Approved: December 9, 2002

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 8:30 a.m. on April 1, 2002, in Room 514-S of the Capitol.

All members were present

Committee staff present:

Amy Kramer, Legislative Research
Alan Conroy, Legislative Research
Julian Efird, Legislative Research
Becky Krahl, Legislative Research
Audrey Nogle, Legislative Research
Deb Hollon, Legislative Research
Paul West, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee:

Others attending:

See Attached

<u>Discussion and Action on HB 2635–KDFA authorized to issue bonds to finance certain electric transmission lines and appurtenances</u>

Representative Campbell moved for the adoption of a an amendment containing the language found in **HB** 2712 (Attachment 1). Motion was seconded by Representative Nichols. Motion carried.

Representative Campbell moved that the bill be reported favorably as amended. Motion was seconded by Representative Minor. Motion carried. Representative Spangler asked to be recorded as a "no" vote.

$\underline{Discussion\ and\ Action\ on\ SCR\ 1614-Encourage\ decreased\ dependence\ on\ public\ moneys\ to\ finance\ long-term\ care}$

Representative Landwehr moved to amend the Resolution with the proposed balloon amendment which would include the Kansas Department of Social and Rehabilitation Services in the proposed educational campaign for long-term care and consider a five-year look-back period for capturing disqualified transfers for Medicaid eligibility (Attachment 2). Motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr moved to amend the adopted balloon amendment by deleting "state government to consider" on line 7 of page 2 and insert "Kansas department of social and rehabilitation services to aggressively pursue." Motion was seconded by Representative Campbell. Motion carried on a 9-6 vote.

Representative Nichols moved to conceptually amend the Resolution by inserting language which would require the Department on Aging and the Kansas Department of Social and Rehabilitative Services to report to the 2003 Legislature regarding potential legal action. Motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr moved to report the concurrent resolution favorably as amended. Motion was seconded by Representative Bethell. Motion carried.

Discussion and Action on SB 517-Claims Against the State

A letter from the Department of Social and Rehabilitative Services regarding Section 5 of **SB 517** and the possibility of encouraging additional claims to be filed when parents or family members incur costs while contesting whether a child should be returned to their home was distributed (Attachment 3).

It was pointed out to the Committee that Representative Ballard who has been serving in the Kansas House of Representatives since 1993 has not received any retirement credit for the three months each year she is absent from her position at the University of Kansas. The actual loss is \$5,352 but if it were annualized at eight percent interest, the total amount of the state's contribution would be \$16,057, payable from the state general fund. The Board of Regents is responsible for the retirement contribution for Representative Ballard when she is working at the University of Kansas.

Representative Stone moved to amend SB 517 to include the lost retirement for Representative Ballard in the amount of \$16,057, to be paid from the state general fund. Motion was seconded by Representative Shriver. Motion carried.

A memorandum from Bob Alderson, attorney for Beverly J. Probasco, was presented to the Committee in response to questions regarding the insurance deductible regarding her claim for damage to her automobile (Attachment 4).

Representative Neufeld moved to amend SB 517 by adding a balloon amendment which would authorize the Department of Administration to pay Richard W. Dougherty \$91.00 due to a cancelled warrant (Attachment 5). Motion was seconded by Representative Campbell. Motion carried.

Representative Neufeld moved to amend SB 517 by striking all of Section 5 due to concerns by SRS and to revisit the issue during conference committees. Motion was seconded by Representative Henry.

Representative Spangler made a substitute motion to amend SB 517 by striking only "a" and "b" from Section 5. Motion was seconded by Representative Shriver. Motion failed.

Representative Neufeld renewed his motion to strike all of Section 5 with the approval of the second.. Motion carried.

Representative Nichols moved to allow the car rental expenditures in the claim by Mrs. Probasco if such expenses were not covered by her insurance provider. Motion was seconded by Representative Feuerborn. Motion failed.

Representative Neufeld moved to report the bill favorably as amended. Motion was seconded by Representative Bethell Motion carried. Representative Spangler asked to be recorded as a "no" vote.

Chairman Wilk moved for the introduction of legislation which would restrict special legislative committees and legislation regarding school district's capitol improvements. Motion was seconded by Representative Campbell. Motion carried.

Chairman Wilk recessed the meeting at 9:25 a.m. The meeting was reconvened at 1:35 p.m. on April 1, 2002.

Discussion on SB 509–State civil service; unclassified officers, SRS, physicians assistants and ARNP's This bill would allow SRS to hire certain professionals as unclassified staff in emergency situations. This does not apply to new hires. SRS is currently required to hire through employment agencies usually paying at least three times the hourly rate charged by such professionals. There was a hearing on this bill in the Social Services Budget Committee on March 28, 2002, and no changes were made to the senate bill. SRS testified in favor of the bill at the hearing and the Department of Administration provided written testimony.

Representative Neufeld moved to report the bill favorably for passage. Motion was seconded by Representative Bethell.

Committee members voiced concern that all parties interested in the bill did not receive notification in time to make arrangements to testify. The notice was displayed on Wednesday, March 27, and published in the House Calendar on Thursday, March 28. Members had been contacted by potential conferees who are in disagreement with the proposal.

Chairman Wilk announced the bill would not be worked until Wednesday, April 3, 2002. He would consider hearing additional pertinent testimony.

Discussion and Action on SB 421-SRS; fixing of certain fees and disposition thereof

Representative Neufeld moved to adopt the Committee report with the only change from the Senate version being moving the poverty level from 200 percent to 150 percent which is in agreement with HealthWave. Motion was seconded by Representative Landwehr.

Representative Henry made a substitute motion striking the current language in the bill and inserting a substitute bill as presented (Attachment 6). Motion was seconded by Representative Neufeld. Motion carried.

The main features of the new bill were explained as follows:

- Makes this a voluntary program which gives parents a sense of ownership
- Fee schedule would be developed and attached to the informing letter
- Letters explaining the voluntary program would be sent to organizations and advocacy groups

requesting their support.

Disabled children's fund would be available for federal matching funds.

Representative Henry moved that the revisors be authorized to make technical corrections as needed. Motion was seconded by Representative Neufeld. Motion carried.

Representative Nichols moved to strike "disabled children" wherever it appears in the bill and insert "children with disabilities." Motion was seconded by Representative Henry. Motion carried.

Representative Neufeld moved to report **Substitute for SB 421** favorably as amended. Motion was seconded by Representative Henry. Motion carried.

<u>Discussion and Action on SB 429–Establishing an employee reward and recognition program</u>

Bobbi Mariani, Division of Personnel, reported that their division would offer an appeal process for any person in any agency regarding the employee reward and recognition program.

Representative Nichols moved to amend the bill by requiring the Department of Administration to set up rules and regulations and directives for agencies in the setting up and implementation of the proposed employee reward and recognition program. Motion was seconded by Representative Minor. Motion carried. (A + + ach ment 7.)

Representative Campbell moved to report the bill favorably as amended. Motion was seconded by Representative Pottorff. Motion carried.

Discussion on HB 2770-Persian Gulf war veterans health initiative act

Representative Thimesch explained that the first proposed technical amendment was made at the request of Sheilah Walker of the Department of Motor Vehicles. It would not transfer the money to the war veteran's fund until July 1.

The proposed legislation would raise the registration fees on all motor vehicles within particular categories by \$3.00 which would be paid directly into the Highway Fund. On July 1 of the following year, three percent of the supposed \$7 million collected, \$90,000, would be paid into the Persian Gulf War veteran's fund. This would become their dedicated revenue source rather requesting funding from the state general fund every year. Members of the Committee voiced concern about raising fees at this time.

Chairman Wilk announced his intentions to work this bill on Wednesday, April 3, 2002.

Representative Landwehr pointed out a recent article in the Wichita Eagle regarding the investigative report of district court personnel charging on their expense accounts both per diem and meal charges. The possibility of requesting a legislative post audit and scope statement regarding such discrepancies was discussed.

The meeting was adjourned at 3:00 p.m. The next meeting is scheduled for Wednesday, April 3, 2002.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 4//

NAME	REPRESENTING
Melinda Gaul	DOB
Bruce Graham	108P6
Elaine Schwatz	KDOA
Kalen Watney	Day A
Josie Jorres	KCDD
Andy Sandy	KAPE
Brent Val	5RS
andy Shaw	KAC
Strart Little	Wester Energy
Keith Haxton	SEAK

PROPOSED AMENDMENT TO HOUSE BILL NO. 2635 (As Amended by House Committee)

On page 2, after line 7, by inserting:

"Sec. 2. K.S.A. 2001 Supp. 74-8905 is hereby amended to read as follows: 74-8905. (a) The authority may issue bonds, either for a specific activity or on a pooled basis for a series of related or unrelated activities or projects duly authorized by a political subdivision or group of political subdivisions of the state in amounts determined by the authority for the purpose of financing projects of statewide as well as local importance as defined pursuant to K.S.A. \(\frac{12-174}{12-1774}\), and amendments thereto, capital improvement facilities, educational facilities, health care facilities and housing developments. Nothing in this act shall be construed to authorize the authority to issue bonds or use the proceeds thereof to:

- (1) Purchase, condemn or otherwise acquire a utility plant or distribution system owned or operated by a regulated public utility;
- (2) finance any capital improvement facilities, educational facilities or health care facilities which may be financed by the issuance of general obligation or utility revenue bonds of a political subdivision, except that the acquisition by the authority of general obligation or utility revenue bonds issued by political subdivisions with the proceeds of pooled bonds shall not violate the provisions of the foregoing; or
- (3) purchase, acquire, construct, reconstruct, improve, equip, furnish, repair, enlarge or remodel property for any swine production facility on agricultural land which is owned, acquired, obtained or leased by a corporation, limited liability company, limited partnership, corporate partnership or trust.

Nothing in this subsection (a) shall prohibit the issuance of bonds by the authority when any statute specifically authorizes the issuance of bonds by the authority or approves any activity or project of a state agency for purposes of authorizing any such

DATE 4/1/02

issuance of bonds in accordance with this section and provides an exemption from the provisions of this subsection (a).

- The authority may issue bonds for activities and projects of state agencies as requested by the secretary of administration. No bonds may be issued pursuant to this act for any activity or project of a state agency unless the activity or project either has been approved by an appropriation or other act of the legislature or has been approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c, and amendments thereto. When requested to do so by the secretary administration, the authority may issue bonds for the purpose of refunding, whether at maturity or in advance of maturity, any outstanding bonded indebtedness of any state agency. The revenues any state agency which are pledged as security for any bonds of such state agency which are refunded by refunding bonds of the authority may be pledged to the authority as security for refunding bonds.
- The authority may issue bonds for the purpose (C) financing industrial enterprises, agricultural business enterprises, educational facilities, health care facilities and housing developments, or any combination of such facilities, or any interest in facilities, including without limitation leasehold interests in and mortgages on such facilities. No less than 30 days prior to the issuance of any bonds authorized under this act with respect to any project or activity which is to be undertaken for the direct benefit of any person or entity which is not a state agency or a political subdivision, written notice of the intention of the authority to provide financing and issue bonds therefor shall be given by the president of the authority to the governing body of the city in which the project or activity is to be located. If the project or activity is not proposed to be located within a city, such notice shall be given

to the governing body of the county. No bonds for the financing of the project or activity shall be issued by the authority for a one-year period if, within 15 days after the giving of such notice, the governing body of the political subdivision in which the project or activity is proposed to be located shall have adopted an ordinance or resolution stating express disapproval of the project or activity and shall have notified the president of the authority of such disapproval.

(d) The authority may issue bonds for the purpose establishing and funding one or more series of venture capital funds in such principal amounts, at such interest rates, in such maturities, with such security, and upon such other terms and in such manner as is approved by resolution of the authority. The proceeds of such bonds not placed in a venture capital fund or reimburse organizational, offering and pay administrative expenses and fees necessary to the issuance sale of such bonds shall be invested and reinvested in such securities and other instruments as shall be provided resolution under which such bonds are issued. Moneys in a venture capital fund shall be used to make venture capital investments in new, expanding or developing businesses, including, but not limited to, equity and debt securities, warrants, options other rights to acquire such securities, subject to provisions of the resolution of the authority. The authority shall establish an investment policy with respect to investment of the funds in a venture capital not inconsistent with the purposes of this act. The authority shall enter into an agreement with a management company experienced venture capital investments to manage and administer each venture capital fund upon terms not inconsistent with the purposes of this act and such investment policy. The authority may establish an advisory board to provide advice and consulting assistance to the authority and the management company with respect to management and administration of each venture capital fund and

the establishment of its investment policy. All fees and expenses incurred in the management and administration of a venture capital fund not paid or reimbursed out of the proceeds of the bonds issued by the authority shall be paid or reimbursed out of such venture capital fund.

- (e) The authority may issue bonds in one or more series for the purpose of financing a project of statewide as well as local importance in connection with a redevelopment plan that is approved by the authority in accordance with K.S.A. 2001 Supp. 74-8921 and 74-8922, and amendments thereto.
- (f) After receiving and approving the feasibility study required pursuant to K.S.A. 2001 Supp. 74-8936, and amendments thereto, the authority may issue bonds in one or more series for the purpose of financing a multi-sport athletic project in accordance with K.S.A. 2001 Supp. 74-8936 through 74-8938, and amendments thereto. If the project is to be constructed in phases, a similar feasibility study shall be performed prior to issuing bonds for the purpose of financing each subsequent phase.
- (g) The authority may issue bonds for the purpose of financing resort facilities, as defined in subsection (a) of K.S.A. 32-867, and amendments thereto, in an amount or amounts not to exceed \$30,000,000 for any one resort. The bonds and the interest thereon shall be payable solely from revenues of the resort and shall not be deemed to be an obligation or indebtedness of the state within the meaning of section 6 of article 11 of the constitution of the state of Kansas. The authority may contract with a subsidiary corporation formed pursuant to subsection (v) of K.S.A. 74-8904, and amendments thereto, or others to lease or operate such resort. The provisions of K.S.A. 32-867, 32-868, 32-870 through 32-873 and 32-874a through 32-874d, and amendments thereto, shall apply to resorts and bonds issued pursuant to this subsection.
- (h) The authority may use the proceeds of any bond issues herein authorized, together with any other available funds, for

venture capital investments or for purchasing, leasing, constructing, restoring, renovating, altering or repairing facilities as herein authorized, for making loans, purchasing mortgages or security interests in loan participations and paying all incidental expenses therewith, paying expenses of authorizing and issuing the bonds, paying interest on the bonds until revenues thereof are available in sufficient amounts, purchasing bond insurance or other credit enhancements on the bonds, and funding such reserves as the authority deems necessary and desirable. All moneys received by the authority, other than moneys received by virtue of an appropriation, are hereby specifically declared to be cash funds, restricted in their use and to be used solely as provided herein. No moneys of the authority other than moneys received by appropriation shall be deposited with the state treasurer.

- (i) The authority may issue bonds for the purpose of financing the construction of broadband technology facilities in areas of the state which do not have access to broadband services. The bond issue may include one or more cities, counties or school districts but any such cities, counties or school districts must contract with a private sector participant for the construction, maintenance and operation of the broadband facilities. In no event shall the authority issue such bonds to construct facilities which would provide telecommunications or broadband services in competition with existing services provided by the private sector. Bonds issued pursuant to this subsection shall be exempt from the provision of clause (2) of subsection (a).
- (j) Any time the authority is required to publish a notification pursuant to the tax equity and fiscal responsibility act of 1982, the authority shall further publish such notification in the Kansas register.
- (\dagger) (k) Any time the authority issues bonds pursuant to this section, the authority shall publish notification of such

issuance at least 14 days prior to any bond hearing in the official county newspaper of the county in which the project or activity financed by such bonds are located and in the Kansas register.

Sec. 3. K.S.A. 2001 Supp. 74-8905 is hereby repealed.";
By renumbering section 2 as section 4;

In the title, in line 10, by striking all after "concerning"; in line 11, by striking all before the period and inserting "the Kansas development finance authority; authorizing issuance of bonds for certain purposes; amending K.S.A. 2001 Supp. 74-8905 and repealing the existing section"

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Senate Concurrent Resolution No. 1614

By Committee on Ways and Means

1-15

A CONCURRENT RESOLUTION encouraging decreased dependence on public moneys to finance long-term care and education concerning long-term care insurance.

WHEREAS, Science, technology, nutrition and other factors have increased life expectancy and have set our nation on a course for a major expansion of our mid-life and older populations; and

WHEREAS, The average life expectancy is now almost 80 years and, often, the blessing of longer life means that diseases of aging that require long-term or custodial care, such as Alzheimer's disease, are more prevalent; and

WHEREAS, Changes in the structure of the nuclear family, such as two-earner households, make families less able to care for an aging parent, and

WHEREAS, Currently, 5.8 million people aged 65 or older need longterm care and this number will increase as more people survive heart attacks, cancer, strokes and other ailments that **once** were fatal; and

WHEREAS, Medicare does not cover the cost of nursing home care, assisted living, residential health care or other long-term care except for 100 days of rehabilitation; and

WHEREAS, The primary source of private financing of long-term care is the income and savings of the elderly, the disabled and their families or medicaid, a program for the poor; and

WHEREAS, The average cost for care in a nursing home in the United States is \$40,000-\$50,000 a year and that figure is certain to increase; and

WHEREAS, Kansas seniors must spend their life savings and contribute all their income before medicaid pays for their care; and

WHEREAS, Long-term care insurance can play an important role in helping to provide protection against the cost of long-term care and the expenditure of a lifetime of savings; and

WHEREAS, Long-term care insurance can help assure the security, 'gnity and independence of Kansans as they age as well as decrease the pendence on public moneys to finance long-term care: Now, therefore, Be it resolved by the Senate of the State of Kansas, the House of Rep-

PROPOSED AMENDMENTS
for consideration by
House Committee on Appropriations

on a full-time basis

better quality and choice of long-term care and

See attached

Aging.

resentatives concurring therein: That in order to decrease dependence on public moneys to finance long-term care and, in order to help assure the security, dignity and independence of Kansas senior citizens, the secretary of the Kansas department on aging Flurged to begin an education and awareness campaign that makes Founger Kansans aware of the potential cost of long-term care and encourages them to invest in long-term care insurance at an age when it is affordable; and

Be it further resolved: That the Secretary of State be directed to send

an enrolled copy of this resolution to the Secretary of the Department on

and the Kansas department of social and rehabilitation services are

and to encourage the state government to consider a five-year look back period for capturing disqualifying transfers for Medicaid eligibility

5.0

WHEREAS, The department of social and rehabilitation services and the department on aging work to inform and educate applicants for medical assistance of such department's powers and duties under state and federal laws to recover the costs of medical assistance provided from the estates of medical assistance recipients, including kinds and amounts of allowable expenditures or other utilizations of assets to acquire exempt or other property so that such assets are excluded from such income calculations and also including the use of trusts to allowably reduce an individual's net worth when applying for medical assistance; and

WHEREAS, The state's goal should be to encourage purchase of long-term insurance not only to protect the public from asset loss, but also to protect the Medicaid program for

the truly needy; and



KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

March 11, 2002

The Honorable Kenny Wilk Chair, House Appropriations Committee Statehouse, Room 514-S Topeka, Kansas 66612

Re: SB 517, Section 5

Dear Chairman Wilk:

I am attaching information that was provided previously to the Senate Ways and Means Committee regarding SB 517, in case it is of interest to you and members of the House Appropriations Committee when considering this bill. We expressed these concerns initially when the Joint Committee on Special Claims against the State considered several of the SRS claims S.B. 517, Section 5, contains.

Our primary concern is that, by granting such claims, the state may encourage additional claims to be filed when parents or family members incur costs while contesting whether a child should be returned to their home. It is difficult to differentiate between the instances in SB 517 and all other child welfare cases when the agencies involved have followed proper procedures, but the circumstances change and the child is ultimately returned home. If the Joint Committee on Special Claims against the State is consistent in granting similar claims, the state may be exposing itself to significant financial risk.

The attached letters explain our concerns in detail. If you have any questions or need additional information, please let me know. Thank you for your consideration.

Sincerely,

Janet Schalansky,

Attachments: 2

Audrey Nogle, KLRD

Jim Wilson, Revisor of Statutes

HOUSE APPROPRIATIONS

DATE 4/1/02 ATTACHMENT 3



KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

March 7, 2002

The Honorable Stephen Morris Chair, Senate Ways & Means Committee Statehouse, Room 120-S Topeka, Kansas 66612

Re: SB 517, Section 5

Dear Senator Morris,

You had requested additional information in regard to the letter we had previously submitted on this bill. That letter is attached.

I have asked this Committee to consider the public policy implications of awarding claims to be paid by SRS based on the court's resolution of a disagreement over the best interests of a particular child. These issues may be stated as:

- ♦ Is it appropriate to award financial compensation to litigants who ultimately prevail in a child in need of care action?
- ♦ If so, should this be dependent upon individual claims to the joint committee or routinely provided to all prevailing parties in every child in need of care action?
- ♦ Should awards be made prior to or in the absence of the family having pursued other avenues available to resolve the issue (i.e. civil lawsuit)?

Roles of SRS, Courts, and Law Enforcement in Child Welfare

Agency staff and law enforcement are required by law to receive and investigate allegations of abuse and neglect of children. Evidence gathered is provided to the prosecutor. The prosecutor independently determines whether or not to file a petition. Only a judge may order out of home placement and custody to the Secretary. Information continues to be gathered and provided to the court throughout the proceedings. Much like criminal prosecutions and civil litigation, the court ultimately must make a decision. Child welfare cases are complex and decisions difficult.

Senate Ways and Means Committee March 7, 2002 Page Two

Reintegration is our goal in almost every case and, in most cases, the child returns to parental custody. In every case the family has experienced an enormously traumatic event. It is also important to note a child is removed from his or her home due to concerns regarding the child's safety, not as punishment for the parent. Under current Kansas law, a child remains out of the home until it is safe for the child to return. Usually this is a judicial determination based on all the facts and circumstances of each case and the needs of individual children. This decision may be based on a determination about the original concerns, but more frequently is influenced by changed circumstances or new information.

Checks and Balances in the System

The Kansas child welfare system has built in safeguards to protect families from unnecessary intrusion by limiting the power and decision making of SRS, law enforcement, prosecutors and the court. While both SRS and law enforcement are authorized to receive and investigate allegations of abuse or neglect, only law enforcement is authorized to take a child into protective custody. Police protective custody is limited to 72 hours unless a court hears evidence and determines, based on criteria set out in the law, that parental custody is not in the child's best interests.

When a child does not return home a petition is filed, the parents notified and a hearing held within the 72 hours. At or before this temporary custody hearing, the court is required to appoint a guardian ad litem for the child. When the parent is indigent, an attorney is appointed for the parent. While grandparents are automatically parties and may be represented by counsel, they are not entitled to court appointed attorneys. Currently the county is responsible for the cost of appointed counsel representing the child and for indigent parents. When the final decision is to return the child to the custody of parents, should the cost of retained counsel for all parties be reimbursed? This, of course, is not the practice in other civil litigation or in criminal prosecutions.

This separation of power acts to check and balance decision making but it takes time. When a child and family is separated, both pay a price. Delay of any kind is unfortunate but also unavoidable. Children and Family Policy Division of SRS and the Office of Judicial Administration are both working to minimize delays and facilitate prompt, good decision making. The system is likely to remain imperfect. When the removal and delay in reintegration is perceived by the family to be egregious, yet was entirely legal, should the family be compensated? Should expenses be reimbursed only to those who file special claims?

Confidentiality

Key information that guides SRS opinion and decision making is confidential. Claimants may request reimbursement before the Joint Committee on Special Claims and the department is provided the opportunity to respond. Unfortunately, K.S.A. 38-1507 limits the information which

Senate Ways and Means Committee March 7, 2002 Page Three

may be provided. As a result, SRS is very limited in information which may be supplied to the Joint Committee on Special Claims. This places the committee in the situation of deciding the merits without complete understanding of all issues involved in the situation. Had the claim been filed with a court, discovery orders would have authorized disclosure and both parties would have an opportunity to fully present their perception of events according to the rules of evidence.

Concerns about awarding claims when SRS has followed law, regulation and policy I am concerned about the legislative precedent set when awarding claims and I am also concerned about the message received by staff. It is critical that I understand the message and communicate it clearly to the front line social workers. Positive staff morale and retention are necessary components of an effective child welfare system. When an error is identified or the agency has been negligent, the special claims process facilitates accountability and correction. However, it is difficult for staff to understand the message when law, regulation and policy have been followed. When staff have worked in concert with law enforcement, prosecutor and court, yet SRS is singled out for payment of one family's claim, I am at a loss to explain the message.

Finally, if no error is necessary for claimants to succeed, it seems unfair that others, who are similarly situated, should not be similarly reimbursed. Should we establish a system of reimbursement for the cost of retained counsel, lost wages and other expenses which may result from each child in need of care action?

If there are other issues that we should discuss, please feel free to contact me at your convenience at (785) 296-3271.

Sincerely,

Janet Schalansky,

Secretary

cc: Marilyn Jacobson John W. Badger



KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

February 18, 2002

Honorable Stephen Morris Chair, Senate Ways & Means Committee Statehouse, Room 120-S Topeka, KS 66612

Re: SB 517, Section 5

Dear Senator Morris:

This is to advise the Committee of SRS's position with regard to the payments authorized in Sections 5(a) and (b) of Senate Bill No. 517.

SRS presented testimony in opposition to the claims of Scott and Susan House and Clair and Shirley Gordon when the Joint Committee on Special Claims held hearings in December 14. 2001.

We would ask the Committee consider the public policy implications of awarding claims based on the court's resolution of a disagreement over the best interests of a particular child. Is it appropriate to award litigants who ultimately prevail? If so, should this be dependent upon individual claims to the joint committee or routinely provided to all prevailing parties in every child in need of care action?

Agency staff and law enforcement are required by law to receive and investigate allegations of abuse and neglect of children. Evidence gathered is provided to the prosecutor. The prosecutor independently determines whether or not to file a petition. Only a judge may order out of home placement and custody to the Secretary. Information continues to be gathered and provided to the court. Much like criminal prosecutions and civil litigation, the court ultimately must make a decision. In most cases, the child returns to parental custody.

The court is required to appoint counsel for the child and, when the parent is indigent, the parent. While grandparents are automatically parties, they are not entitled to court appointed attorneys. Currently the county is responsible for the cost of appointed counsel representing the child and for indigent parents. When the final decision is to return the child to the custody of parents, should the cost of retained counsel for all parties be reimbursed? This, of course, is not the practice in other civil litigation or in criminal prosecutions.

RE: BS 517, Section 5 February 18, 2002 Page 2 of 2

If there are other issues that we should discuss, please feel free to contact me at your convenience at (785) 296-3271.

Sincerely,

Janet Schalansky

Secretary

JS:RSM/clh

cc: Marilyn Jacobson John W. Badger

ALDERSON, ALDERSON, WEILER, CONKLIN, BURGHART & CROW, L.L.C.

ATTORNEYS AT LAW

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Mark A. Burghart*
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Leslie M. Miller

MICHELLE L. MILLER

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"LL.M., TAXATION
"LICENSED TO PRACTICE IN
KANSAS AND MISSOURI

MEMORANDUM

TO:

Kenny A. Wilk, Chairman, and Members of House

Appropriations Committee

FROM:

Bob Alderson

DATE:

April 1, 2002

RE:

Amendment to Senate Bill No. 517 Requested on Behalf

of Beverly J. Probasco

Chairman Wilk and Members of the Committee:

Last Friday, when I presented testimony to the Committee on behalf of Beverly J. Probasco, Representative Stone asked me a question regarding the amount of Ms. Probasco's insurance deductible, and I was unable to provide him with a very good response. Following the meeting, I visited with Ms. Probasco and she advised me that she has a \$100.00 deductible, but the insurance company waived payment of the deductible on this occasion, because the damage was "caused by a falling object." Thus, it would be inappropriate to include the deductible in the requested compensation.

I trust this adequately responds to the question presented by Representative Stone. If you need any additional information regarding Ms. Probasco's compensation claim, please do not hesitate to contact me.

WRA:fm\gaa

cc: Dr. Bill Wolff

HOUSE APPROPRIATIONS

DATE 4/1/02 ATTACHMENT #4 Session of 2002

SENATE BILL No. 517

By Joint Committee on Special Claims Against the State

2-6

10 11 12 13	AN ACT concerning certain claims against the state, making tions, authorizing certain transfers, imposing certain restributions, and directing or authorizing certain disburse cedures and acts incidental to the foregoing.	rictions and
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15	Be it enacted by the Legislature of the State of Kansas:	lablama awa
16	Section 1. For the fiscal year ending June 30, 2002, approp	I and trans
17	hereby made, restrictions and limitations are hereby imposed	, and trans-
18	fers, disbursements, procedures and acts incidental to the fo	negoing are
19	hereby directed or authorized as provided in this act.	nd directed
20	Sec. 2. The department of revenue is hereby authorized a	efund fund
21	to pay the following amounts from the motor-vehicle fuel tax is	ed in KSA
22	for claims not filed within the statutory filing period prescrib	eu m k.s.n.
23	79-3458 and amendments thereto, to following claimants:	
24	Terry B. Aller	
25	1273 220th Hiawatha, KS 66434	\$152.93
26	Robert W. Altic	φ.τοΔ.σο
27	3495 Delaware Rd	
28	Pomona, KS 66076	\$5.60
29 30	Max J. Amos	500 . 500 . 500
31	649 Hwy 56	
32	Council Grove, KS 66846	\$218.88
33	APAC Kansas Inc.	
34	PO Box 23910	12
35	Overland Park, KS 66283	\$26,552.39
36	Barnhart Farms	
37	4019 Louisiana Rd	
38	Ottawa, KS 66067	\$98.60
39	Barnhart Farms	
40	4019 Louisiana Rd	
41	Ottawa, KS 66067	\$95.40
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PROPOSED AMENDMENT for consideration by House Appropriations Committee

HOUSE APPROPRIATIONS

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8-2

1	imbursement for paint overspray damage to claimant's car parked in the
2	facility's employee parking lot, to the following claimant:
3	Tim Bradeen
4	611 Morgan Street
5	Lansing, KS 66043
6	Sec. 8. (a) The department of administration is hereby authorized
7	and directed to pay the following amount from the cancelled war-
8	rants payment fund of the above agency as reimbursement for a
9	cancelled payroll warrant to the following claimant:
10	Virginia Smith
11	1031 W. 2nd
12	Larned, KS 67550\$1,864.25
13	(b) The department of administration is hereby authorized and
14	directed to pay the following amount from the cancelled warrants
15	payment fund of the above agency as reimbursement for a cancelled
16	warrant to the following claimant:
17	Robert A. Bechtel
18	1419 Martway Circle, Apt. C
19	Olathe, KS 66061-5813 \$92.00
20	Sec. 8. 9. (a) Except as otherwise provided by this act, the director of
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Sec. 8. 9. (a) Except as otherwise provided by this act, the director of accounts and reports is hereby authorized and directed to draw warrants on the state treasurer in favor of the claimants specified in this act, upon vouchers duly executed by the state agencies directed to pay the amounts specified in such sections to the claimants or their legal representatives or duly authorized agents, as provided by law.

(b) The director of accounts and reports shall secure prior to the payment of any amount to any claimant, other than amounts authorized to be paid pursuant to section 2 as motor-vehicle fuel tax refunds or as transactions between state agencies as provided by this act, a written release and satisfaction of all claims and rights against the state of Kansas and any agencies, officers and employees of the state of Kansas regarding their respective claims.

Sec. 9.10. This act shall take effect and be in force from and after its publication in the Kansas register.

PROPOSED House Substitute for Senate Bill No. 421 For Consideration by Committee on Appropriations

1	AN ACT concerning the department of social and rehabilitation services; authorizing the
2	secretary of social and rehabilitation services to request and accept certain voluntary fees;
3	prescribing procedures, guidelines and reports therefor and disposition thereof.
4	Be it enacted:
5	Section 1. (a) The secretary of social and rehabilitation services is hereby authorized to
6	request and accept voluntary fee contributions from parents of disabled children in accordance
7	with this section for services provided to their children by an institution or a program of the
8	department of social and rehabilitation services.
9	(b) Prior to requesting any such voluntary fees under this section, the secretary of social
10	and rehabilitation services (1) shall develop and adopt suggested guidelines for voluntary fee
11	contributions that is similar to other fee guidelines currently being used for other assistance or
12	services and programs of the department of social and rehabilitation services, (2) shall prepare
13	and deliver a letter to the parents of every child who is receiving such services, or to such
14	relatives or other persons who have accepted some financial responsibility for such child, to
15	express the urgent need for such persons make every effort to contribute, in accordance with the
16	guidelines adopted by the secretary, to the services for disabled children contributions fund to the
17	extent of their financial ability to do so, and (3) shall prepare and deliver a letter to all
18	organizations advocating for services for disabled children to request such organizations assist in
19	expressing to all parents and other persons the urgent need for families to make every effort to

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ATTACHMENT #6

contribute to the services for disabled children contributions fund. In all written correspondence

- from the department of social and rehabilitation services to families with disabled children, the secretary of social and rehabilitation services shall include a clearly-defined statement encouraging such families to contribute voluntary fees to the services for disabled children contributions fund to the best of their ability to do so.
- (c) All moneys received by the secretary of social and rehabilitation services under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shill deposit the entire amount in the state treasury to the credit of the services for disabled children contributions fund, which is hereby created in the state treasury and which shall be administered by the secretary of social and rehabilitation services. All moneys credited to the services for disabled children contributions fund shall be used to match available federal funds to provide support and assistance for families with disabled children. All expenditures from the services for disabled children contributions fund shall be in accordance with the provisions of appropriation acts upon warrants of the director of accounts and reports pursuant to vouchers approved by the secretary of social and rehabilitation services or the secretary's designee.
- (d) At the beginning of the regular session of the legislature in 2003, the secretary of social and rehabilitation services shall submit a report to the committee on appropriations of the house of representatives, the committee on ways and means of the senate and to other appropriate standing and joint committees of the legislature on the status and results of the voluntary fees collection program under this section.
 - Sec. 2. Kansas register effective date

Sec. ____. K.S.A. 8-143 is hereby amended to read 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; for motorcycles, \$15; 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 \$28 for those having a gross weight of 4,500 pounds or less; (ii) \$35 \$38 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. Except for motor semitrailers registered under the or trailers vehicles, 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

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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 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 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:

		12,000 lbs. or less of more than 12,000 lbs. and not	\$35 <u>\$38</u>
	more than 16,000	lbs	±θθ <u>103</u>
For		more than 16,000 lbs. and not lbs	130 133
For		of more than 20,000 lbs. and not	100 100
		lbs	195
For		more than 24,000 lbs. and not lbs	310
For		of more than 26,000 lbs. and not	510
	more than 30,000	lbs	310
ror.		more than 30,000 lbs. and not lbs	370
For	a gross weight	of more than 36,000 lbs. and not	
For		lbs more than 42,000 lbs. and not	470
	more than 48,000	lbs	600
For		of more than 48,000 lbs. and not	800
For		more than 54,000 lbs. and not	800
	more than 60,000	lbs	1,000
For		of more than 60,000 lbs. and not lbs	1,200
For	a gross weight of	more than 66,000 lbs. and not	1/200
-		lbs 74 000 71	1,525
r'or		of more than 74,000 lbs. and not lbs	1,725
For		more than 80,000 lbs. and not	1,723
	more than 85,500	lbs	1,925

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 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 local trucks or truck tractors; and whenever the same 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 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:

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 division of vehicles whereby owners of local trucks or truck tractors may operate any such vehicle, empty, beyond the radius hereinbefore prescribed, when such operation is solely for the purpose of having such vehicle repaired, painted or serviced 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 \$63
For	a gross weight of	more than 16,000 lbs. and not	
	more than 20,000	lbs	±00 103
For	a gross weight	of more than 20,000 lbs. and not	
	more than 24,000	lbs	130
For		more than 24,000 lbs. and not	
		lbs	175
For		of more than 26,000 lbs. and not	
		lbs	175
For		more than 30,000 lbs. and not	210
_		lbs	210
For		of more than 36,000 lbs. and not	240
-		lbs	240
For		more than 42,000 lbs. and not	210
		lbs	310
For		of more than 48,000 lbs. and not	47.0
		lbs	410
For	a gross weight of	more than 54,000 lbs. and not	

		lbs	470
For	a gross weight	of more than 60,000 lbs. and not	
	more than 66,000	lbs	570
For	a gross weight of	more than 66,000 lbs. and not	
	more than 74,000	lbs	750
For	a gross weight	of more than 74,000 lbs. and not	
		lbs	880
For	a gross weight of	more than 80,000 lbs. and not	
	more than 85,500	lbs	1,000

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 <u>\$38</u>
For	a gross weight	of more than 16,000 lbs. and not	
		lbs	40 43
For	a gross weight of	more than 20,000 lbs. and not	
	more than 24,000	lbs	50
For	a gross weight	of more than 24,000 lbs. and not	
	more than 26,000	lbs	70
For	a gross weight of	more than 26,000 lbs. and not	
	more than 54,000	lbs	70
For	a gross weight	of more than 54,000 lbs. and not	
	more than 60,000	lbs	180
For	a gross weight of	more than 60,000 lbs. and not	
	more than 66,000	lbs	360
For	a gross weight of	more than 66,000 lbs	600

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 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 for "farm vehicle--not for hire." an applicant If registration of any farm truck or farm truck tractor operates any use or purpose not authorized for a farm such vehicle for farm truck tractor, such applicant shall pay truck or additional fee equal to the fee required for the registration all trucks or truck tractors not registered as local, 6,000-mile or farm truck or farm truck tractor motor vehicles, less 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:

\$15 30 60 More than 39 passengers except that the annual license fee for each local urban transit metropolitan transit authority bus which is owned by a articles 25 and 28 of chapter 12 or established pursuant to chapter 13 of the Kansas Statutes pursuant to article 31 of 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 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 this state, but this provision shall not apply to any trailer or semitrailer owned by a nonresident of this state when such owned by a person who has is semitrailer or proportionately registered and licensed a fleet of vehicles under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, 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. the owner of any trailer, semitrailer or pole trailer registered under this multi-year provision transfers or assigns the title, 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 Any owner of a trailer, semitrailer or pole trailer where the multi-year registration fee has been paid and the trailer 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 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, the time the application is made. If any at applicable 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 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 1/12 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 Upon the transfer of motorcycles, motorized bicycles, passenger vehicles, trailers, semitrailers, trucks or 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 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 has expired at midnight on the last day of registration year, and such vehicle is not thereafter highways, any application for renewal of registration the made subsequent to the anniversary or renewal date of registration year following the expiration of such registration and for succeeding registration years in which such vehicle has not been registered shall be accompanied by an affidavit of nonoperation and nonuse, and such application for renewal registration shall be received by the division of vehicles upon payment of the proper fees for the current registration year 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 application with and delivery of the license plate attachments to the division of vehicles. Where the registration 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 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 truck tractor, where the registration is secured on a quarterly payment of the annual registration, the repossessing the truck or truck tractor, or foreclosing by a

mechanic's lien, or securing title by court order, the mortgagor the assigns of the mortgagor, or the one securing title may pay the balance due on date of application for title, 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 county treasurer issuing the original registration of cancellation so that the county treasurer may, and the county treasurer shall cancel the registration of such vehicle in treasurer's office and release any lien issued in county 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.