural facility or facilities constructed hereunder, or from any other resources of the commission, and further may be secured by a mortgage or deed of trust upon any property interest of the commission; and
- (4) prescribe the details of all notes, bonds or other instruments in writing, and of the issuance and sale thereof. The commission shall have the power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers granted herein, without further legislative authority.
- (g) The commission shall appoint an advisory committee composed of members of the general public consisting of an equal number of persons from both the states of Kansas and Missouri who have demonstrated interest, expertise, knowledge or experience in cultural organizations or activities. Subject to the provisions of subsection (l), the advisory committee shall make recommendations annually to the commission regarding donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities and activities in counties which are part of the district.
- (h) The commission may provide for actual and necessary expenses of commissioners and advisory committee members incurred in the performance of their official duties.
- (i) The commission shall cause to be prepared annually a report on the operations and transactions conducted by the commission during the preceding year. The report shall be submitted to the legislatures and governors of the compacting states, to the governing bodies of the counties comprising the district, and to the governing body of each city that appoints a commissioner. The commission shall publish the annual report in the official county newspaper of each of the counties comprising the district.
- (j) The commission has the power to apply to the congress of the United States for its consent and approval of the compact. In the absence of the consent of congress and until consent is secured, the compact is binding upon the states of Kansas and Missouri in all respects permitted by law for the two states, without the consent of congress, for the purposes enumerated and in the manner provided in the compact.
- (k) The commission has the power to perform all other necessary and incidental functions and duties and to exercise all other necessary and appropriate powers not inconsistent with the constitution or laws of the United States or of either of the states of Kansas or Missouri to effectuate the same.
- (l) (1) Except as provided by this subsection, at least 45% of all moneys expended by, or authorized to be expended by the commission, in the form of donations, contributions and grants or other financial support for, or in aid of, cultural organizations, facilities and activities within the district shall be expended within each party state.
- (2) The provisions of this subsection shall not apply to the expenditure of nonpublic moneys derived from gifts, donations, bequests or other contributions which require a specific use as a condition of the receipt thereof.

Article VII.—Finance

- (a) The moneys necessary to finance the operation of the metropolitan culture district and the execution of the powers, duties and responsibilities of the commission shall be appropriated to the commission by the counties comprising the district. The moneys to be appropriated to the commission shall be raised by the governing bodies of the respective counties by the levy of taxes as authorized by the legislatures of the respective party states.
- (b) The commission shall not incur any indebtedness or obligation of any kind; nor shall the commission pledge the credit of either or any of the counties comprising the district or either of the states party to this compact, except as authorized by article VI. The budget of the district shall be prepared, adopted and published as provided by law for other political subdivisions of the party states. No budget shall be adopted by the commission until it has been submitted to and reviewed by the governing bodies of the counties comprising the district and the governing body of each city represented on the commission.
- (c) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the commission.
- (d) The accounts of the commission shall be open at any reasonable time for inspection by duly authorized representatives of the compacting states, the counties comprising the district, the cities that appoint a commissioner, and other persons authorized by the commission.

Article VIII.—Entry into Force

- (a) This compact shall enter into force and become effective and binding upon the states of Kansas and Missouri when it has been enacted into law by the legislatures of the respective states $\frac{1}{2}$
- (b) Amendments to the compact shall become effective upon enactment by the legislatures of the respective states.

Article IX.—Termination

This compact shall continue in force and remain binding upon a party state until its legislature shall have enacted a statute repealing the same and providing for the sending of formal written notice of enactment of such statute to the legislature of the other party state. Upon enactment of such a statute by the legislature of either party state, the sending of notice thereof to the other party state, and payment of any obligations which the metropolitan culture district commission may have incurred prior to the effective date of such statute, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district, the agreement of the party states embodied in the compact shall be deemed fully executed, the compact shall be null and void and of no further force or effect, the metropolitan culture district shall be dissolved, and the metropolitan culture district commission shall be abolished.

Article X.—Construction and Severability

The provisions of this compact shall be liberally construed and shall be severable. If any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of either of the party states or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of either of the states party thereto, the compact shall thereby be nullified and voided and of no further force or effect.

- Sec. 4. K.S.A. 12-2536 is hereby repealed.
- Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.";
 - In the title, by striking all in lines 10, 11 and 12 and inserting:
- "AN ACT concerning certain municipalities; relating to sales and use taxes; enacting the bi-state county equity act; concerning the Kansas and Missouri metropolitan culture district

compact; relating to the distribution of revenues; amending K.S.A. 12-2536 and repealing the existing section."

Senator O'Connor moved to amend the bill as amended by House Committee, on page 2, in line 27, before "Section", by inserting "New";

On page 3, by striking all in lines 21 and 22 and inserting:

"New Sec. 2. This act shall be known and may be cited as the bi-state sales tax priority act.

Sec. 3. K.S.A. 12-2536 is hereby amended to read as follows: 12-2536. The Kansas and Missouri metropolitan culture district compact is hereby enacted into law and entered into by the state of Kansas with the state of Missouri legally joining therein, in the form substantially as follows:

Kansas and Missouri Metropolitan Culture District Compact

Article I.—Agreement and Pledge

The states of Kansas and Missouri agree to and pledge, each to the other, faithful cooperation in the future planning and development of the metropolitan culture district, holding in high trust for the benefit of its people and of the nation, the special blessings and natural advantages thereof.

Article II.—Policy and Purpose

The party states, desiring by common action to fully utilize and improve their cultural facilities, coordinate the services of their cultural organizations, enhance the cultural activities of their citizens, and achieve solid financial support for such cultural facilities, organizations and activities, declare that it is the policy of each state to realize such desires on a basis of cooperation with one another, thereby serving the best interests of their citizenry and effecting economies in capital expenditures and operational costs. The purpose of this compact is to provide for the creation of a metropolitan culture district as the means to implementation of the policy herein declared with the most beneficial and economical use of human and material resources.

Article III.—Definitions

As used in this compact, unless the context clearly requires otherwise:

- (a) "Metropolitan culture district" means a political subdivision of the states of Kansas and Missouri which is created under and pursuant to the provisions of this compact and which is composed of the counties in the states of Kansas and Missouri which act to create or to become a part of the district in accordance with the provisions of Article IV.
 - (b) "Commission" means the governing body of the metropolitan culture district.
- (c) "Cultural activities" means sports or activities which contribute to or enhance the aesthetic, artistic, historical, intellectual or social development or appreciation of members of the general public.
- (d) "Cultural organizations" means nonprofit and tax exempt social, civic or community organizations and associations which are dedicated to the development, provision, operation, supervision, promotion or support of cultural activities in which members of the general public may engage or participate.
- (e) "Cultural facilities" means facilities operated or used for sports or participation or engagement in cultural activities by members of the general public.

Article IV.—The District

(a) The counties in Kansas and Missouri eligible to create and initially compose the metropolitan culture district shall be those counties which meet one or more of the following criteria: (1) The county has a population in excess of 300,000, and is adjacent to the state line; (2) the county contains a part of a city with a population according to the most recent federal census of at least 400,000; or (3) the county is contiguous to any county described in provisions (1) or (2) of this subpart (a). The counties of Johnson in Kansas and Jackson in Missouri shall be sine qua non to the creation and initial composition of the district. Additional counties in Kansas and Missouri shall be eligible to become a part of the metropolitan culture district if such counties are contiguous to any one or more of the counties

which compose the district and within 60 miles of the counties required by this article to establish the district.

- (b) (1) Whenever the governing body of any county which is eligible to create or become a part of the metropolitan culture district shall determine that creation of or participation in the district is in the best interests of the citizens of the county and that the levy of a tax to provide on a cooperative basis with another county or other counties for financial support of the district would be economically practical and cost beneficial to the citizens of the county, the governing body may adopt by majority vote a resolution authorizing the
- (2) Whenever a petition, signed by not less than the number of qualified electors of an eligible county equal to 5% of the number of ballots cast and counted at the last preceding gubernatorial election held in the county and requesting adoption of a resolution authorizing creation of or participation in the metropolitan culture district and the levy of a tax for the purpose of contributing to the financial support of the district, is filed with the governing body of the county, the governing body shall adopt such a resolution.
- (3) Implementation of a resolution adopted under this subpart (b) shall be conditioned upon approval of the resolution by a majority of the qualified electors of the county voting at an election conducted for such purpose.
- (c) (1) Upon adoption of a resolution pursuant to subpart (b)(1) or subpart (b)(2), the governing body of the county shall request, within 36 months after adoption of the resolution, the county election officer to submit to the qualified electors of the county the question of whether the governing body shall be authorized to implement the resolution. The resolution shall be printed on the ballot and in the notice of election. The question shall be submitted to the electors of the county at the primary or general election next following the date of the request filed with the county election officer. If a majority of the qualified electors are opposed to implementation of the resolution authorizing creation of or participation in the district and the levy of a tax for financial support thereof, the same shall not be implemented. The governing body of the county may renew procedures for authorization to create or become a part of the district and to levy a tax for financial support thereof at any time following rejection of the question.
 - (2) The ballot for the proposition in any county shall be substantially the following form:

"Shall a retail sales tax of	☐ Ye
(insert amount, not to exceed ½ cent)	
be levied and collected in Kansas and Missouri metropolitan cultural dis-	□ No
trict consisting of the county(ies) of	
(insert name of counties)	
Continue and the first term of a second continue and the second continue and t	

for the support of cultural facilities and organizations within the district?

The governing body of the county may place additional language on the ballot to describe the use or allocation of the funds.

- $(d) \ \ (1) \quad \textit{All sales of food for human consumption and all sales of nonprescription drugs}$ shall be exempt from the tax levied and collected pursuant to this compact.
 - (2) When used in this subsection:
- (A) "Food for human consumption" shall not mean any meal prepared for immediate consumption on or off the premises of a retailer or food sold through vending machines.
- (B) "Nonprescription drugs" mean drugs which are not already exempt pursuant to K.S.A. 79-3606, and amendments thereto.
- $\frac{d}{d}(e)$ (1) The metropolitan culture district shall be created when implementation of a resolution authorizing the creation of the district and the levy of a tax for contribution to the financial support thereof is approved by respective majorities of the qualified electors of at least Johnson county, Kansas, and Jackson county, Missouri.
- (2) When implementation of a resolution authorizing participation in the metropolitan culture district and the levy of a tax for contribution to the financial support thereof is approved by a majority of the qualified electors of any county eligible to become a part of the district, the governing body of the county shall proceed with the performance of all things necessary and incidental to participation in the district.

- (3) Any question for the levy of a tax submitted after July 1, 2000, may be submitted to the electors of the county at the primary or general election next following the date of the request filed with the county election officer; at a special election called and held as otherwise provided by law; at an election called and held on the first Tuesday after the first Monday in February, except in presidential election years; at an election called and held on the first Tuesday after the first Monday in March, June, August or November; or at an election called and held on the first Tuesday in April, except that no question for a tax levy may be submitted to the electors prior to January 1, 2002.
- (4) No question shall be submitted to the electors authorizing the levy of a tax the proceeds of which will be exclusively dedicated to sports or sports facilities.
- (e) (f) Any of the counties composing the metropolitan culture district may withdraw from the district by adoption of a resolution and approval of the resolution by a majority of the qualified electors of the county, all in the same manner provided in this Article IV for creating or becoming a part of the metropolitan culture district. The governing body of a withdrawing county shall provide for the sending of formal written notice of withdrawal from the district to the governing body of the other county or each of the other counties comprising the district. Actual withdrawal shall not take effect until 90 days after notice has been sent. A withdrawing county shall not be relieved from any obligation which such county may have assumed or incurred by reason of being a part of the district, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district.

Article V.—The Commission

(a) The metropolitan culture district shall be governed by the metropolitan culture commission which shall be a body corporate and politic and which shall be composed of resident electors of the states of Kansas and Missouri, respectively, as follows: (1) A member of the governing body of each county which is a part of the district, who shall be appointed by majority vote of such governing body; (2) a member of the governing body of each city, with

a population according to the most recent federal census of at least 50,000, located in whole or in part within each county which is a part of the district, who shall be appointed by majority vote of such governing body; (3) two members of the governing body of a county with a consolidated or unified county government and city of the first class which is a part of the district, who shall be appointed by majority vote of such governing body; (4) a member of the arts commission of Kansas or the Kansas commission for the humanities, who shall be appointed by the governor of Kansas; and (5) a member of the arts commission of Missouri or the Missouri humanities council, who shall be appointed by the governor of Missouri. To the extent possible, the gubernatorial appointees to the commission shall be residents of the district. The term of each commissioner initially appointed by a county governing body shall expire concurrently with such commissioner's tenure as a county officer or three years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a county governing body shall expire concurrently with such successor commissioner's tenure as a county officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner initially appointed by a city governing body shall expire concurrently with such commissioner's tenure as a city officer or two years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a city governing body shall expire concurrently with such successor commissioner's tenure as a city officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner appointed by the governor of Kansas or the governor of Missouri shall expire concurrently with the term of the appointing governor, the commissioner's tenure as a state officer, or four years after the date of appointment as a commissioner of the district, whichever occurs sooner. Any vacancy occurring in a commissioner position for reasons other than expiration of terms of office shall be filled for the unexpired term by appointment in the same manner that the original appointment was made. Any commissioner may be removed for cause by the appointing authority of the commissioner.

- (b) The commission shall select annually, from its membership, a chairperson, a vice-chairperson, and a treasurer. The treasurer shall be bonded in such amounts as the commission may require.
- (c) The commission may appoint such officers, agents and employees as it may require for the performance of its duties, and shall determine the qualifications and duties and fix the compensation of such officers, agents and employees.
- (d) The commission shall fix the time and place at which its meetings shall be held. Meetings shall be held within the district and shall be open to the public. Public notice shall be given of all meetings.
- (e) A majority of the commissioners from each state shall constitute, in the aggregate, a quorum for the transaction of business. No action of the commission shall be binding unless taken at a meeting at which at least a quorum is present, and unless a majority of the commissioners from each state, present at such meeting, shall vote in favor thereof. No action of the commission taken at a meeting thereof shall be binding unless the subject of such action is included in a written agenda for such meeting, the agenda and notice of meeting having been mailed to each commissioner by postage paid first-class mail at least 14 calendar days prior to the meeting.
- (f) The commissioners from each state shall be subject to the provisions of the laws of the states of Kansas and Missouri, respectively, which relate to conflicts of interest of public officers and employees. If any commissioner has a direct or indirect financial interest in any cultural facility, organization or activity supported by the district or commission or in any other business transaction of the district or commission, the commissioner shall disclose such interest in writing to the other commissioners and shall abstain from voting on any matter relating to such facility, organization or activity or to such business transaction.
- (g) If any action at law or equity, or other legal proceeding, shall be brought against any commissioner for any act or omission arising out of the performance of duties as a commissioner, the commissioner shall be indemnified in whole and held harmless by the commission for any judgment or decree entered against the commissioner and, further, shall be defended at the cost and expense of the commission in any such proceeding.

Article VI.—Powers and Duties of the Commission

- (a) The commission shall adopt a seal and suitable bylaws governing its management and procedure.
- (b) The commission has the power to contract and to be contracted with, and to sue and to be sued.
- (c) The commission may receive for any of its purposes and functions any contributions or moneys appropriated by counties or cities and may solicit and receive any and all donations, and grants of money, equipment, supplies, materials and services from any state or the United States or any agency thereof, or from any institution, foundation, organization, person, firm or corporation, and may utilize and dispose of the same.
- (d) Upon receipt of recommendations from the advisory committee provided in subsection (g), the commission may provide donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities or activities in counties which are part of the district. In determining whether to provide any such support the commission shall consider the following factors:
 - (1) Economic impact upon the district;
 - 2) cultural benefit to citizens of the district and to the general public;
 - (3) contribution to the quality of life and popular image of the district;
- (4) contribution to the geographical balance of cultural facilities and activities within and outside the district;
 - $(5) \quad the \ breadth \ of \ popular \ appeal \ within \ and \ outside \ the \ district;$
- (6) the needs of the community as identified in an objective cultural needs assessment study of the metropolitan area; and
 - (7) any other factor deemed appropriate by the commission.
- (e) The commission may own and acquire by gift, purchase, lease or devise cultural facilities within the territory of the district. The commission may plan, construct, operate and maintain and contract for the operation and maintenance of cultural facilities within

the territory of the district. The commission may sell, lease or otherwise dispose of cultural facilities within the territory of the district.

- (f) At any time following five years from and after the creation of the metropolitan cultural district as provided in paragraph (1) of subsection (d) of article IV, the commission, may borrow moneys for the planning, construction, equipping, operation, maintenance, repair, extension, expansion, or improvement of any cultural facility and, in that regard, the commission at such time may:
- (1) Issue notes, bonds or other instruments in writing of the commission in evidence of the sum or sums to be borrowed. No notes, bonds or other instruments in writing shall be issued pursuant to this subsection until the issuance of such notes, bonds or instruments has been submitted to and approved by a majority of the qualified electors of the district voting at an election called and held thereon. Such election shall be called and held in the manner provided by the general bond law;
- (2) issue refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its outstanding indebtedness from time to time, whether evidenced by notes, bonds or other instruments in writing. Such refunding notes, bonds or other instruments in writing shall not exceed in amount the principal of the outstanding indebtedness to be refunded and the accrued interest thereon to the date of such refunding;
- (3) provide that all notes, bonds and other instruments in writing issued hereunder shall or may be payable, both as to principal and interest, from sales tax revenues authorized under this compact and disbursed to the district by counties comprising the district, admissions and other revenues collected from the use of any cultural facility or facilities constructed hereunder, or from any other resources of the commission, and further may be secured by a mortgage or deed of trust upon any property interest of the commission; and
- (4) prescribe the details of all notes, bonds or other instruments in writing, and of the issuance and sale thereof. The commission shall have the power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers granted herein, without further legislative authority.
- (g) The commission shall appoint an advisory committee composed of members of the general public consisting of an equal number of persons from both the states of Kansas and Missouri who have demonstrated interest, expertise, knowledge or experience in cultural organizations or activities. The advisory committee shall make recommendations annually to the commission regarding donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities and activities in counties which are part of the district.
- (\hat{h}) The commission may provide for actual and necessary expenses of commissioners and advisory committee members incurred in the performance of their official duties.
- (i) The commission shall cause to be prepared annually a report on the operations and transactions conducted by the commission during the preceding year. The report shall be submitted to the legislatures and governors of the compacting states, to the governing bodies of the counties comprising the district, and to the governing body of each city that appoints a commissioner. The commission shall publish the annual report in the official county newspaper of each of the counties comprising the district.
- (j) The commission has the power to apply to the congress of the United States for its consent and approval of the compact. In the absence of the consent of congress and until consent is secured, the compact is binding upon the states of Kansas and Missouri in all respects permitted by law for the two states, without the consent of congress, for the purposes enumerated and in the manner provided in the compact.
- (k) The commission has the power to perform all other necessary and incidental functions and duties and to exercise all other necessary and appropriate powers not inconsistent with the constitution or laws of the United States or of either of the states of Kansas or Missouri to effectuate the same.

Article VII.—Finance

(a) The moneys necessary to finance the operation of the metropolitan culture district and the execution of the powers, duties and responsibilities of the commission shall be

appropriated to the commission by the counties comprising the district. The moneys to be appropriated to the commission shall be raised by the governing bodies of the respective counties by the levy of taxes as authorized by the legislatures of the respective party states.

- (b) The commission shall not incur any indebtedness or obligation of any kind; nor shall the commission pledge the credit of either or any of the counties comprising the district or either of the states party to this compact, except as authorized by article VI. The budget of the district shall be prepared, adopted and published as provided by law for other political subdivisions of the party states. No budget shall be adopted by the commission until it has been submitted to and reviewed by the governing bodies of the counties comprising the district and the governing body of each city represented on the commission.
- (c) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the commission.
- (d) The accounts of the commission shall be open at any reasonable time for inspection by duly authorized representatives of the compacting states, the counties comprising the district, the cities that appoint a commissioner, and other persons authorized by the commission.

Article VIII.—Entry into Force

- (a) This compact shall enter into force and become effective and binding upon the states of Kansas and Missouri when it has been enacted into law by the legislatures of the respective states.
- (b) Amendments to the compact shall become effective upon enactment by the legislatures of the respective states.

Article IX.—Termination

This compact shall continue in force and remain binding upon a party state until its legislature shall have enacted a statute repealing the same and providing for the sending of formal written notice of enactment of such statute to the legislature of the other party state. Upon enactment of such a statute by the legislature of either party state, the sending of notice thereof to the other party state, and payment of any obligations which the metropolitan culture district commission may have incurred prior to the effective date of such statute, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district, the agreement of the party states embodied in the compact shall be deemed fully executed, the compact shall be null and void and of no further force or effect, the metropolitan culture district shall be dissolved, and the metropolitan culture district commission shall be abolished.

Article X.—Construction and Severabilite

The provisions of this compact shall be liberally construed and shall be severable. If any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of either of the party states or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of either of the states party thereto, the compact shall thereby be nullified and voided and of no further force or effect.

- Sec. 4. K.S.A. 12-2536 is hereby repealed.
- Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.":

In the title, by striking all in lines 10, 11 and 12 and inserting:

"AN ACT concerning certain municipalities; relating to sales and use taxes; enacting the bi-state sales tax priority act; concerning the Kansas and Missouri metropolitan culture district compact; amending K.S.A. 12-2536 and repealing the existing section."

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 16, Nays 18, Present and Passing 3, Absent or Not Voting

Yeas: Barone, Clark, Feleciano, Gilstrap, Gooch, Haley, Hensley, Huelskamp, Jackson, Lee, Lyon, O'Connor, Pugh, Salmans, Taddiken, Tyson.

Nays: Adkins, Allen, Barnett, Brownlee, Brungardt, Corbin, Donovan, Emler, Kerr, Morris, Oleen, Praeger, Schmidt, Schodorf, Teichman, Umbarger, Vratil, Wagle.

Present and Passing: Downey, Goodwin, Harrington.

Absent or Not Voting: Jenkins, Jordan, Steineger.

The motion failed and the amendment was rejected.

S Sub for HB 2545 be amended by adoption of the committee report recommending a substitute bill, be amended by motion of Senator Umbarger on page 3, after line 32, by inserting the following:

"General state aid

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 31, Nays 6, Present and Passing 3, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Corbin, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Hensley, Jenkins, Jordan, Kerr, Lee, Morris, Oleen, Praeger, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil, Wagle.

Nays: Huelskamp, Jackson, Lyon, O'Connor, Pugh, Tyson.

Present and Passing: Clark, Donovan, Harrington.

The motion carried and the amendment was adopted.

EXPLANATION OF VOTE

Mr. President: My vote is "no" on this amendment, not because I do not support education: nothing could be further from the truth, excellent classroom teaching is an essential component in the development and future of our youth. I must vote no because under our present education funding system in Kansas only 56% of the dollars actually reach our classrooms, far below the average in our region of the United States. This translates to over 115 million tax dollars currently spent that are not reaching our classrooms in Kansas, but are being spent elsewhere. As I have read the news clips regarding proposed school budget reductions it is alarming to note that almost no districts have proposed administrative reductions; instead, these districts are mainly removing expenditures from classrooms.

It's time that we recognize that under the present educational system, it is doubtful that we can ever fulfill the insatiable appetite for funding exhibited by our education leaders. It's time for a change.—David D. Jackson

Senators Lyon, O'Connor, Pugh, and Tyson request the record to show they concur with the "Explanation of Vote" offered by Senator Jackson on the amendment to **S Sub for HB 2545**.

I vote in favor of the amendment to increase \$20 on base state aid per pupil for education. Like most Kansans, I believe we must make every effort to preserve Kansas' reputation as one of the top education states in the nation. We must invest in education and invest in the future generations of Kansans. It's a commitment that we have made year after year, and a commitment we intend to maintain, even in a terrible budget year like this one.—Dave Kerpe

Senators Morris, Oleen, Schodorf, Teichman, Umbarger and Vratil request the record to show they concur with the "Explanation of Vote" offered by Senator Kerr on the amendment to $\bf S$ Sub for HB 2545.

Senator Barnett amended $\bf S$ Sub for $\bf HB$ 2545 on page 6, after line 13, by inserting the following:

"Sec. 17.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Reading recovery program

And by renumbering sections accordingly

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 33, Nays 4, Present and Passing 2, Absent or Not Voting

Yeas: Adkins, Allen, Barnett, Brownlee, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Gilstrap, Gooch, Goodwin, Haley, Harrington, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Morris, Oleen, Praeger, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil, Wagle.

Nays: Lyon, O'Connor, Pugh, Tyson.

Present and Passing: Barone, Feleciano.

Absent or Not Voting: Hensley.

The motion carried and the amendment was adopted.

Senator Brownlee amended $\bf S$ Sub for $\bf HB$ 2545 on page 3, preceding line 33, by inserting the following:

"(b) On July 1, 2002, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$11,528,860 from the Kansas endowment for youth fund of the Kansas public employees retirement system to the state general fund."

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 22, Nays 17, Present and Passing 1, Absent or Not Voting

Yeas: Barone, Brownlee, Clark, Donovan, Feleciano, Gilstrap, Gooch, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Lyon, Morris, O'Connor, Pugh, Salmans, Steineger, Taddiken, Tyson, Wagle.

Nays: Adkins, Allen, Barnett, Brungardt, Corbin, Downey, Emler, Goodwin, Jenkins, Kerr, Oleen, Praeger, Schmidt, Schodorf, Teichman, Umbarger, Vratil.

Present and Passing: Lee.

The motion carried and the amendment was adopted.

EXPLANATION OF VOTE

MR. PRESIDENT: I vote no on the Brownlee amendment because the action authorized by the amendment is clearly illegal. The statutes of Kansas specifically prohibit this transfer from the Kansas Endowment for Youth to the state general fund. This amendment represents nothing short of a crime against the future. Earnings from the endowment are by law earmarked to fund children's initiatives pursuant to legislation passed in the wake of our state's settlement with big tobacco. This endowment serves a valuable purpose by providing a sustainable source of future funding for children's initiatives once our direct payments from the tobacco settlement come to an end. This short-sighted amendment depletes the resources in the trust fund and significantly compromises our previous commitment to Kansas Kids.—David Adkins

Mr. President: Previous to the consideration of this amendment to fund \$20 in the BSAPP for K-12 education, another amendment was offered to actually expend this \$11 million. I couldn't support spending the money without identifying where we are going to get it. That would be irresponsible. Instead, now that we have identified a funding source, I am supportive of this funding increase for education.—Tim Huelskamp

Senators Harrington, O'Connor and Tyson request the record to show they concur with the "Explanation of Vote" offered by Senator Huelskamp on the amendment to **S Sub for HB 2545.**

Senator Lee amended **S Sub for HB 2545** on page 7, following line 23, by inserting new material to read as follows:

"Sec. 19. On July 1, 2002, K.S.A. 2001 Supp. 79-2959, as amended by section 161 of 2002 Senate Bill No. 517, is hereby amended to read as follows: 79-2959. (a) There is hereby created the local ad valorem tax reduction fund. All moneys transferred or credited to such fund under the provisions of this act or any other law shall be apportioned and distributed in the manner provided herein.

(b) On January 15 and on July 15 of each year, the director of accounts and reports shall make transfers in equal amounts which in the aggregate equal 4.5% of the total retail sales and compensating taxes credited to the state general fund pursuant to articles 36 and 37 of chapter 79 of Kansas Statutes Annotated and acts amendatory thereof and supplemental thereto during the preceding calendar year from the state general fund to the local ad valorem tax reduction fund, except that: (1) The transfers on January 15 and July 15 of each year shall be in equal amounts which in the aggregate equal 3.630% of such taxes credited to the state general fund during the preceding calendar year; and (2) the amount of the transfer on each such date during state fiscal year 2003 shall be \$\frac{\pmathbb{26},2\pmathbb{46},7\pmathbb{22}}{25}\$,740,335.50. All such transfers are subject to reduction under K.S.A. 75-6704 and amendments thereto. All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.

(c) The state treasurer shall apportion and pay the amounts transferred under subsection (b) to the several county treasurers on January 15 and on July 15 in each year as follows: (1) Sixty-five percent of the amount to be distributed shall be apportioned on the basis of the population figures of the counties certified to the secretary of state pursuant to K.S.A. 11-201 and amendments thereto on July 1 of the preceding year; and (2) thirty-five percent of such amount shall be apportioned on the basis of the equalized assessed tangible valuations on the tax rolls of the counties on November 1 of the preceding year as certified by the director of property valuation.

Sec. 20. On July 1, 2002, K.S.A. 2001 Supp. 79-2964, as amended by section 162 of 2002 Senate Bill No. 517, is hereby amended to read as follows: 79-2964. There is hereby created the county and city revenue sharing fund. All moneys transferred or credited to such fund under the provisions of this act or any other law shall be allocated and distributed in the manner provided herein. The director of accounts and reports in each year on July 15 and December 10, shall make transfers in equal amounts which in the aggregate equal 3.5% of the total retail sales and compensating taxes credited to the state general fund pursuant to articles 36 and 37 of chapter 79 of the Kansas Statutes Annotated and acts amendatory thereof and supplemental thereto during the preceding calendar year from the state general fund to the county and city revenue sharing fund, except that: (a) The transfers on July 15 and December 10 of each year shall be in equal amounts which in the aggregate equal 2.823% of such taxes credited to the state general fund during the preceding calendar year; and (b) the amount of the transfer on each such date during state fiscal year 2003 shall be \$16,740,646 \$17,438,174.50. All such transfers are subject to reduction under K.S.A. 75-6704 and amendments thereto. All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.

Sec. 21. On July 1, 2002, K.S.A. 2001 Supp. 79-3425i, as amended by section 163 of 2002 Senate Bill No. 517, is hereby amended to read as follows: 79-3425i. On January 15 and July 15 of each year, the director of accounts and reports shall transfer a sum equal to the total taxes collected under the provisions of K.S.A. 79-6a04 and 79-6a10, and amendments thereto, and credited to the state general fund during the six months next preceding the date of transfer, from the state general fund to the special city and county highway fund, created by K.S.A. 79-3425, and amendments thereto, except that: (1) Such transfers are subject to reduction under K.S.A. 75-6704, and amendments thereto; and (2) the amount of the transfer on each such date during state fiscal year 2003 shall not exceed \$5,031,822 \$5,223,310.50. All transfers under this section shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.";

And by renumbering the remaining sections accordingly;

On page 10, in line 12, following "Supp.", by inserting "79-2959, as amended by section 161 of 2002 Senate Bill No. 517, 79-2964, as amended by section 162 of 2002 Senate Bill No. 517, 79-3425i, as amended by section 163 of 2002 Senate Bill No. 517, and";

On page 1, in the title, in line 14, following "Supp.", by inserting "79-2959, as amended by section 161 of 2002 Senate Bill No. 517, 79-2964, as amended by section 162 of 2002 Senate Bill No. 517, 79-3425i, as amended by section 163 of 2002 Senate Bill No. 517, and"; in line 15, by striking "section" and inserting "sections"

Senator Schodorf amended **S Sub for HB 2545** on page 6, after line 13, by inserting the following:

"Sec. 17.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state economic development fund for the fiscal year or years specified, the following:

Vocational education capital outlay aid

For the fiscal year ending June 30, 2003.....

\$135,000

Provided, That expenditures from the vocational education capital outlay aid account for each grant of vocational education capital outlay aid shall be matched by the area vocational school, the area vocational-technical school or the technical college in an amount which is equal to 50% of the grant: Provided further, That any unencumbered balance in excess of \$100 as of June 30, 2002, in the vocational education capital outlay aid account is hereby reappropriated for fiscal year 2003.

Postsecondary aid for vocational education

For the fiscal year ending June 30, 2003.....

323 383

Provided, That any unencumbered balance in excess of \$100 as of June 30, 2002, in the postsecondary aid for vocational education account is hereby reappropriated for fiscal year 2003.

Technology innovation and internship program

For the fiscal year ending June 30, 2003.....

\$10,000

Provided, That any unencumbered balance in excess of \$100 as of June 30, 2002, in the technical innovation and internship program account is hereby reappropriated for fiscal year 2003 ":

And by renumbering sections accordingly

Senator Barone amended **S Sub for HB 2545** on page 6, after line 13, by inserting the following:

"Sec. 17.

DEPARTMENT OF HUMAN RESOURCES

(a) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 91(c) of 2002 Senate Bill No. 517 on the employment security fund of the above agency for expenditures of moneys made available to the state under section 903 of the federal social security act, as amended, for administration of the unemployment insurance program account is hereby fixed at \$780,251: Provided, That, no additional expenditures shall be made from this account except upon specific authorization by an act of the legislature: Provided further, That the state finance council shall have no authority to approve any additional expenditures or to increase the expenditure limitation on this account.";

And by renumbering sections accordingly

Senator Morris amended **S Sub for HB 2545** on page 6, after line 13, by inserting the following:

"Sec. 17.

DEPARTMENT OF HUMAN RESOURCES

(a) On July 1, 2002, the position limitation established for the fiscal year ending June 30, 2003, by section 131(a) of 2002 Senate Bill No. 517 for the department of human resources is hereby decreased from 941.4 to 940.4.";

And by renumbering sections accordingly

Senator Morris amended **S Sub for HB 2545** on page 2, in line 42, by striking "No limit" and inserting "\$5,000,000";

On page 3, in line 1, by adding \$13,500,000 to the dollar amount and by adjusting the dollar amount in line 1 accordingly; after line 26, by inserting the following:

- "(e) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 95(b) of 2002 Senate Bill No. 517 on the SRS—IGT fund is hereby increased from \$62,529,094 to \$91,439,294.
- (f) On July 1, 2002, the amount of \$32,214,586 authorized by subsection (m) of 2002 Senate Bill No. 517 to be transferred by the director of accounts and reports from the senior trust fund of the Kansas public employees retirement system to the SRS—IGT fund of the department of social and rehabilitation services is hereby increased to \$61,124,786.
- (g) On July 1, 2002, of the \$89,151,475 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of 2002 Senate Bill No. 517 from the state general fund in the mental health and retardation services aid and assistance account, the sum of \$28,910,200 is hereby lapsed."

Senator Morris amended $\acute{\mathbf{S}}$ $\acute{\mathbf{Sub}}$ for HB 2545 on page 7, following line 23, by inserting the following:

"Sec. 20. (a) On the effective date of this act, the director of accounts and reports shall transfer \$94,608,648 from the state highway fund to the state general fund.

(b) On or before June 30, 2003, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$94,608,648 from the state general fund to the state highway fund.";

And by renumbering the remaining sections accordingly.

Senator Morris amended **S Sub for HB 2545** on page 7, following line 23, by inserting the following:

"Sec. 20. (a) The director of accounts and reports shall not make the transfer of \$7,000,000 from the workers compensation fund of the insurance department to the state general fund on July 1, 2002, or as soon thereafter as moneys are available, as directed by subsection (d) of section 74 of 2002 Senate Bill No 517, and the provisions of subsection (d) of section 74 of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) On June 30, 2002, the director of accounts and reports shall transfer \$7,000,000 from the workers compensation fund of the insurance department to the state general fund: Provided, That the amount transferred from the workers compensation fund of the insurance department to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services: Provided further, That the commissioner of insurance shall prepare and submit a workers compensation fund cash-flow analysis to the house committee on appropriations and the senate committee on ways and means during the month of January, 2003.";

And by renumbering sections accordingly

Senator Hensley moved to amend **S Sub for HB 2545** on page 6, after line 7, by inserting the following:

"(b) For the fiscal years ending June 30, 2002, June 30, 2003, or June 30, 2004, no expenditures shall be made from the state highway fund or any special revenue fund of the state department of transportation, or any other state agency, for a capital improvement project or projects to construct a tunnel network in the capitol area complex. Any unexpended funds shall be used in making grants and awards to local communities and other entities pursuant to federal law."

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 16, Nays 19, Present and Passing 4, Absent or Not Voting

Yeas: Brownlee, Clark, Feleciano, Gooch, Haley, Hensley, Huelskamp, Lee, Lyon, O'Connor, Pugh, Schmidt, Steineger, Taddiken, Tyson, Wagle.

Nays: Adkins, Allen, Barnett, Brungardt, Corbin, Donovan, Downey, Emler, Goodwin, Jackson, Jenkins, Morris, Oleen, Praeger, Salmans, Schodorf, Teichman, Umbarger, Vratil. Present and Passing: Barone, Gilstrap, Harrington, Jordan.

Absent or Not Voting: Kerr.

The motion failed and the amendment was rejected.

Senator Pugh moved to amend $\bf S$ Sub for $\bf H\ddot{\bf B}$ 2545 on page 6, lines 20 through 43, by striking all language and on page 7, lines 1 through 23 by striking all language and renumbering the bill accordingly

The motion failed and the amendment was rejected, and **S Sub for HB 2545** be passed as amended.

The Committee considered HB 2785.

Senator Donovan moved to amend the bill on page 1, by inserting before line 13, the following:

- "Section 1. On and after July 1, 2002, K.S.A. 8-143 is hereby amended to read as follows: 8-143. (1) All applications for the registration of motorcycles, motorized bicycles and passenger vehicles other than trucks and truck tractors, except as otherwise provided, shall be accompanied by an annual license fee as follows: For motorized bicycles, \$10 \$11; for motorcycles, \$15 \$16; for passenger vehicles, other than motorcycles, used solely for the carrying of persons for pleasure or business, and for hearses and ambulances a fee of (i) \$25 \$30 for those having a gross weight of 4,500 pounds or less; (ii) \$35 \$40 for those having a gross weight of more than 4,500 pounds; for each electrically propelled motor vehicle, except electrically propelled vehicles intended for the purpose of transporting any commodity, goods, merchandise, produce or freight, or passengers for hire, a fee of \$13 \$14. Except for motor vehicles, trailers or semitrailers registered under the provisions of K.S.A. 8-1,134, and amendments thereto, the annual registration fee for each motor vehicle, trailer or semitrailer owned by any political or taxing subdivision of this state or by any agency or instrumentality of any one or more political or taxing subdivisions of this state and used exclusively for governmental purposes and not for any private or utility purposes, which is not otherwise exempt from registration, shall be \$2.
- $(2)^-$ As used in this subsection, the term "gross weight" shall mean and include the empty weight of the truck, or combination of the truck or truck tractor and any type trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same, except when the empty weight of a truck plus the maximum weight of cargo which will be transported thereon is 12,000 pounds or less. The term gross weight shall not include: The weight of any travel trailer propelled thereby which is being used for private recreational purposes; or the weight of any vehicle or combination of vehicles for which wrecker or towing service, as defined in K.S.A. 66-1329, and amendments thereto, is to be provided by a wrecker or tow truck, as defined in K.S.A. 66-1329, and amendments thereto. Such wrecker or tow truck shall be registered for the empty weight of such vehicle fully equipped for the recovery or towing of vehicles. The gross weight license fees hereinafter prescribed shall only apply to the truck or truck tractor used as the propelling unit for the cargo and vehicle propelled, either as a single vehicle or combination of vehicles. On application for the registration of a truck or truck tractor, the owner thereof shall declare as a part of such application the maximum gross weight the owner desires to be applicable to such vehicle, which declared gross weight in no event shall be in excess of the limitations described by K.S.A. 8-1908 and 8-1909, and amendments thereto, for such vehicle or combination of vehicles of which it will be a part. All applications for the registration of trucks or truck tractors, except as otherwise provided herein, shall be accompanied by an annual license fee as follows:

For a gross weight of 12,000 lbs. or less	\$35 \$40
For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	100 102
For a gross weight of more than 16,000 lbs. and not more than 20,000	
lbs	130 132
For a gross weight of more than 20,000 lbs. and not more than 24,000	
lbs	195 197
For a gross weight of more than 24,000 lbs. and not more than 26,000	
lbs	310 312
For a gross weight of more than 26,000 lbs. and not more than 30,000	
lbs	310 312

For a gross weight of more than 30,000 lbs. and not more than 36,000	
lbs	370 375
For a gross weight of more than 36,000 lbs. and not more than 42,000	
lbs.	470 475
For a gross weight of more than 42,000 lbs. and not more than 48,000	
lbs	600 605
For a gross weight of more than 48,000 lbs. and not more than 54,000	
lbs.	800 805
For a gross weight of more than 54,000 lbs. and not more than 60,000	1 000 1 010
lbs.	1,000 1,010
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	1,200 1,210
For a gross weight of more than 66,000 lbs. and not more than 74,000	1,200 1,210
lbs.	1,525 1,535
For a gross weight of more than 74,000 lbs. and not more than 80,000	1,020 1,000
lbs.	1.725 1.735
For a gross weight of more than 80,000 lbs. and not more than 85,500	,-
lbs	1,925 1,935

If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds is the state of Kansas or any political or taxing subdivision or agency of the state, except a city or county, whose truck or truck tractor is not otherwise entitled to the \$2 license fee or otherwise exempt from all fees, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors.

If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds shall under oath state in writing on a form prescribed and furnished by the director of vehicles that the applicant does not expect to operate it more than 6,000 miles in the calendar year for which the applicant seeks registration, and that if the applicant shall operate it more than 6,000 miles during such registration year such applicant will pay an additional fee equal to the fee required by the preceding schedule, less the amount of the fee paid at time of registration, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors; and whenever the same is registered on a local truck or truck tractor fee basis a tab or marker shall be issued in connection with the regular license plate, which tab or marker shall be attached or affixed to and displayed with the regular license plate and the failure to have the same attached, affixed or displayed shall be subject to the same penalties as provided by law for the failure to display the regular license plate; and the secretary of revenue may adopt rules and regulations requiring the owners of trucks and truck tractors so registered on a local truck or truck tractor fee basis to keep such records and make such reports of mileage of such vehicles as the secretary of revenue shall deem proper.

A transporter delivering vehicles not the transporter's own by the driveaway method where such vehicles are being driven, towed, or transported singly, or by the saddlemount, towbar, or fullmount methods, or by any lawful combination thereof, may apply for license plates which may be transferred from one such vehicle or combination to another for each delivery without further registration, and the annual license fee for such license plate shall be as follows:

A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is operated wholly within the corporate limits of a city or village or within a radius of 25 miles beyond the corporate limits, shall be classified as a local truck except that in no event shall such vehicles operated as contract or common carriers outside a radius of three miles beyond the corporate limits of the city or village in which such vehicles were based when registered and licensed be considered local trucks or truck tractors. The secretary of revenue is hereby authorized and directed to adopt rules and regulations prescribing a procedure for the issuance of permits by the division of vehicles whereby owners of local trucks or truck tractors may operate any such vehicle, empty, beyond the radius hereinbefore pre-

scribed, when such operation is solely for the purpose of having such vehicle repaired, painted or serviced or for adding additional equipment thereto. The annual license fee for a local truck or truck tractor, except as otherwise provided herein, shall be as follows:

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	\$60 \$62
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	100 102
For a gross weight of more than 20,000 lbs. and not more than 24,000	100 102
lbs.	130 132
For a gross weight of more than 24,000 lbs. and not more than 26,000	175 177
lbs	175 177
lbs.	175 177
For a gross weight of more than 30,000 lbs. and not more than 36,000	
lbs.	210 215
For a gross weight of more than 36,000 lbs. and not more than 42,000	240.245
lbs	240 245
lbs.	310 315
For a gross weight of more than 48,000 lbs. and not more than 54,000	
lbs	410 415
For a gross weight of more than 54,000 lbs. and not more than 60,000	.
lbs	470 480
lbs.	570 580
For a gross weight of more than 66,000 lbs. and not more than 74,000	0.0000
lbs	750 760
For a gross weight of more than 74,000 lbs. and not more than 80,000	
lbs.	880 890
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,000 1,010
105.	, ,

A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is owned by a person engaged in farming and which truck or truck tractor is used by such owner to transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such farm truck or truck tractor, shall be classified as a farm truck or truck tractor and the annual license fee for such farm truck shall be as follows:

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	\$35 \$37
For a gross weight of more than 16,000 lbs. and not more than 20,000	
lbs.	40 42
For a gross weight of more than 20,000 lbs. and not more than 24,000	
lbs	50 52
For a gross weight of more than 24,000 lbs. and not more than 26,000	
lbs	70 72
For a gross weight of more than 26,000 lbs. and not more than 54,000	
lbs	70 72
For a gross weight of more than 36,000 lbs. and not more than 54,000	
lbs	75
For a gross weight of more than 54,000 lbs. and not more than 60,000	
lbs	180 190
For a gross weight of more than 60,000 lbs. and not more than 66,000	
lbs.	360 370
For a gross weight of more than 66,000 lbs.	600 610
Total gross weight of more than object is	000 010

A vehicle licensed as a farm truck or truck tractor may be used by the owner thereof to transport, for charity and without compensation of any kind, commodities for religious or

educational institutions. A truck which is licensed as a farm truck may also be used for the transportation of sand, gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill material to a township road maintenance or construction site of the township in which the owner of such truck resides. Any applicant for registration of any farm truck or farm truck tractor used in combination with a trailer or semitrailer shall register the farm truck or farm truck tractor for a gross weight which shall include the empty weight of the truck or truck tractor or of the combination of any truck or truck tractor and any type of trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same. The applicant for registration of any farm truck or farm truck tractor used to transport a gross weight of more than 54,000 pounds shall durably letter on the side of the motor vehicle the words "farm vehicle—not for hire." If an applicant for registration of any farm truck or farm truck tractor operates such vehicle for any use or purpose not authorized for a farm truck or farm truck tractor, such applicant shall pay an additional fee equal to the fee required for the registration of all trucks or truck tractors not registered as local, 6,000mile or farm truck or farm truck tractor motor vehicles, less the amount of the fee paid at time of registration. Nothing in this or the preceding paragraph shall authorize a gross weight of a vehicle or combination of vehicles on the national system of interstate and defense highways greater than permitted by laws of the United States congress.

Except as hereinafter provided, the annual license fee for each local urban transit bus used in local urban transit operations exempted under the provisions of subsection (a) of K.S.A. 66-1,109, and amendments thereto, shall be based on the passenger seating capacity of the bus and shall be as follows:

8 or more, but less than 31 passengers	\$15
31 or more, but less than 40 passengers	30
More than 39 passengers	60

except that the annual license fee for each local urban transit bus which is owned by a metropolitan transit authority established pursuant to articles 25 and 28 of chapter 12 or pursuant to article 31 of chapter 13 of the Kansas Statutes Annotated shall be \$2.

For licensing purposes, station wagons with a carrying capacity of less than 10 passengers shall be subject to registration fees based on the weight of the vehicles, as provided in subsection (1). Station wagons with a carrying capacity of 10 or more passengers shall be subject to the truck classifications and license fees therefor shall be as herein provided:

(a) For any trailer, semitrailer, travel trailer or pole trailer the annual license fee shall be as follows: For any such vehicle with a gross weight of more than 12,000 pounds the annual fee shall be \$35; any such vehicle grossing more than 8,000 pounds but not over 12,000 pounds, the annual fee shall be \$25; for any such vehicle grossing more than 2,000 pounds but not over 8,000 pounds, the annual fee shall be \$15. Any such vehicle having a gross weight of 2,000 pounds or less may, at the owner's option, be registered and the fee for such registration shall be \$15.

Any trailer, semitrailer or travel trailer owned by a nonresident of this state and based in another state, which is properly registered and licensed in the state of residence of the owner or in the state where based, may be operated in this state without being registered or licensed in this state if the truck or truck tractor propelling the same is properly registered and licensed in this state, or is registered and licensed in some other state and is entitled to reciprocal privileges of operation in this state, but this provision shall not apply to any trailer or semitrailer owned by a nonresident of this state when such trailer or semitrailer is owned by a person who has proportionately registered and licensed a fleet of vehicles under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto, or under the terms of any reciprocal or proration agreement made pursuant thereto.

At the option of the owner, any trailer, semitrailer or pole trailer, with a gross weight of more than 12,000 pounds, may be issued a multi-year registration for a five-year period upon payment of the appropriate registration fee. The fee for a five-year registration of such trailer shall be five times the annual fee for such trailer. If the annual registration fee is increased during the multi-year registration period, the owner of the trailer with such multi-year registration shall be subject to the amount of the increase of the annual registration fee for the remaining calendar years of such multi-year registration. When the owner of any

trailer, semitrailer or pole trailer registered under this multi-year provision transfers or assigns the title, or interest thereto, the registration of such trailer shall expire. The owner shall remove the license plate from such trailer and forward the license plate to the division of vehicles or may have such license plate assigned to another trailer, semitrailer or pole trailer upon the payment of fees required by law. Any owner of a trailer, semitrailer or pole trailer where the multi-year registration fee has been paid and the trailer is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another trailer, may secure a refund for the registration fee for the remaining calendar years by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles. The secretary of revenue may adopt such rules and regulations necessary to implement the multi-year registration of such trailers, semitrailers and pole trailers.

- (b) Any truck or truck tractor having a gross weight of 4,000 pounds or over, using solid tires, shall pay a license fee of double the amount herein charged. The annual fees herein provided for trucks, truck tractors and trailers not subject to K.S.A. 8-134a, and amendments thereto, shall be due January 1 of each year and payable on or before February 15 in each year. If the fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof and until December 31 of each registration year. The annual registration fee for all passenger vehicles and vehicles subject to K.S.A. 8-134a, and amendments thereto, shall be due on or before the last day of the month in which the registration plate expires and shall be due for other vehicles as provided by K.S.A. 8-134, and amendments thereto. If the registration fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof until such registration fee is paid. Members of the armed forces of the United States shall be permitted to apply for registration at any time and be subject to registration fee, less penalties, applicable at the time the application is made. If any motorcycle, motorized bicycle, trailer, semitrailer, travel trailer, or pole trailer is either purchased or acquired after the anniversary or renewal date in any registration year there shall immediately become due and payable a registration fee as follows: If purchased or acquired between the anniversary or renewal date of any registration year and the first six months of such registration year, the annual fee hereinbefore provided; if purchased or acquired during the last six months of any registration year, 50% of such annual fee. If any truck or truck tractor, except trucks subject to K.S.A. 8-134a, and amendments thereto, is purchased or acquired prior to April 1 of any year the fee shall be the annual fee hereinbefore provided, but if such truck or truck tractor is purchased or acquired after the end of March of any year, the license fee for such year shall be reduced 1/12 for each calendar month which has elapsed since the beginning of the year. If any truck registered for a gross weight of 12,000 pounds or less or passenger vehicle is purchased or acquired and less than 12 months remain in the registration period, the fee shall be ½2 of the annual fee for each calendar month remaining in the registration period.
- (c) The owner of any motorcycle, motorized bicycle, passenger vehicle, truck, truck tractor, trailer, semitrailer, or electrically propelled vehicle who fails to pay the registration fee or fees herein provided on the date when the same become due and payable shall be guilty of a misdemeanor, and upon conviction thereof shall be subject to a penalty in the sum of \$1 for each month or fraction thereof during which such fee has remained unpaid after it became due and payable; and in addition thereto shall be subject to such other punishment as is provided in this act. Upon the transfer of motorcycles, motorized bicycles, passenger vehicles, trailers, semitrailers, trucks or truck tractors, on which registration fees have been paid for the year in which the transfer is made, either (A) to a corporation by one or more persons, solely in exchange for stock or securities in such corporation, or (B) by one corporation to another corporation when all of the assets of such corporation are transferred to the other corporation, then in either case (A) or case (B) the corporation shall be exempt from the payment of registration fees on such vehicles for the year in which such transfer is made. Applications for transfer or registration shall be accompanied by a fee of \$1.50. When the registration of a vehicle has expired at midnight on the last day of any registration year, and such vehicle is not thereafter operated upon the highways, any application for renewal of registration made subsequent to the anniversary or renewal date of any registration year following the expiration of such registration and for succeeding regis-

tration years in which such vehicle has not been registered shall be accompanied by an affidavit of nonoperation and nonuse, and such application for renewal or registration shall be received by the division of vehicles upon payment of the proper fees for the current registration year and without penalty.

- (3) Any nonresident of Kansas purchasing a vehicle from a Kansas resident and desiring to secure registration on the vehicle in the state of such person's residence may make application in the office of any county treasurer for a thirty-day temporary registration. The county treasurer upon presentation of evidence of ownership in the applicant and evidence the sales tax has been paid, if due, shall charge and collect a fee of \$3 for each thirty-day temporary license and issue a sticker or paper registration as may be determined by the director of vehicles, and the registration so issued shall be valid for a period of 30 days from the date of issuance.
- (4) Any owner of any motor vehicle which is subject to taxation under the provisions of article 51 of chapter 79 of the Kansas Statutes Annotated or any other truck or truck tractor where the annual registration fee has been paid and the vehicle is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another vehicle may secure a refund for the registration fee for the remaining portion of the year by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles, accompanied by all license plates and attachments issued in connection therewith. If the owner of the registration becomes deceased and the vehicle is not going to be used on the highway, and title is not being currently transferred, the proper representative of the estate shall be entitled to the refund. The refund shall be made only for the period of time remaining in the registration year from the date of completion and filing of the application with and delivery of the license plate and attachments to the division of vehicles. Where the registration is secured under a quarterly payment annual registration fee, as provided for in K.S.A. 8-143a, and amendments thereto, such refund shall be made on the quarterly fee paid and unused and all remaining quarterly payments shall be canceled. Any truck or truck tractor having the registration fee paid on quarterly payment basis, all quarterly payments due or a fraction of quarterly payment due shall be paid before title may be transferred, except that in case of death, the filing of the application and returning of the license plate and attachment shall cancel the remaining annual payments due. Whenever a truck or truck tractor, where the registration is secured on a quarterly payment of the annual registration, the one repossessing the truck or truck tractor, or foreclosing by a mechanic's lien, or securing title by court order, the mortgagor or the assigns of the mortgagor, or the one securing title may pay the balance due on date of application for title, but the payments for the remaining portion of the year shall not be canceled unless application is made and the license plate and attachments are surrendered. Nothing in this subsection shall apply when registration is secured under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto. Notwithstanding any of the foregoing provisions of this section, no refund shall be made under the provisions of this section where the amount thereof does not exceed \$5. The division of vehicles shall furnish such blank forms as may be required under the provisions of this subsection as it deems necessary to be completed by the applicant. Whenever a registration which has been secured on a quarterly basis shall be canceled as provided in this subsection, the division of vehicles shall notify the county treasurer issuing the original registration of such cancellation so that the county treasurer may, and the county treasurer shall cancel the registration of such vehicle in the county treasurer's office and release any lien issued in connection with such registration.
- (5) Every owner of a travel trailer designed for or intended to be moved upon any highway in this state shall, before the same is so moved, apply for and obtain the proper registration thereof as provided in this act, except when such unit is permitted to be moved under the special provisions relating to secured parties, manufacturers, dealers and nonresidents contained in this act. At the time of registering any travel trailer for the purpose of moving any such vehicle upon any highway in this state, the owner thereof shall indicate on outside of the county in which such vehicle is being moved permanently to a location outside of the county in which such vehicle is being registered. No such vehicle which the owner thereof intends to move to a permanent location outside the boundaries of such

county shall be registered for movement on the highways of this state until all taxes levied against such vehicle have been paid. A copy of such registration form shall be sent to the county clerk or assessor of the county to which such vehicle is being moved. When such travel trailer is used for living quarters and not operated on the highways, the owner shall be exempt from the license fees as provided in paragraph (a) of subsection (2) so long as such travel trailer is not operated on the highway.

Sec. 2. On and after July 1, 2002, K.S.A. 8-143j is hereby amended to read as follows: 8-143j. (a) On and after January 1, 1991, any truck or truck tractor registered for a gross weight of more than 12,000 pounds which is engaged in farm custom harvesting operations may be registered in accordance with the schedule for such farm custom harvesting vehicles, but shall not be registered as a farm truck or farm truck tractor. The annual license fee for a farm custom harvesting truck or truck tractor shall be as follows:

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	\$60 \$62
For a gross weight of more than 16,000 lbs. and not more than 20,000	100 100
lbs.	100 102
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	130 132
For a gross weight of more than 24,000 lbs. and not more than 26,000	130 132
lbs.	175 177
For a gross weight of more than 26,000 lbs. and not more than 30,000	1.5 1
lbs	175 177
For a gross weight of more than 30,000 lbs. and not more than 36,000	
lbs.	210 215
For a gross weight of more than 36,000 lbs. and not more than 42,000	240 245
lbs	240 245
lbs.	310 315
For a gross weight of more than 48,000 lbs. and not more than 54,000	
lbs	410 415
For a gross weight of more than 54,000 lbs. and not more than 60,000	
lbs.	470 480
For a gross weight of more than 60,000 lbs. and not more than 66,000	F70 F00
lbs	570 580
lbs	750 760
For a gross weight of more than 74,000 lbs. and not more than 80,000	
lbs	880 890
For a gross weight of more than 80,000 lbs. and not more than 85,500	
lbs	1,000 1,010

- (b) A tab or marker shall be issued and displayed in connection with the regular license plate for a truck or truck tractor registered as a farm custom harvesting truck or truck tractor.
- (c) Trucks or truck tractors registered under this section shall be eligible for apportioned registration under the provisions of K.S.A. 8-1,100 *et seq.*, and amendments thereto.
- (d) As used in this section, "farm custom harvesting operations" means a person, firm, partnership, association or corporation engaged in farm custom harvesting operations if a truck or truck tractor is used to:
- (1) Transport farm machinery, supplies, or both, to or from a farm, for custom harvesting operations on a farm;
- (2) $\dot{}$ transport custom harvested crops only from a harvested field to initial storage or to initial market locations; or
- (3) transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such vehicle.
- Sec. 3. On and after June 1, 2002, K.S.A. 2001 Supp. 79-3492b is hereby amended to read as follows: 79-3492b. Alternatively to the methods otherwise set forth in this act, special LP-gas permit users operating motor vehicles on the public highways of this state may upon

application to the director on forms prescribed by the director elect to pay taxes in advance on LP-gas for each and every motor vehicle owned or operated by them and propelled in whole or in part with LP-gas during the calendar year and thereafter to purchase LP-gas tax free in lieu of securing a bonded user's permit and filing monthly reports and tax payments and keeping the records otherwise provided for in this act. The amount of such tax for each motor vehicle shall, except as otherwise provided, be based upon the gross weight of the motor vehicle and the number of miles it was operated on the public highways of this state during the previous year pursuant to the following schedules:

In the event any additional motor vehicles equipped to use LP-gas as a fuel are placed in operation by a special LP-gas permit user after the first month of any calendar year, a tax shall become due and payable to this state and is hereby imposed at the tax rate prescribed herein prorated on the basis of the weight and mileage for the months operated in the calendar year. The director shall issue special permit decals for each motor vehicle on which taxes have been paid in advance as provided herein, which shall be affixed on each such vehicle in the manner prescribed by the director.

- Sec. 4. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,118 is hereby amended to read as follows: 79-34,118. Upon application to the director of taxation and payment of the fee prescribed under this section any interstate motor fuel user may obtain a trip permit which will authorize one commercial motor vehicle to be operated within this state without compliance with the other provisions of the interstate motor fuel use act and in lieu of the tax imposed by K.S.A. 79-34,109 and amendments thereto. The fee for each trip permit susued under this section shall be \$\frac{\frac{\text{11}}}{11}\$ until July 1, 2001, and \$\frac{\text{11}}{11.50}\$ until July 1, 2003, and \$\frac{\text{12}}{12.50}\$ until July 1, 2020, and \$\frac{\text{11}}{10}\$ thereafter. The secretary of revenue shall adopt rules and regulations specifying the conditions under which trip permits will be issued and providing for the issuance thereof. The secretary may designate agents or contract with private individuals, firms or corporations to issue such trip permits so that such permits will be obtainable at convenient locations.
- Sec. 5. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,141 is hereby amended to read as follows: 79-34,141. (a) On and after July 1, 1999, until July 1, 2001, the tax imposed under this act shall be not less than.
- (1) On motor-vehicle fuels, \$.20 per gallon, or fraction thereof;
- (2) on special fuels, \$.22 per gallon, or fraction thereof, and
- (3) on LP-gas, \$.19 per gallon, or fraction thereof.
- (b)—On and after July 1, 2001, until July 1, 2003, the tax imposed under this act shall be not less than:
- (1) On motor-vehicle fuels, \$.21 per gallon, or fraction thereof;
- (2) on special fuels, \$.23 per gallon, or fraction thereof, and
- (3) on LP-gas, \$.20 per gallon, or fraction thereof.
- $\frac{-(c)}{(a)}$ On and after $\frac{\text{July 1}}{\text{July 1}}$, 2003 June 1, 2002, until July 1, 2020, the tax imposed under this act shall be not less than:
 - (1) On motor-vehicle fuels, \$.22 \$.25 per gallon, or fraction thereof;
 - (2) on special fuels, \$.24 \$.25 per gallon, or fraction thereof; and
- (3) on LP-gas, \$.21 \$.24 per gallon, or fraction thereof.
- $\frac{\langle d \rangle}{\langle b \rangle}$ On and after July 1, 2020, the tax rates imposed under this act shall be not less than:
 - (1) On motor-vehicle fuels, \$.18 per gallon, or fraction thereof;
 - (2) on special fuels, \$.20 per gallon, or fraction thereof; and
 - (3) on LP-gas, \$.17 per gallon, or fraction thereof.
- Sec. 6. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,142 is hereby amended to read as follows: 79-34,142. (a) On and after July 1, 1999, until July 1, 2001, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows. To the state highway fund 59.55% and to the special city and county highway fund 40.45%.
- (b) On and after July 1, 2001, until July 1, 2003, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows. To the state highway fund 61.55% and to the special city and county highway fund 38.45%.
- (c) (a) On and after July 1, 2003 June 1, 2002, until July 1, 2020, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 63.35% 67.16% and to the special city and county highway fund 36.65% 32.84%.
- $\frac{\text{(d)}}{\text{(b)}}$ On and after July 1, 2020, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 55.3% and to the special city and county highway fund 44.7%.

Sec. 7. On and after June 1, 2002, K.S.A. 2001 Supp. 79-3492b, 79-34,118, 79-34,141 and 79-34,142 are hereby repealed.

Sec. 8. On and after July 1, 2002, K.S.A. 8-143 and 8-143j are hereby repealed.

Sec. 9. This act shall take effect and be in force from and after its publication in the Kansas register.":

In the title, in line 9, by striking all following "ACT" and inserting the following "relating to state government financing; concerning certain taxes and fees;"; in line 10, by striking "79-2401a" and inserting "8-143, 8-143j and 79-2401a and K.S.A. 2001 Supp. 79-3492b, 79-34,118, 79-34,141 and 79-34,142"; also in line 10, by striking "section" and inserting "sections"

A ruling of the chair was requested as to the germaneness of the amendment to **HB 2785.**The Chair ruled the amendment was germane to the bill; the ruling of the Chair was challenged.

On a voice vote the Chair was sustained.

Having voted on the prevailing side, Senator Kerr moved the Chair reconsider its previous action on sustaining the ruling of the chair. The motion carried.

The Chair ruled the amendment was not germane.

Senator Corbin moved **HB 2785** be re-referred to the Committee on Assessment and Taxation. The motion carried.

ORIGINAL MOTION

Senator Oleen 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 2337**; **S Sub HB 2545**; **HB 3032**.

CONFERENCE COMMITTEE REPORT

Mr. President and Mr. Speaker: Your committee on conference on Senate amendments to ${\bf HB~2337}$, submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

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

BARBARA P. ALLEN
KAY O'CONNOR
MARK GILSTRAP
Conferees on part of Senate

Gerry Ray Larry Campbell Conferees on part of House

On motion of Senator Allen, the Senate adopted the conference committee report on **HB** 2337, and requested a new conference committee be appointed.

The President appointed Senators Allen, O'Connor and Gilstrap as a second Conference Committee on the part of the Senate on **HB 2337.**

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2703**, 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 3, in lines 28 and 29, by striking ", appliances" and inserting "and appliances from which ozone depleting chlorofluorocarbons have not been removed in accordance with the provisions of the federal clean air act";

On page 5, by striking all in lines 7 through 16;

By renumbering sections accordingly;

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

ROBERT TYSON
MARK TADDIKEN
JANIS K. LEE
Conferees on part of Senate

JOANN LEE FREEBORN DON MYERS LAURA MCCLURE Conferees on part of House

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2703**. On roll call, the vote was: Yeas 36, Nays 4, Present and Passing 0, Absent or Not Voting

Yeas: Allen, Barnett, Barone, Brownlee, Clark, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Wagle.

Nays: Adkins, Brungardt, Corbin, Vratil.

The Conference Committee report was adopted.

FINAL ACTION OF BILLS AND CONCURRENT RESOLUTIONS

On motion of Senator Oleen an emergency was declared by a % constitutional majority, and S Sub for HB 2545; HB 3032 were advanced to Final Action and roll call.

S Sub HB 2545, An act making and concerning appropriations for the fiscal years ending June 30, 2002, June 30, 2003, June 30, 2004, June 30, 2005, June 30, 2006, and June 30, 2007; authorizing certain transfers and fees, imposing certain restrictions and limitations and directing or authorizing certain receipts, disbursements, capital improvements and acts incidental to the foregoing; amending K.S.A. 2001 Supp. 79-2959, as amended by section 161 of 2002 Senate Bill No. 517, 79-2964, as amended by section 162 of 2002 Senate Bill No. 517, 79-3425i, as amended by section 163 of 2002 Senate Bill No. 517, and 79-34,147 and repealing the existing sections.

On roll call, the vote was: Yeas 27, Nays 13, Present and Passing 0, Absent or Not Voting

Yeas: Allen, Barnett, Brungardt, Clark, Corbin, Donovan, Downey, Emler, Gilstrap, Gooch, Goodwin, Haley, Jenkins, Jordan, Kerr, Lee, Morris, Oleen, Praeger, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil.

Nays: Adkins, Barone, Brownlee, Feleciano, Harrington, Hensley, Huelskamp, Jackson, Lyon, O'Connor, Pugh, Tyson, Wagle.

The substitute bill passed, as amended.

HB 3032, An act imposing a local compensating use tax upon the intrastate sale of motor vehicles.

On roll call, the vote was: Yeas 33, Nays 5, Present and Passing 2, Absent or Not Voting 0

Yeas: Adkins, Barnett, Barone, Brungardt, Clark, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jenkins, Kerr, Lyon, Morris, Oleen, Praeger, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil, Wagle.

Nays: Allen, Brownlee, Jordan, O'Connor, Tyson.

Present and Passing: Corbin, Lee.

The bill passed.

ORIGINAL MOTION

On motion of Senator Wagle, the Senate acceded to the request of the House for a conference on Sub HB 2285.

The President appointed Senators Wagle, Barnett and Haley as conferees on the part of the Senate.

On motion of Senator Corbin, the Senate acceded to the request of the House for a conference on **HB 2828**.

The President appointed Senators Corbin, Jenkins and Lee as conferees on the part of the Senate

REPORTS OF STANDING COMMITTEES

Committee on **Assessment and Taxation** recommends **HB 3011**, as amended by House Committee, be amended on page 1, following line 15, by inserting the following:

'Section 1. On and after July 1, 2002, K.S.A. 8-143 is hereby amended to read as follows: 8-143. (1) All applications for the registration of motorcycles, motorized bicycles and passenger vehicles other than trucks and truck tractors, except as otherwise provided, shall be accompanied by an annual license fee as follows: For motorized bicycles, \$10 \$11; for motorcycles, \$15 \$16; for passenger vehicles, other than motorcycles, used solely for the carrying of persons for pleasure or business, and for hearses and ambulances a fee of (i) \$25 \$30 for those having a gross weight of 4,500 pounds or less; (ii) \$35 \$40 for those having a gross weight of more than 4,500 pounds; for each electrically propelled motor vehicle, except electrically propelled vehicles intended for the purpose of transporting any commodity, goods, merchandise, produce or freight, or passengers for hire, a fee of \$13 \$14. Except for motor vehicles, trailers or semitrailers registered under the provisions of K.S.A. 8-1,134, and amendments thereto, the annual registration fee for each motor vehicle, trailer or semitrailer owned by any political or taxing subdivision of this state or by any agency or instrumentality of any one or more political or taxing subdivisions of this state and used exclusively for governmental purposes and not for any private or utility purposes, which is not otherwise exempt from registration, shall be \$2.

(2) As used in this subsection, the term "gross weight" shall mean and include the empty weight of the truck, or combination of the truck or truck tractor and any type trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same, except when the empty weight of a truck plus the maximum weight of cargo which will be transported thereon is 12,000 pounds or less. The term gross weight shall not include: The weight of any travel trailer propelled thereby which is being used for private recreational purposes; or the weight of any vehicle or combination of vehicles for which wrecker or towing service, as defined in K.S.A. 66-1329, and amendments thereto, is to be provided by a wrecker or tow truck, as defined in K.S.A. 66-1329, and amendments thereto. Such wrecker or tow truck shall be registered for the empty weight of such vehicle fully equipped for the recovery or towing of vehicles. The gross weight license fees hereinafter prescribed shall only apply to the truck or truck tractor used as the propelling unit for the cargo and vehicle propelled, either as a single vehicle or combination of vehicles. On application for the registration of a truck or truck tractor, the owner thereof shall declare as a part of such application the maximum gross weight the owner desires to be applicable to such vehicle, which declared gross weight in no event shall be in excess of the limitations described by K.S.A. 8-1908 and 8-1909, and amendments thereto, for such vehicle or combination of vehicles of which it will be a part. All applications for the registration of trucks or truck tractors, except as otherwise provided herein, shall be accompanied by an annual license fee as follows:

For a gross weight of 12,000 lbs. or less	\$35 \$40
For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	100 102
For a gross weight of more than 16,000 lbs. and not more than 20,000	
lbs.	130 132
For a gross weight of more than 20,000 lbs. and not more than 24,000	
lbs.	195 197
For a gross weight of more than 24,000 lbs. and not more than 26,000	
lbs	310 312
For a gross weight of more than 26,000 lbs. and not more than 30,000	
lbs.	310 312

For a gross weight of more than 30,000 lbs. and not more than 36,000	
lbs	370 375
For a gross weight of more than 36,000 lbs. and not more than 42,000	
lbs	470 475
For a gross weight of more than 42,000 lbs. and not more than 48,000	
lbs	600 605
For a gross weight of more than 48,000 lbs. and not more than 54,000	
lbs.	800 805
For a gross weight of more than 54,000 lbs. and not more than 60,000	
lbs	1,000 1,010
For a gross weight of more than 60,000 lbs. and not more than 66,000	,
lbs	1,200 1,210
For a gross weight of more than 66,000 lbs. and not more than 74,000	
lbs	1,525 1,535
For a gross weight of more than 74,000 lbs. and not more than 80,000	
lbs	1,725 1,735
For a gross weight of more than 80,000 lbs. and not more than 85,500	
lbs.	1,925 1,935

If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds is the state of Kansas or any political or taxing subdivision or agency of the state, except a city or county, whose truck or truck tractor is not otherwise entitled to the \$2 license fee or otherwise exempt from all fees, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors.

If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds shall under oath state in writing on a form prescribed and furnished by the director of vehicles that the applicant does not expect to operate it more than 6,000 miles in the calendar year for which the applicant seeks registration, and that if the applicant shall operate it more than 6,000 miles during such registration year such applicant will pay an additional fee equal to the fee required by the preceding schedule, less the amount of the fee paid at time of registration, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors; and whenever the same is registered on a local truck or truck tractor fee basis a tab or marker shall be issued in connection with the regular license plate, which tab or marker shall be attached or affixed to and displayed with the regular license plate and the failure to have the same attached, affixed or displayed shall be subject to the same penalties as provided by law for the failure to display the regular license plate; and the secretary of revenue may adopt rules and regulations requiring the owners of trucks and truck tractors so registered on a local truck or truck tractor fee basis to keep such records and make such reports of mileage of such vehicles as the secretary of revenue shall deem proper.

A transporter delivering vehicles not the transporter's own by the driveaway method where such vehicles are being driven, towed, or transported singly, or by the saddlemount, towbar, or fullmount methods, or by any lawful combination thereof, may apply for license plates which may be transferred from one such vehicle or combination to another for each delivery without further registration, and the annual license fee for such license plate shall be as follows:

A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is operated wholly within the corporate limits of a city or village or within a radius of 25 miles beyond the corporate limits, shall be classified as a local truck except that in no event shall such vehicles operated as contract or common carriers outside a radius of three miles beyond the corporate limits of the city or village in which such vehicles were based when registered and licensed be considered local trucks or truck tractors. The secretary of revenue is hereby authorized and directed to adopt rules and regulations prescribing a procedure for the issuance of permits by the division of vehicles whereby owners of local trucks or truck tractors may operate any such vehicle, empty, beyond the radius hereinbefore pre-

scribed, when such operation is solely for the purpose of having such vehicle repaired, painted or serviced or for adding additional equipment thereto. The annual license fee for a local truck or truck tractor, except as otherwise provided herein, shall be as follows:

For a gross weight of more than 12 000 lbs, and not more than 16 000.

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	\$60 \$62
For a gross weight of more than 16,000 lbs. and not more than 20,000	
lbs	100 102
For a gross weight of more than 20,000 lbs. and not more than 24,000	
lbs	130 132
For a gross weight of more than 24,000 lbs. and not more than 26,000	
lbs.	175 177
For a gross weight of more than 26,000 lbs. and not more than 30,000	155 155
lbs	175 177
	210 215
lbs	210 213
lbs	240 245
For a gross weight of more than 42,000 lbs. and not more than 48,000	210 210
lbs.	310 315
For a gross weight of more than 48,000 lbs. and not more than 54,000	
lbs	410 415
For a gross weight of more than 54,000 lbs. and not more than 60,000	
lbs	470 480
For a gross weight of more than 60,000 lbs. and not more than 66,000	
lbs	570 580
For a gross weight of more than 66,000 lbs. and not more than 74,000	
lbs	750 760
For a gross weight of more than 74,000 lbs. and not more than 80,000	
lbs.	880 890
For a gross weight of more than 80,000 lbs. and not more than 85,500	1 000 1 010
lbs.	1,000 1,010

A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is owned by a person engaged in farming and which truck or truck tractor is used by such owner to transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such farm truck or truck tractor, shall be classified as a farm truck or truck tractor and the annual license fee for such farm truck shall be as follows:

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs	\$35 \$37
For a gross weight of more than 16,000 lbs. and not more than 20,000	
lbs.	40 42
For a gross weight of more than 20,000 lbs. and not more than 24,000	
lbs	50 52
For a gross weight of more than 24,000 lbs. and not more than 26,000	
lbs	70 72
For a gross weight of more than 26,000 lbs. and not more than 54,000	
36,000 lbs	70 72
For a gross weight of more than 36,000 lbs. and not more than 54,000	
lbs	75
For a gross weight of more than 54,000 lbs. and not more than 60,000	
lbs	180 190
For a gross weight of more than 60,000 lbs. and not more than 66,000	
lbs	360 370
For a gross weight of more than 66,000 lbs.	600 610

A vehicle licensed as a farm truck or truck tractor may be used by the owner thereof to transport, for charity and without compensation of any kind, commodities for religious or

educational institutions. A truck which is licensed as a farm truck may also be used for the transportation of sand, gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill material to a township road maintenance or construction site of the township in which the owner of such truck resides. Any applicant for registration of any farm truck or farm truck tractor used in combination with a trailer or semitrailer shall register the farm truck or farm truck tractor for a gross weight which shall include the empty weight of the truck or truck tractor or of the combination of any truck or truck tractor and any type of trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same. The applicant for registration of any farm truck or farm truck tractor used to transport a gross weight of more than 54,000 pounds shall durably letter on the side of the motor vehicle the words "farm vehicle—not for hire." If an applicant for registration of any farm truck or farm truck tractor operates such vehicle for any use or purpose not authorized for a farm truck or farm truck tractor, such applicant shall pay an additional fee equal to the fee required for the registration of all trucks or truck tractors not registered as local, 6,000mile or farm truck or farm truck tractor motor vehicles, less the amount of the fee paid at time of registration. Nothing in this or the preceding paragraph shall authorize a gross weight of a vehicle or combination of vehicles on the national system of interstate and defense highways greater than permitted by laws of the United States congress.

Except as hereinafter provided, the annual license fee for each local urban transit bus used in local urban transit operations exempted under the provisions of subsection (a) of K.S.A. 66-1,109, and amendments thereto, shall be based on the passenger seating capacity of the bus and shall be as follows:

8 or more, but less than 31 passengers	\$15
31 or more, but less than 40 passengers	30
More than 39 passengers	60

except that the annual license fee for each local urban transit bus which is owned by a metropolitan transit authority established pursuant to articles 25 and 28 of chapter 12 or pursuant to article 31 of chapter 13 of the Kansas Statutes Annotated shall be \$2.

For licensing purposes, station wagons with a carrying capacity of less than 10 passengers shall be subject to registration fees based on the weight of the vehicles, as provided in subsection (1). Station wagons with a carrying capacity of 10 or more passengers shall be subject to the truck classifications and license fees therefor shall be as herein provided:

(a) For any trailer, semitrailer, travel trailer or pole trailer the annual license fee shall be as follows: For any such vehicle with a gross weight of more than 12,000 pounds the annual fee shall be \$35; any such vehicle grossing more than 8,000 pounds but not over 12,000 pounds, the annual fee shall be \$25; for any such vehicle grossing more than 2,000 pounds but not over 8,000 pounds, the annual fee shall be \$15. Any such vehicle having a gross weight of 2,000 pounds or less may, at the owner's option, be registered and the fee for such registration shall be \$15.

Any trailer, semitrailer or travel trailer owned by a nonresident of this state and based in another state, which is properly registered and licensed in the state of residence of the owner or in the state where based, may be operated in this state without being registered or licensed in this state if the truck or truck tractor propelling the same is properly registered and licensed in this state, or is registered and licensed in some other state and is entitled to reciprocal privileges of operation in this state, but this provision shall not apply to any trailer or semitrailer owned by a nonresident of this state when such trailer or semitrailer is owned by a person who has proportionately registered and licensed a fleet of vehicles under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto, or under the terms of any reciprocal or proration agreement made pursuant thereto.

At the option of the owner, any trailer, semitrailer or pole trailer, with a gross weight of more than 12,000 pounds, may be issued a multi-year registration for a five-year period upon payment of the appropriate registration fee. The fee for a five-year registration of such trailer shall be five times the annual fee for such trailer. If the annual registration fee is increased during the multi-year registration period, the owner of the trailer with such multi-year registration shall be subject to the amount of the increase of the annual registration fee for the remaining calendar years of such multi-year registration. When the owner of any

trailer, semitrailer or pole trailer registered under this multi-year provision transfers or assigns the title, or interest thereto, the registration of such trailer shall expire. The owner shall remove the license plate from such trailer and forward the license plate to the division of vehicles or may have such license plate assigned to another trailer, semitrailer or pole trailer upon the payment of fees required by law. Any owner of a trailer, semitrailer or pole trailer where the multi-year registration fee has been paid and the trailer is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another trailer, may secure a refund for the registration fee for the remaining calendar years by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles. The secretary of revenue may adopt such rules and regulations necessary to implement the multi-year registration of such trailers, semitrailers and pole trailers.

- (b) Any truck or truck tractor having a gross weight of 4,000 pounds or over, using solid tires, shall pay a license fee of double the amount herein charged. The annual fees herein provided for trucks, truck tractors and trailers not subject to K.S.A. 8-134a, and amendments thereto, shall be due January 1 of each year and payable on or before February 15 in each year. If the fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof and until December 31 of each registration year. The annual registration fee for all passenger vehicles and vehicles subject to K.S.A. 8-134a, and amendments thereto, shall be due on or before the last day of the month in which the registration plate expires and shall be due for other vehicles as provided by K.S.A. 8-134, and amendments thereto. If the registration fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof until such registration fee is paid. Members of the armed forces of the United States shall be permitted to apply for registration at any time and be subject to registration fee, less penalties, applicable at the time the application is made. If any motorcycle, motorized bicycle, trailer, semitrailer, travel trailer, or pole trailer is either purchased or acquired after the anniversary or renewal date in any registration year there shall immediately become due and payable a registration fee as follows: If purchased or acquired between the anniversary or renewal date of any registration year and the first six months of such registration year, the annual fee hereinbefore provided; if purchased or acquired during the last six months of any registration year, 50% of such annual fee. If any truck or truck tractor, except trucks subject to K.S.A. 8-134a, and amendments thereto, is purchased or acquired prior to April 1 of any year the fee shall be the annual fee hereinbefore provided, but if such truck or truck tractor is purchased or acquired after the end of March of any year, the license fee for such year shall be reduced 1/12 for each calendar month which has elapsed since the beginning of the year. If any truck registered for a gross weight of 12,000 pounds or less or passenger vehicle is purchased or acquired and less than 12 months remain in the registration period, the fee shall be ½2 of the annual fee for each calendar month remaining in the registration period.
- (c) The owner of any motorcycle, motorized bicycle, passenger vehicle, truck, truck tractor, trailer, semitrailer, or electrically propelled vehicle who fails to pay the registration fee or fees herein provided on the date when the same become due and payable shall be guilty of a misdemeanor, and upon conviction thereof shall be subject to a penalty in the sum of \$1 for each month or fraction thereof during which such fee has remained unpaid after it became due and payable; and in addition thereto shall be subject to such other punishment as is provided in this act. Upon the transfer of motorcycles, motorized bicycles, passenger vehicles, trailers, semitrailers, trucks or truck tractors, on which registration fees have been paid for the year in which the transfer is made, either (A) to a corporation by one or more persons, solely in exchange for stock or securities in such corporation, or (B) by one corporation to another corporation when all of the assets of such corporation are transferred to the other corporation, then in either case (A) or case (B) the corporation shall be exempt from the payment of registration fees on such vehicles for the year in which such transfer is made. Applications for transfer or registration shall be accompanied by a fee of \$1.50. When the registration of a vehicle has expired at midnight on the last day of any registration year, and such vehicle is not thereafter operated upon the highways, any application for renewal of registration made subsequent to the anniversary or renewal date of any registration year following the expiration of such registration and for succeeding regis-

tration years in which such vehicle has not been registered shall be accompanied by an affidavit of nonoperation and nonuse, and such application for renewal or registration shall be received by the division of vehicles upon payment of the proper fees for the current registration year and without penalty.

- (3) Any nonresident of Kansas purchasing a vehicle from a Kansas resident and desiring to secure registration on the vehicle in the state of such person's residence may make application in the office of any county treasurer for a thirty-day temporary registration. The county treasurer upon presentation of evidence of ownership in the applicant and evidence the sales tax has been paid, if due, shall charge and collect a fee of \$3 for each thirty-day temporary license and issue a sticker or paper registration as may be determined by the director of vehicles, and the registration so issued shall be valid for a period of 30 days from the date of issuance.
- (4) Any owner of any motor vehicle which is subject to taxation under the provisions of article 51 of chapter 79 of the Kansas Statutes Annotated or any other truck or truck tractor where the annual registration fee has been paid and the vehicle is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another vehicle may secure a refund for the registration fee for the remaining portion of the year by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles, accompanied by all license plates and attachments issued in connection therewith. If the owner of the registration becomes deceased and the vehicle is not going to be used on the highway, and title is not being currently transferred, the proper representative of the estate shall be entitled to the refund. The refund shall be made only for the period of time remaining in the registration year from the date of completion and filing of the application with and delivery of the license plate and attachments to the division of vehicles. Where the registration is secured under a quarterly payment annual registration fee, as provided for in K.S.A. 8-143a, and amendments thereto, such refund shall be made on the quarterly fee paid and unused and all remaining quarterly payments shall be canceled. Any truck or truck tractor having the registration fee paid on quarterly payment basis, all quarterly payments due or a fraction of quarterly payment due shall be paid before title may be transferred, except that in case of death, the filing of the application and returning of the license plate and attachment shall cancel the remaining annual payments due. Whenever a truck or truck tractor, where the registration is secured on a quarterly payment of the annual registration, the one repossessing the truck or truck tractor, or foreclosing by a mechanic's lien, or securing title by court order, the mortgagor or the assigns of the mortgagor, or the one securing title may pay the balance due on date of application for title, but the payments for the remaining portion of the year shall not be canceled unless application is made and the license plate and attachments are surrendered. Nothing in this subsection shall apply when registration is secured under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto. Notwithstanding any of the foregoing provisions of this section, no refund shall be made under the provisions of this section where the amount thereof does not exceed \$5. The division of vehicles shall furnish such blank forms as may be required under the provisions of this subsection as it deems necessary to be completed by the applicant. Whenever a registration which has been secured on a quarterly basis shall be canceled as provided in this subsection, the division of vehicles shall notify the county treasurer issuing the original registration of such cancellation so that the county treasurer may, and the county treasurer shall cancel the registration of such vehicle in the county treasurer's office and release any lien issued in connection with such registration.
- (5) Every owner of a travel trailer designed for or intended to be moved upon any highway in this state shall, before the same is so moved, apply for and obtain the proper registration thereof as provided in this act, except when such unit is permitted to be moved under the special provisions relating to secured parties, manufacturers, dealers and nonresidents contained in this act. At the time of registering any travel trailer for the purpose of moving any such vehicle upon any highway in this state, the owner thereof shall indicate on the registration form whether or not such vehicle is being moved permanently to a location outside of the county in which such vehicle is being registered. No such vehicle which the owner thereof intends to move to a permanent location outside the boundaries of such

county shall be registered for movement on the highways of this state until all taxes levied against such vehicle have been paid. A copy of such registration form shall be sent to the county clerk or assessor of the county to which such vehicle is being moved. When such travel trailer is used for living quarters and not operated on the highways, the owner shall be exempt from the license fees as provided in paragraph (a) of subsection (2) so long as such travel trailer is not operated on the highway.

Sec. 2. On and after July 1, 2002, K.S.A. 8-143j is hereby amended to read as follows: 8-143j. (a) On and after January 1, 1991, any truck or truck tractor registered for a gross weight of more than 12,000 pounds which is engaged in farm custom harvesting operations may be registered in accordance with the schedule for such farm custom harvesting vehicles, but shall not be registered as a farm truck or farm truck tractor. The annual license fee for a farm custom harvesting truck or truck tractor shall be as follows:

For a gross weight of more than 12,000 lbs. and not more than 16,000	
lbs.	\$60 \$62
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	100 102
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	130 132
For a gross weight of more than 24,000 lbs. and not more than 26,000	100 102
lbs	175 177
For a gross weight of more than 26,000 lbs. and not more than 30,000	175 177
lbs	110 111
lbs	210 215
For a gross weight of more than 36,000 lbs. and not more than 42,000	240.245
lbs	240 245
lbs	310 315
For a gross weight of more than 48,000 lbs. and not more than 54,000	430 435
lbs	410 415
lbs	470 480
For a gross weight of more than 60,000 lbs. and not more than 66,000	
lbs	570 580
lbs	750 760
For a gross weight of more than 74,000 lbs. and not more than 80,000	
lbs.	880 890
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,000 1,010
/1	1,000 1,010

- (b) A tab or marker shall be issued and displayed in connection with the regular license plate for a truck or truck tractor registered as a farm custom harvesting truck or truck tractor.
- (c) Trucks or truck tractors registered under this section shall be eligible for apportioned registration under the provisions of K.S.A. $8-1,100\ et\ seq.$, and amendments thereto.
- (d) As used in this section, "farm custom harvesting operations" means a person, firm, partnership, association or corporation engaged in farm custom harvesting operations if a truck or truck tractor is used to:
- (1) Transport farm machinery, supplies, or both, to or from a farm, for custom harvesting operations on a farm;
- (2) $\dot{}$ transport custom harvested crops only from a harvested field to initial storage or to initial market locations; or
- (3) transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such vehicle.
- Sec. 3. On and after June 1, 2002, K.S.A. 2001 Supp. 79-3492b is hereby amended to read as follows: 79-3492b. Alternatively to the methods otherwise set forth in this act, special LP-gas permit users operating motor vehicles on the public highways of this state may upon

application to the director on forms prescribed by the director elect to pay taxes in advance on LP-gas for each and every motor vehicle owned or operated by them and propelled in whole or in part with LP-gas during the calendar year and thereafter to purchase LP-gas tax free in lieu of securing a bonded user's permit and filing monthly reports and tax payments and keeping the records otherwise provided for in this act. The amount of such tax for each motor vehicle shall, except as otherwise provided, be based upon the gross weight of the motor vehicle and the number of miles it was operated on the public highways of this state during the previous year pursuant to the following schedules:

In the event any additional motor vehicles equipped to use LP-gas as a fuel are placed in operation by a special LP-gas permit user after the first month of any calendar year, a tax shall become due and payable to this state and is hereby imposed at the tax rate prescribed herein prorated on the basis of the weight and mileage for the months operated in the calendar year. The director shall issue special permit decals for each motor vehicle on which taxes have been paid in advance as provided herein, which shall be affixed on each such vehicle in the manner prescribed by the director.

- Sec. 4. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,118 is hereby amended to read as follows: 79-34,118. Upon application to the director of taxation and payment of the fee prescribed under this section any interstate motor fuel user may obtain a trip permit which will authorize one commercial motor vehicle to be operated within this state without compliance with the other provisions of the interstate motor fuel use act and in lieu of the tax imposed by K.S.A. 79-34,109 and amendments thereto. The fee for each trip permit susued under this section shall be \$\frac{\frac{\text{11}}}{11}\$ until July 1, 2001, and \$\frac{\text{11}}{11.50}\$ until July 1, 2003, and \$\frac{\text{12}}{12.50}\$ until July 1, 2020, and \$\frac{\text{11}}{10}\$ thereafter. The secretary of revenue shall adopt rules and regulations specifying the conditions under which trip permits will be issued and providing for the issuance thereof. The secretary may designate agents or contract with private individuals, firms or corporations to issue such trip permits so that such permits will be obtainable at convenient locations.
- Sec. 5. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,141 is hereby amended to read as follows: 79-34,141. (a) On and after July 1, 1999, until July 1, 2001, the tax imposed under this act shall be not less than:
- (1) On motor-vehicle fuels, \$.20 per gallon, or fraction thereof;
- (2) on special fuels, \$.22 per gallon, or fraction thereof, and
- (3) on LP-gas, \$.19 per gallon, or fraction thereof.
- (b) On and after July 1, 2001, until July 1, 2003, the tax imposed under this act shall be not less than:
- (1) On motor-vehicle fuels, \$.21 per gallon, or fraction thereof;
- (2) on special fuels, \$.23 per gallon, or fraction thereof, and
- (3) on LP-gas, \$.20 per gallon, or fraction thereof.
- -(c) (a) On and after $\frac{\text{July 1}}{\text{July 1}}$, 2003 June 1, 2002, until July 1, 2020, the tax imposed under this act shall be not less than:
 - (1) On motor-vehicle fuels, \$.22 \$.25 per gallon, or fraction thereof;
 - (2) on special fuels, \$.24 \$.25 per gallon, or fraction thereof; and
- (3) on LP-gas, \$.21 \$.24 per gallon, or fraction thereof.
- $\frac{\text{(d)}}{\text{(b)}}$ On and after July 1, 2020, the tax rates imposed under this act shall be not less than:
 - (1) On motor-vehicle fuels, \$.18 per gallon, or fraction thereof;
 - (2) on special fuels, \$.20 per gallon, or fraction thereof; and
 - (3) on LP-gas, \$.17 per gallon, or fraction thereof.
- Sec. 6. On and after June 1, 2002, K.S.A. 2001 Supp. 79-34,142 is hereby amended to read as follows: 79-34,142. (a) On and after July 1, 1999, until July 1, 2001, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows. To the state highway fund 59.55% and to the special city and county highway fund 40.45%.
- (b) On and after July 1, 2001, until July 1, 2003, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows. To the state highway fund 61.55% and to the special city and county highway fund 38.45%.
- (c) (a) On and after July 1, 2003 June 1, 2002, until July 1, 2020, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 63.35% 67.16% and to the special city and county highway fund 36.65% 32.84%.
- (d) (b) On and after July 1, 2020, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 55.3% and to the special city and county highway fund 44.7%.

Sec. 7. On and after June 1, 2002, K.S.A. 2001 Supp. 79-3492b, 79-34,118, 79-34,141 and 79-34,142 are hereby repealed.

Sec. 8. On and after July 1, 2002, K.S.A. 8-143 and 8-143j are hereby repealed. Sec. 9. This act shall take effect and be in force from and after its publication in the Kansas register.";

Also on page 1, by striking all of lines 16 through 43; By striking all of pages 2 through 7; On page 8, by striking all of lines 1 through 39; In the title, by striking all of lines 10 through 13 and inserting:

"AN ACT providing for the financing for the comprehensive transportation program; amending K.S.A. 8-143 and 8-143j and K.S.A. 2001 Supp. 79-3492b, 79-34,118, 79-34,141 and 79-34,142 and repealing the existing sections."; and the bill be passed as amended.

Committee on Elections and Local Government recommends HB 2996 be passed.

REPORT ON ENGROSSED BILLS

Sub SB 513 reported correctly engrossed May 4, 2002.

Also, **SB 502**, **SB 517**, **SB 543** correctly re-engrossed May 4, 2002.

On motion of Senator Oleen the Senate adjourned until 2:00 p.m., Monday, May 6, 2002.

HELEN A. MORELAND, Journal Clerk.

 $PAT\ SAVILLE,\ Secretary\ of\ Senate.$