

Journal of the House

FIFTY-NINTH DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Friday, April 29, 2005, 10:00 a.m.

The House met pursuant to adjournment with Speaker Mays in the chair.
The roll was called with 124 members present.
Rep. Showalter was excused on verified illness.

Prayer by Chaplain Chamberlain:

God of beginnings and endings, we praise you today and acknowledge that you are always with us, leading us and guiding us in the ways that lead to life — the real life that you have promised to those who turn to you. We thank you for being with us on every journey. You are there as we begin our journeys and you remain with us through all of their ups and downs. You are there as we come to the end of every journey. Lord, you guard our going out and our coming in. You keep us safe from all harm and deliver us safely to our journey's end. We are never apart from you.

As the business of this house draws to a conclusion, hear our prayer of thanksgiving for your presence and your grace at journey's end. Thank you for the faithful service of those who have labored in this vineyard and who have done their best for the people of Kansas. And thank you most of all for the blessing of the freedom that makes their service possible and which blesses our lives. You are, indeed, a God of plentiful blessing and the Lord of all grace. May the life we lead be a faithful testimony to these and all the gifts that you give us and may our testimony lead others to the knowledge of your love. Amen.

The Pledge of Allegiance was led by Rep. Winn.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills and resolution were referred to committees as indicated:

Appropriations: **HB 2538**, **HB 2539**; **SB 296**.

Corrections and Juvenile Justice: **SB 117**.

Health and Human Services: **HR 6036**.

MOTIONS AND RESOLUTIONS OFFERED ON A PREVIOUS DAY

On motion of Rep. Sawyer, **HR 6035**, A resolution congratulating and commending the Wichita State University women's bowling team for winning the 2005 intercollegiate bowling national championship, was adopted.

MOTIONS AND RESOLUTIONS OFFERED ON A PREVIOUS DAY

On motion of Rep. Horst, **HR 6037**, A resolution congratulating and commending the Brown Mackie College men's basketball team and Coach Francis Flax for winning the 2005 National Junior College Athletic Association Division II basketball championship, was adopted.

There being no objection, the following remarks of Rep. Horst are spread upon the Journal:

In Salina, we have grown accustomed to winning high school championships in several sports. Not to be outdone, the Brown Mackie College Men's Basketball Team, under the able guidance of Coach Francis Flax, have also made a name for themselves.

For those of you who have never heard of Brown Mackie College, it has had a presence in Salina for many years. It is well-known across the state for its business training. The two-year college, which is located in the 69th District, recently moved to a new location and has expanded its training into other areas as well as adding sports.

Coach Flax and his assistants have molded a group of young men into a team which worked well together, exhibiting excellent teamwork, strong competitive spirit and a determination to win. This team obviously put forth a great deal of effort as is demonstrated in their successful season of 35 wins and one loss. By the way, this is their second National Junior College Division II Basketball Championship...the first was won in 1999.

Brown Mackie team members who were selected All Tournament Team Members are as follows: point guard, Dominic Bishop and guard, Oliver Lafayette. Center, James Williams was named the tournament's most valuable player.

Many of the team members are on recruitment visits so could not be with us today...not to mention that graduation is tomorrow.

We congratulate the Brown Mackie College Men's Basketball Team and Coach Flax. We also thank them for taking the time to come to Topeka so we could honor their accomplishments.

Coach Francis Flax introduced team members Robert Markley, Garry Wise, James Dixon and Oliver Lafayette. Coach Flax also noted that Oliver Lafayette has been named National Player of the Year for Junior College Division II Basketball.

MOTIONS AND RESOLUTIONS OFFERED ON A PREVIOUS DAY

On motion of Rep. Landwehr, **HR 6038**, A resolution memorializing the Congress of the United States to continue funding of the TRiO and GEARUP educational programs, was adopted.

MOTIONS AND RESOLUTIONS OFFERED ON A PREVIOUS DAY

On motion of Rep. Larkin, **HR 6039**, A resolution in memory of Maj. Gen. (Ret) James F. Rueger, was adopted.

There being no objection, the following remarks of Rep. Larkin are spread upon the Journal:

On April 16th, Kansas lost a hero, Major General James Rueger, or as those who knew him, he would say just call me "Jim."

General Rueger was appointed Kansas Adjutant General in 1990 during the transition from Governor Hayden to Governor Finney's administration and was sort of a joint appointment. He served as Adjutant General under Governors Hayden, Finney and Graves.

On April 21st he was laid to rest at the Beattie, Kansas cemetery. Governor Sebelius said "I have requested all flags to be lowered on Thursday, April 21, 2005, the day of his funeral. I urge all Kansans to join me in honoring Major General Rueger's nearly 50 years of service to the military and Kansas."

General Rueger's accomplishments were listed by current Adjutant General Bunting that consisted of six new armories and extension of the maintenance capacity from 16 bays to 46. One of Rueger's most significant accomplishments was improvements to the leadership development center at Fort Leavenworth.

Rueger renovated the regional training center at Salina and added housing, classrooms and state-of-the-art equipment.

Among the programs he brought to Kansas were the M-1 tank engine rebuilding program, the Multiple Launch Rocket System and Black Hawk helicopters.

After listing those accomplishments and others, Bunting said "any one of these is a lifetime achievement."

Most of all Jim wanted to be remembered as a family man who cared about his friends and community. During his eulogy it was pointed out that Rueger was concerned about everyone. He was just as concerned with the enlisted men as he was with the officers and

went out of his way to make sure they were acknowledged and their contribution was recognized.

Jim was a humble, patient, kind, caring and just man, as well as a husband, father, brother, soldier, neighbor and friend. He was a man who was very courageous, very strong, very diligent, very patient, very humble, very kind.

Those attending his services were Governor Kathleen Sebelius, a number of generals, Kansas Adjutant General Bunting, National Guardsmen recently home from Iraq, farmers, teachers, family members, friends and children.

Rep. Larkin introduced Major General Rueger's wife, Kathie, and his daughter, Jennifer. Mrs. Rueger addressed a few remarks to the members of the House.

COMMUNICATIONS FROM STATE OFFICERS

From Ward Loyd, Chairman, Criminal Justice 3Rs Committee, as required by 2004 **H. Sub. for SB 45**, Kansas Criminal Justice Recodification, Rehabilitation and Restoration Project, Committee Report, April 1, 2005.

The complete report is kept on file and open for inspection in the office of the Chief Clerk.

MESSAGES FROM THE SENATE

The Senate concurs in House amendments to **H. Sub. for SB 273**.

The Senate nonconcur in House amendments to **SB 298**, requests a conference and has appointed Senators Brungardt, Reitz and Gilstrap as conferees on the part of the Senate.

Also, the Senate accedes to the request of the House for a conference on **S. Sub. for HB 2482** and has appointed Senators Umbarger, Emler and Barone as conferees on the part of the Senate.

The Senate accedes to the request of the House for a conference on **S. Sub. for HB 2507** and has appointed Senators Umbarger, Emler and Barone as conferees on the part of the Senate.

Also, the Senate adopts conference committee report on **SB 216**.

The Senate adopts conference committee report on **S. Sub. for HB 2037**.

The Senate adopts conference committee report on **HB 2308**.

Also, the Senate adopts conference committee report on **SB 72**.

The Senate concurs in House amendments to **SB 304**.

The Senate not adopts the conference committee report on **HB 2314**, requests a new conference committee be appointed and has appointed Senators Vratil, Bruce and Goodwin as second conferees on the part of the Senate.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Aurand, the House acceded to the request of the Senate for a conference on **SB 298**.

Speaker Mays thereupon appointed Reprs. Edmonds, Siegfried and Burroughs as conferees on the part of the House.

On motion of Rep. Aurand, the House acceded to the request of the Senate for a conference on **HB 2314**.

Speaker Mays thereupon appointed Reprs. Loyd, Owens and Davis as second conferees on the part of the House.

On motion of Rep. Aurand, the House recessed until 2:00 p.m.

AFTERNOON SESSION

The House met pursuant to recess with Speaker Mays in the chair.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Aurand, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules

of the Senate and House of Representatives, the rules were suspended for the purpose of considering **S. Sub. for HB 2037; HB 2308**.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 118**, 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 2, in line 18, after the semicolon by inserting "and"; in line 20, after the semicolon by striking "and"; by striking all in lines 21 and 22; by striking all in line 43;

On page 3, by striking all in line 1; in line 4, by striking all before "approve"; in line 41, before "di-" by inserting "list of products and services shall be certified by the"; in line 42, after "purchases" by inserting ", who"; also in line 42, by striking all after "list"; in line 43, by striking all before the period;

On page 4, by striking all in line 8; by striking all in line 9; in line 10, by striking "the committee"; by striking all in lines 18 and 19; in line 20, by striking "(e)" and inserting "(d)";

On page 5, by striking all in lines 7 through 43;

On page 6, by striking all in lines 1 through 42;

And by renumbering the remaining sections accordingly;

In the title, in line 11, by striking "by" and inserting "from";

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

MELVIN J. NEUFELD

JO ANN POTTORFF

JERRY HENRY

Conferees on part of House

KARIN BROWNLEE

NICK JORDAN

LAURA KELLY

Conferees on part of Senate

On motion of Rep. Pottorff, the conference committee report on **SB 118** was adopted.

On roll call, the vote was: Yeas 122; Nays 0; Present but not voting: 0; Absent or not voting: 3.

Yeas: Aurand, Ballard, Beamer, Bethell, Brown, Brunk, Burgess, Burroughs, Carlin, Carlson, Carter, Colloton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dillmore, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Flower, Freeborn, Garcia, Gatewood, George, Goico, Gordon, Grange, Grant, Hawk, Hayzlett, Henderson, Henry, Hill, Holland, C. Holmes, M. Holmes, Horst, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kelley, Kelsey, Kiegerl, Kilpatrick, Kinzer, Kirk, Knox, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, Long, Loyd, Mah, Mast, Mays, McCreary, McKinney, McLeland, Menghini, Merrick, F. Miller, M. Miller, Jim Morrison, Judy Morrison, Myers, Neufeld, Newton, Novascone, O'Malley, Oharah, Olson, Otto, Owens, Pauls, Peck, Peterson, Phelps, Pilcher-Cook, Pottorff, Powell, Powers, Roth, Ruff, Ruiz, Sawyer, Schwab, Schwartz, B. Sharp, S. Sharp, Shultz, Siegfried, Sloan, Storm, Svaty, Thull, Treaster, Vickrey, Ward, Watkins, Weber, Wilk, Williams, Winn, Yoder, Yonally.

Nays: None.

Present but not voting: None.

Absent or not voting: O'Neal, Showalter, Swenson.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2037**, 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 Senate Substitute for House Bill No. 2037, as follows:

On page 4, in line 34, by striking all after “have” and inserting “been eligible for normal retirement pursuant to subsection (a) of K.S.A. 20-2608, and amendments thereto, or would have been eligible for early retirement pursuant to subsection (b) or (c) of K.S.A. 20-2608, and amendments thereto, if such early retirement date occurs earlier”;

On page 18, in line 14, by striking all after “have” and inserting “been eligible for normal retirement pursuant to subsection (1) of K.S.A. 74-4914, and amendments thereto, or would have been eligible for early retirement pursuant to subsection (4) of K.S.A. 74-4914, and amendments thereto, if such early retirement date occurs earlier”;

On page 21, in line 2, after “Kansas” by inserting “and to the participating employers under K.S.A. 74-4931, and amendments thereto”; in line 34, by striking “an” and inserting “a separate”; in line 38, by striking “and”; in line 40, after “thereto” by inserting “, and a separate employer rate of contribution calculated for all other participating employers”; also in line 40, by striking all after the period; by striking all in lines 41 through 43;

On page 22, by striking all in lines 1 through 9 and inserting the following:

“(vi) There shall be a separate employer rate of contribution certified to the state of Kansas. There shall be a separate employer rate of contribution certified to participating employers under K.S.A. 74-4931, and amendments thereto. There shall be a separate employer rate of contribution certified to all other participating employers.

(vii) If the combined employer rate of contribution calculated for the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, is greater than the separate employer rate of contribution for the state of Kansas, the difference in the two rates applied to the actual payroll of the state of Kansas for the applicable fiscal year shall be calculated. This amount shall be certified by the board as additional employer contributions for the participating employers under K.S.A. 74-4931, and amendments thereto, to the division of budget and governor who shall include in the budget each year thereafter provisions for the transfer from the state general fund of sufficient sums to satisfy this obligation. This amount shall be distributed through the same procedure as followed for the employer contribution payments under K.S.A. 74-4939 and K.S.A. 74-4939a, and amendments thereto, and then remitted by the participating employers to the Kansas public employees retirement system for deposit as additional employer contributions to the retirement benefit accumulation reserve for the participating employers under K.S.A. 74-4931, and amendments thereto.”;

On page 36, in line 27, by striking “all periods thereafter” and inserting “ending June 30, 2006”; in line 30, by striking “1.0%” and inserting “.8%”; in line 32, after the period by inserting “For the period commencing July 1, 2006, and all periods thereafter, each participating employer shall appropriate and pay to the system in such manner as the board shall prescribe in addition to the employee and employer retirement contributions an amount equal to 1.0% of the amount of compensation on which the members’ contributions to the Kansas public employees retirement system are based for deposit in the group insurance reserve fund.”;

On page 47, after line 27, by inserting the following:

“New Sec. 15. (a) (1) Notwithstanding the provisions of K.S.A. 74-4971 and amendments thereto, on or after the effective date of this act, the office of state fire marshal shall affiliate with the Kansas police and firemen’s retirement system established under the provisions of K.S.A. 74-4951 *et seq.*, and amendments thereto, pursuant to the provisions of this act for membership in the system of members of the staff of the office of state fire marshal who have successfully completed the required course of instruction for law enforcement officers approved by the Kansas law enforcement training center and are certified pursuant to the provisions of K.S.A. 74-5607a, and amendments thereto, and who are employed in a position which such certification is required. For purposes of such affiliation for membership in the system of such members, the office of state fire marshal shall be considered a new participating employer. The office of state fire marshal shall make application for affiliation with such system in the manner provided by K.S.A. 74-4954 and amendments thereto, to be effective on July 1, next following application. The office of state fire marshal shall affiliate for membership in the system of such members for participating service credit.

(2) The office of state fire marshal shall appropriate and pay a sum sufficient to satisfy any obligations as certified by the board of trustees of the retirement system and the em-

ployer contributions of the office of state fire marshal shall be as provided in subsection (1) of K.S.A. 74-4967, and amendments thereto.

(b) (1) Each such member of the staff employed by the office of state fire marshal on the date of affiliation, may become a member of the Kansas police and firemen's retirement system on the first day of the payroll period of such member, coinciding with or following the entry date of the office of state fire marshal as provided in this section, only by filing with the board of trustees of the system, on or before the entry date of the office of state fire marshal as provided in this section, a written election to become a member of the system. Failure to file such written election shall be presumed to be an election not to become a member of the system. Such election, whether to become or not to become a member, shall be irrevocable.

(2) Each such member of the staff of the office of state fire marshal who is on an authorized leave of absence or is in the military service on the entry date of the office of state fire marshal as provided in this section may become a member of the Kansas police and firemen's retirement system on the first day of the first payroll period of such member, coinciding with such member's return to active employment and payroll of the office of state fire marshal, only by filing with the board of trustees of the system within 10 days after such return to active employment a written election to become a member of the system. Failure to file such written election shall be presumed to be an election not to become a member of the system. Such election, whether to become a member or not to become a member, shall be irrevocable.

(c) Each such member who is employed as a member of the staff of the office of state fire marshal on or after the entry date of the office of state fire marshal into the Kansas police and firemen's retirement system as provided in this section shall become a member of the Kansas police and firemen's retirement system on the first day of such employment.

(d) If the office of state fire marshal affiliates as provided in this act and each such member of the staff of the office of state fire marshal who elects to become a member as provided in this act, the office of state fire marshal and each such member shall be subject to the provisions of K.S.A. 74-4951 *et seq.*, and amendments thereto, as applicable.

(e) The division of the budget and the governor shall include in the budget and in the budget request for appropriations for personnel services the amount required to satisfy the employer's obligation under this act as certified by the board of trustees of the system, and shall present the same to the legislature for allowance and appropriations.

(f) The determination of retirement, death or disability benefits shall be computed upon the basis of "credited service" as used in K.S.A. 74-4951 *et seq.*, and amendments thereto, but shall include only participating service with the person's participating employer, commencing on and after the effective date of affiliation by the participating employer with the Kansas police and firemen's retirement system.

New Sec. 16. (a) Subject to the limitations of this section, during the fiscal year ending June 30, 2006, and each fiscal year thereafter, if it appears that the resources are insufficient to meet in full the estimated expenditures as they become due to meet the financial obligations imposed by law on the death and disability program as a result of a cash flow shortfall, the pooled money investment board is authorized and directed to loan to the Kansas public employees retirement system sufficient funds to maintain the cash flow of the death and disability program upon approval of such loan 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. No loan shall be made unless the terms thereof have been approved by the director of the budget. A copy of the terms of the loan shall be submitted to the director of the legislative research department. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments of the state of Kansas to provide the funds for such loan. Each such loan shall bear interest at a rate equal to the net earnings rate of the pooled money investment portfolio at the time of the making of such loan. Such loan shall not be deemed to be an indebtedness or debt of the state of Kansas within the meaning of section 6 of article 11 of the constitution of the state of Kansas.

(b) Upon certification by the pooled money investment board by the executive director of the Kansas public employees retirement system of the amount of each loan authorized pursuant to subsection (a), the pooled money investment board shall transfer each such amount certified by the executive director of the Kansas public employees retirement system from the state bank account or accounts prescribed in subsection (a) to the group insurance reserve fund.

(c) The principal and interest of each loan authorized pursuant to subsection (a) shall be repaid in payments payable on or before June 30, 2007, or June 30 of each subsequent year where a loan to the system has occurred pursuant to this section.”;

And by renumbering sections accordingly;

Also on page 47, in line 32, by striking “statute book” and inserting “Kansas register”;

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

DWAYNE UMBARGER

STEPHEN R. MORRIS

JIM BARONE

Conferees on part of Senate

MELVIN J. NEUFELD

BRENDA K. LANDWEHR

BILL FEUERBORN

Conferees on part of House

On motion of Rep. Neufeld, the conference committee report on **S. Sub. for HB 2037** was adopted.

On roll call, the vote was: Yeas 124; Nays 0; Present but not voting: 0; Absent or not voting: 1.

Yeas: Aurand, Ballard, Beamer, Bethell, Brown, Brunk, Burgess, Burroughs, Carlin, Carlson, Carter, Colloton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dillmore, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Flower, Freeborn, Garcia, Gattewood, George, Goico, Gordon, Grange, Grant, Hawk, Hayzlett, Henderson, Henry, Hill, Holland, C. Holmes, M. Holmes, Horst, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kelley, Kelsey, Kiegerl, Kilpatrick, Kinzer, Kirk, Knox, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, Long, Loyd, Mah, Mast, Mays, McCreary, McKinney, McLeland, Menghini, Merrick, F. Miller, M. Miller, Jim Morrison, Judy Morrison, Myers, Neufeld, Newton, Novascone, O'Malley, O'Neal, Oharah, Olson, Otto, Owens, Pauls, Peck, Peterson, Phelps, Pilcher-Cook, Pottorff, Powell, Powers, Roth, Ruff, Ruiz, Sawyer, Schwab, Schwartz, B. Sharp, S. Sharp, Shultz, Siegfried, Sloan, Storm, Svaty, Swenson, Thull, Treaster, Vickrey, Ward, Watkins, Weber, Wilk, Williams, Winn, Yoder, Yonally.

Nays: None.

Present but not voting: None.

Absent or not voting: Showalter.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2308**, submits the following report:

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

On page 4, in line 38, after the period, by inserting “A board of county commissioners which orders a correction and refund of taxes pursuant to this section, shall notify the secretary of revenue of the Kansas department of revenue of such action of the board within 30 days of taking such action.”; after line 38, by inserting the following:

“New Sec. 4. Notwithstanding the statute of limitations provisions in K.S.A. 79-3230, and amendments thereto, any taxpayer receiving a refund of property taxes pursuant to section 3, after having claimed any income tax business expense deductions or income tax credits with respect to any amount of such refunded property taxes, shall file amended returns for any tax years in which such deductions or credits were claimed. Such taxpayer shall be liable

for any additional income tax owed on such amended returns. Nothing in this section shall allow the filing of an amended return for any purpose other than that specifically provided for in this section.

Sec. 5. On and after July 1, 2005, K.S.A. 2004 Supp. 79-201a, as amended by section 42 of 2005 House Bill No. 2247, is hereby amended to read as follows: 79-201a. The following described property, to the extent herein specified, shall be exempt from all property or ad valorem taxes levied under the laws of the state of Kansas ~~unless otherwise more specifically provided:~~

First. All property belonging exclusively to the United States, except property which congress has expressly declared to be subject to state and local taxation.

Second. All property used exclusively by the state or any municipality or political subdivision of the state. All property owned, being acquired pursuant to a lease-purchase agreement or operated by the state or any municipality or political subdivision of the state, including property which is vacant or lying dormant, which is used or is to be used for any governmental or proprietary function and for which bonds may be issued or taxes levied to finance the same, shall be considered to be used exclusively by the state, municipality or political subdivision for the purposes of this section. The lease by a municipality or political subdivision of the state of any real property owned or being acquired pursuant to a lease-purchase agreement for the purpose of providing office space necessary for the performance of medical services by a person licensed to practice medicine and surgery or osteopathic medicine by the board of healing arts pursuant to K.S.A. 65-2801 et seq., and amendments thereto, dentistry services by a person licensed by the Kansas dental board pursuant to K.S.A. 65-1401 et seq., and amendments thereto, optometry services by a person licensed by the board of examiners in optometry pursuant to K.S.A. 65-1501 et seq., and amendments thereto, or K.S.A. 74-1501 et seq., and amendments thereto, podiatry services by a person licensed by the board of healing arts pursuant to K.S.A. 65-2001 et seq., and amendments thereto, or the practice of psychology by a person licensed by the behavioral sciences regulatory board pursuant to K.S.A. 74-5301 et seq., and amendments thereto, shall be construed to be a governmental function, and such property actually and regularly used for such purpose shall be deemed to be used exclusively for the purposes of this paragraph. The lease by a municipality or political subdivision of the state of any real property, or portion thereof, owned or being acquired pursuant to a lease-purchase agreement to any entity for the exclusive use by it for an exempt purpose, including the purpose of displaying or exhibiting personal property by a museum or historical society, if no portion of the lease payments include compensation for return on the investment in such leased property shall be deemed to be used exclusively for the purposes of this paragraph. All property leased, other than property being acquired pursuant to a lease-purchase agreement, to the state or any municipality or political subdivision of the state by any private entity shall not be considered to be used exclusively by the state or any municipality or political subdivision of the state for the purposes of this section except that the provisions of this sentence shall not apply to any such property subject to lease on the effective date of this act until the term of such lease expires but property taxes levied upon any such property prior to tax year 1989, shall not be abated or refunded. Any property constructed or purchased with the proceeds of industrial revenue bonds issued prior to July 1, 1963, as authorized by K.S.A. 12-1740 to 12-1749, or purchased with proceeds of improvement district bonds issued prior to July 1, 1963, as authorized by K.S.A. 19-2776, or with proceeds of bonds issued prior to July 1, 1963, as authorized by K.S.A. 19-3815a and 19-3815b, or any property improved, purchased, constructed, reconstructed or repaired with the proceeds of revenue bonds issued prior to July 1, 1963, as authorized by K.S.A. 13-1238 to 13-1245, inclusive, or any property improved, reimproved, reconstructed or repaired with the proceeds of revenue bonds issued after July 1, 1963, under the authority of K.S.A. 13-1238 to 13-1245, inclusive, which had previously been improved, reconstructed or repaired with the proceeds of revenue bonds issued under such act on or before July 1, 1963, shall be exempt from taxation for so long as any of the revenue bonds issued to finance such construction, reconstruction, improvement, repair or purchase shall be outstanding and unpaid. Any property constructed or purchased with the proceeds of any revenue bonds authorized by K.S.A. 13-1238 to 13-1245, inclusive, 19-2776, 19-3815a and 19-3815b, and amendments thereto, issued on or

after July 1, 1963, shall be exempt from taxation only for a period of 10 calendar years after the calendar year in which the bonds were issued. Any property, all or any portion of which is constructed or purchased with the proceeds of revenue bonds authorized by K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, issued on or after July 1, 1963 and prior to July 1, 1981, ~~and prior to the effective date of this act~~ shall be exempt from taxation only for a period of 10 calendar years after the calendar year in which the bonds were issued. Except as hereinafter provided, any property constructed or purchased wholly with the proceeds of revenue bonds issued on or after July 1, 1981, ~~and prior to the effective date of this act~~ under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, shall be exempt from taxation only for a period of 10 calendar years after the calendar year in which the bonds were issued. Except as hereinafter provided, any property constructed or purchased in part with the proceeds of revenue bonds issued on or after July 1, 1981, ~~and prior to the effective date of this act~~ under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, shall be exempt from taxation to the extent of the value of that portion of the property financed by the revenue bonds and only for a period of 10 calendar years after the calendar year in which the bonds were issued. The exemption of that portion of the property constructed or purchased with the proceeds of revenue bonds shall terminate upon the failure to pay all taxes levied on that portion of the property which is not exempt and the entire property shall be subject to sale in the manner prescribed by K.S.A. 79-2301 et seq., and amendments thereto. ~~Any property constructed or purchased wholly with the proceeds of revenue bonds issued on or after the effective date of this act under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, shall be exempt from all property or ad valorem taxes levied except the ad valorem tax levied by a school district pursuant to K.S.A. 72-6431, and amendments thereto. All such property shall be exempt from taxation to the extent herein provided only for a period of 10 calendar years after the calendar year in which the bonds were issued. Such exemption shall terminate upon the failure to pay all taxes levied upon the property, and the entire property shall be subject to sale in the manner prescribed by K.S.A. 79-2301 et seq., and amendments thereto. Any property constructed or purchased in part with the proceeds of revenue bonds issued on or after the effective date of this act under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, to the extent of the value of that portion of the property financed by the revenue bonds, shall be exempt from all property or ad valorem taxes levied, except the ad valorem tax levied by a school district pursuant to K.S.A. 72-6431, and amendments thereto. All such property to the extent herein provided shall be exempt from taxation to the extent herein provided only for a period of 10 calendar years after the calendar year in which the bonds were issued. Such exemption shall terminate upon the failure to pay all taxes levied on the property, and the entire property shall be subject to sale in the manner prescribed by K.S.A. 79-2301 et seq., and amendments thereto.~~ Property constructed or purchased in whole or in part with the proceeds of revenue bonds issued on or after January 1, 1995, under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, and used in any retail enterprise identified under the standard industrial classification codes, major groups 52 through 59, inclusive, except facilities used exclusively to house the headquarters or back office operations of such retail enterprises identified thereunder, shall not be exempt from taxation. For the purposes of the preceding provision "standard industrial classification code" means a standard industrial classification code published in the Standard Industrial Classification manual, 1987, as prepared by the statistical policy division of the office of management and budget of the office of the president of the United States. "Headquarters or back office operations" means a facility from which the enterprise is provided direction, management, administrative services, or distribution or warehousing functions in support of transactions made by the enterprise. Property purchased, constructed, reconstructed, equipped, maintained or repaired with the proceeds of industrial revenue bonds issued under the authority of K.S.A. 12-1740 et seq., and amendments thereto, which is located in a redevelopment project area established under the authority of K.S.A. 12-1770 et seq., shall not be exempt from taxation. Property purchased, constructed, reconstructed, improved, equipped, furnished, repaired, enlarged or remodeled with all or any part of the proceeds of revenue bonds issued under authority of K.S.A. 12-1740 to 12-1749a, inclusive, and amendments thereto for any poultry confinement

facility on agricultural land which is owned, acquired, obtained or leased by a corporation, as such terms are defined by K.S.A. 17-5903 and amendments thereto, shall not be exempt from such taxation. Property purchased, acquired, constructed, reconstructed, improved, equipped, furnished, repaired, enlarged or remodeled with all or any part of the proceeds of revenue bonds issued under the authority of K.S.A. 12-1740 to 12-1749a, inclusive, and amendments thereto, for a rabbit confinement facility on agricultural land which is owned, acquired, obtained or leased by a corporation, as such terms are defined by K.S.A. 17-5903 and amendments thereto, shall not be exempt from such taxation.

Third. All works, machinery and fixtures used exclusively by any rural water district or township water district for conveying or production of potable water in such rural water district or township water district, and all works, machinery and fixtures used exclusively by any entity which performed the functions of a rural water district on and after January 1, 1990, and the works, machinery and equipment of which were exempted hereunder on March 13, 1995.

Fourth. All fire engines and other implements used for the extinguishment of fires, with the buildings used exclusively for the safekeeping thereof, and for the meeting of fire companies, whether belonging to any rural fire district, township fire district, town, city or village, or to any fire company organized therein or therefor.

Fifth. All property, real and personal, owned by county fair associations organized and operating under the provisions of K.S.A. 2-125 et seq., and amendments thereto.

Sixth. Property acquired and held by any municipality under the municipal housing law (K.S.A. 17-2337 et seq.) and amendments thereto, except that such exemption shall not apply to any portion of the project used by a nondwelling facility for profit making enterprise.

Seventh. All property of a municipality, acquired or held under and for the purposes of the urban renewal law (K.S.A. 17-4742 et seq.) and amendments thereto except that such tax exemption shall terminate when the municipality sells, leases or otherwise disposes of such property in an urban renewal area to a purchaser or lessee which is not a public body entitled to tax exemption with respect to such property.

Eighth. All property acquired and held by the Kansas armory board for armory purposes under the provisions of K.S.A. 48-317, and amendments thereto.

Ninth. All property acquired and used by the Kansas turnpike authority under the authority of K.S.A. 68-2001 et seq., and amendments thereto, K.S.A. 68-2030 et seq., and amendments thereto, K.S.A. 68-2051 et seq., and amendments thereto, and K.S.A. 68-2070 et seq., and amendments thereto.

Tenth. All property acquired and used for state park purposes by the Kansas department of wildlife and parks.

Eleventh. The state office building constructed under authority of K.S.A. 75-3607 et seq., and amendments thereto, and the site upon which such building is located.

Twelfth. All buildings erected under the authority of K.S.A. 76-6a01 et seq., and amendments thereto, and all other student union buildings and student dormitories erected upon the campus of any institution mentioned in K.S.A. 76-6a01, and amendments thereto, by any other nonprofit corporation.

Thirteenth. All buildings, as the same is defined in subsection (c) of K.S.A. 76-6a13, and amendments thereto, which are erected, constructed or acquired under the authority of K.S.A. 76-6a13 et seq., and amendments thereto, and building sites acquired therefor.

Fourteenth. All that portion of the waterworks plant and system of the city of Kansas City, Missouri, now or hereafter located within the territory of the state of Kansas pursuant to the compact and agreement adopted by K.S.A. 79-205, and amendments thereto.

Fifteenth. All property, real and personal, owned by a groundwater management district organized and operating pursuant to K.S.A. 82a-1020, and amendments thereto.

Sixteenth. All property, real and personal, owned by the joint water district organized and operating pursuant to K.S.A. 80-1616 et seq., and amendments thereto.

Seventeenth. All property, including interests less than fee ownership, acquired for the state of Kansas by the secretary of transportation or a predecessor in interest which is used in the administration, construction, maintenance or operation of the state system of highways, regardless of how or when acquired.

Eighteenth. Any building used primarily as an industrial training center for academic or vocational education programs designed for and operated under contract with private industry, and located upon a site owned, leased or being acquired by or for an area vocational school, an area vocational-technical school, a technical college, or a community college, as defined by K.S.A. 72-4412, and amendments thereto, and the site upon which any such building is located.

Nineteenth. For all taxable years commencing after December 31, 1997, all buildings of an area vocational school, an area vocational-technical school, a technical college or a community college, as defined by K.S.A. 72-4412, and amendments thereto, which are owned and operated by any such school or college as a student union or dormitory and the site upon which any such building is located.

Twentieth. For all taxable years commencing after December 31, 1997, all personal property which is contained within a dormitory that is exempt from property taxation and which is necessary for the accommodation of the students residing therein.

Except as otherwise specifically provided, the provisions of this section shall apply to all taxable years commencing after December 31, 2000.”;

And by renumbering sections accordingly;

Also on page 4, after line 40, by inserting the following:

“Sec. 7. On and after July 1, 2005, K.S.A. 2004 Supp. 79-201a, as amended by section 42 of 2005 House Bill No. 2247, is hereby repealed.”;

And by renumbering sections accordingly;

On page 1, in the title, in line 12, after “county” by inserting “, notification, relation to income tax deductions and credits”; also in line 12, by striking “concerning the”; in line 14, after the semicolon, by inserting “exemptions;”; also in line 14, after “Supp.” by inserting “79-201a, as amended by section 42 of 2005 House Bill No. 2247, and”;

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

LES DONOVAN
DEREK SCHMIDT
JANIS K. LEE
Conferees on part of Senate

KENNY A. WILK
DAVID HUFF
TOM THULL
Conferees on part of House

On motion of Rep. Wilk, the conference committee report on **HB 2308** was adopted.

On roll call, the vote was: Yeas 124; Nays 0; Present but not voting: 0; Absent or not voting: 1.

Yeas: Aurand, Ballard, Beamer, Bethell, Brown, Brunk, Burgess, Burroughs, Carlin, Carlson, Carter, Colloton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dillmore, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Flower, Freeborn, Garcia, Gattewood, George, Goico, Gordon, Grange, Grant, Hawk, Hayzlett, Henderson, Henry, Hill, Holland, C. Holmes, M. Holmes, Horst, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kelley, Kelsey, Kiegerl, Kilpatrick, Kinzer, Kirk, Knox, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, Long, Loyd, Mah, Mast, Mays, McCreary, McKinney, McLeland, Menghini, Merrick, F. Miller, M. Miller, Jim Morrison, Judy Morrison, Myers, Neufeld, Newton, Novascone, O'Malley, O'Neal, Oharah, Olson, Otto, Owens, Pauls, Peck, Peterson, Phelps, Pilcher-Cook, Pottorff, Powell, Powers, Roth, Ruff, Ruiz, Sawyer, Schwab, Schwartz, B. Sharp, S. Sharp, Shultz, Siegfried, Sloan, Storm, Svaty, Swenson, Thull, Treaster, Vickrey, Ward, Watkins, Weber, Wilk, Williams, Winn, Yoder, Yonally.

Nays: None.

Present but not voting: None.

Absent or not voting: Showalter.

On motion of Rep. Aurand, the House recessed until 3:30 p.m.

LATE AFTERNOON SESSION

The House met pursuant to recess with Speaker Mays in the chair.

MESSAGES FROM THE SENATE

The President announced the appointment of Senators Donovan, Wilson and Gilstrap as member of the conference committee on **HB 2122** to replace Senators Vratil, Bruce and Goodwin.

Also, announcing passage of **HB 2537**.

Announcing passage of **HB 2228**, as amended by **S. Sub. for HB 2228; HB 2480**, as amended by **S. Sub. for HB 2480; Sub. HB 2512**, as amended.

The Senate adopts conference committee report on **HB 2299**.

The Senate adopts conference committee report on **S. Sub. for HB 2507**.

CHANGE OF CONFEREES

Speaker Mays announced the appointment of Reps. Hayzlett, Faber and Long as members of the conference committee on **HB 2122** to replace Reps. Loyd, Owens and Davis.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Aurand, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **S. Sub. for HB 2228**.

MOTIONS TO CONCUR AND NONCONCUR

On motion of Rep. Neufeld, the House nonconcurrent in Senate amendments to **S. Sub. for HB 2228** and asked for a conference.

Speaker Mays thereupon appointed Reps. Neufeld, Landwehr and Feuerborn as conferees on the part of the House.

On motion of Rep. Aurand, the House recessed until 6:00 p.m.

EARLY EVENING SESSION

The House met pursuant to recess with Speaker Mays in the chair.

On motion of Rep. Aurand, the House recessed until the sound of the gavel.

EVENING SESSION

The House met pursuant to recess with Speaker Mays in the chair.

MESSAGE FROM THE SENATE

The Senate adopts conference committee report on **SB 118**.

The Senate accedes to the request of the House for a conference on **S. Sub. for HB 2228** and has appointed Senators Umbarger, Emler and Barone as conferees on the part of the Senate.

The President announced the appointment of Senator Vratil as a member of the conference committee on **SB 298** to replace Senator Reitz.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Dahl, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules

of the Senate and House of Representatives, the rules were suspended for the purpose of considering **HB 2299**.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2299**, 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, by striking all in lines 31 through 43;

By striking all on page 4;

On page 5, by striking all in lines 1 through 36;

And by renumbering the remaining sections accordingly;

Also on page 5, in line 37, by striking "and 44-596 are" and inserting "is";

In the title, in line 13, by striking "and advisory council"; in line 14, by striking "and 44-596"; also in line 14, by striking "sections" and inserting "section";

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

KARIN BROWNLEE

NICK JORDAN

LAURA KELLY

Conferees on part of Senate

DONALD L. DAHL

TODD NOVASCONE

L. CANDY RUFF

Conferees on part of House

On motion of Rep. Dahl, the conference committee report on **HB 2299** was adopted.

On roll call, the vote was: Yeas 123; Nays 0; Present but not voting: 0; Absent or not voting: 2.

Yeas: Aurand, Ballard, Beamer, Bethell, Brown, Brunk, Burgess, Burroughs, Carlin, Carlson, Carter, Colloton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dillmore, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Flower, Freeborn, Garcia, Gatewood, George, Goico, Gordon, Grange, Grant, Hawk, Hayzlett, Henderson, Henry, Hill, Holland, C. Holmes, M. Holmes, Horst, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kelley, Kelsey, Kiegerl, Kilpatrick, Kinzer, Kirk, Knox, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, Long, Loyd, Mah, Mast, Mays, McCreary, McKinney, McLeland, Menghini, Merrick, F. Miller, M. Miller, Jim Morrison, Judy Morrison, Myers, Neufeld, Newton, Novascone, O'Malley, O'Neal, Oharah, Olson, Otto, Owens, Pauls, Peck, Peterson, Phelps, Pilcher-Cook, Pottorff, Powell, Powers, Roth, Ruff, Ruiz, Sawyer, Schwartz, B. Sharp, S. Sharp, Shultz, Siegfried, Sloan, Storm, Svaty, Swenson, Thull, Treaster, Vickrey, Ward, Watkins, Weber, Wilk, Williams, Winn, Yoder, Yonally.

Nays: None.

Present but not voting: None.

Absent or not voting: Schwab, Showalter.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2507**, 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 Senate Substitute for House Bill No. 2507, as follows:

On page 1, after line 13, by inserting the following:

"Section 1. K.S.A. 46-912 is hereby amended to read as follows: 46-912. There is hereby established the joint committee on special claims against the state which shall have 13 members consisting of five members of the senate and eight members of the house of representatives. The representative members shall be appointed by the speaker, and the

senator members shall be appointed by the senate committee on organization, calendar and rules. ~~Not less than two representative members and two senator members shall be attorneys licensed to practice law in the state of Kansas.~~ *Not less than one member shall be an attorney licensed to practice law in the state of Kansas.* Not less than one representative member shall be a member of the house committee on appropriations and not less than one senator member shall be a member of the senate committee on ways and means. In the biennium commencing with the convening of the regular session of the legislature in 1979, and in the biennium commencing with the convening of the regular session of the legislature each four years thereafter, the chairperson of the joint committee shall be a representative member designated by the speaker of the house of representatives. In the biennium commencing with the convening of the regular session of the legislature in 1981, and in the biennium commencing with the regular session of the legislature each four years thereafter, the senate committee on organization, calendar and rules shall designate a senator member to be the chairperson of the joint committee. If a chairperson shall die, resign or otherwise be incapable of serving as chairperson for the full two-year period, a successor shall be designated to fill the unexpired portion of such period in the same manner as the original chairperson was selected. The members appointed from each house shall include minority party representation thereon. The joint committee shall meet in the interim between legislative sessions on the call of the chairperson as authorized by the legislative coordinating council. Any seven members of the joint committee shall constitute a quorum. Any action of such joint committee may be taken by an affirmative vote of a majority of the members present, if a quorum is present.

The provisions of article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the joint committee on special claims against the state to the extent the same do not conflict with the specific provisions of this act applicable to such committee.”;

And by renumbering the remaining sections accordingly;

On page 2, in line 25, after “K.S.A.” by inserting “46-912.”;

In the title, in line 9, after “ACT” by inserting “concerning the legislature;” also in line 9, after the semicolon by inserting “concerning the composition of the joint committee on special claims against the state;” in line 10, after “K.S.A.” by inserting “46-912 and”; also in line 10, by striking “section” and inserting “sections”;

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

DWAYNE UMBARGER
JIM BARONE
JAY SCOTT EMLER
Conferees on part of Senate

MELVIN J. NEUFELD
BRENDA K. LANDWEHR
BILL FEUERBORN
Conferees on part of House

On motion of Rep. Neufeld to adopt the conference committee report on **S. Sub. for HB 2507**, Rep. McKinney offered a substitute motion to not adopt the conference committee report and asked that a new conference committee be appointed. The motion did not prevail.

The question reverted back to the motion of Rep. Neufeld and the conference committee report was adopted.

On roll call, the vote was: Yeas 80; Nays 43; Present but not voting: 0; Absent or not voting: 2.

Yeas: Aurand, Beamer, Bethell, Brown, Brunk, Burgess, Carlson, Carter, Colloton, Cox, Craft, Dahl, DeCastro, Decker, Edmonds, Faber, Flower, Freeborn, George, Goico, Gordon, Grange, Hayzlett, Hill, C. Holmes, M. Holmes, Horst, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kelley, Kelsey, Kiegerl, Kilpatrick, Kinzer, Knox, Krehbiel, Landwehr, Light, Loyd, Mast, Mays, McCreary, McLeland, Merrick, F. Miller, Jim Morrison, Judy Morrison, Myers, Neufeld, Newton, Novascone,

O'Malley, O'Neal, Oharah, Olson, Otto, Peck, Pilcher-Cook, Pottorff, Powell, Powers, Roth, Schwartz, S. Sharp, Shultz, Siegfried, Sloan, Vickrey, Watkins, Weber, Wilk, Yoder, Yonally.

Nays: Ballard, Burroughs, Carlin, Crow, Davis, Dillmore, Faust-Goudeau, Feuerborn, Flaharty, Flora, Garcia, Gatewood, Grant, Hawk, Henderson, Henry, Holland, Kirk, Kuether, Lane, Larkin, Loganbill, Long, Mah, McKinney, Menghini, M. Miller, Owens, Pauls, Peterson, Phelps, Ruff, Ruiz, Sawyer, B. Sharp, Storm, Svaty, Swenson, Thull, Treasurer, Ward, Williams, Winn.

Present but not voting: None.

Absent or not voting: Schwab, Showalter.

REPORT ON ENGROSSED BILLS

HB 2262, HB 2338 reported correctly engrossed April 28, 2005.

HB 2386 reported correctly re-engrossed April 28, 2005.

Also, **HB 2116, HB 2253** reported correctly re-engrossed April 29, 2005.

REPORT ON ENROLLED BILLS

HB 2109, HB 2320, HB 2399 reported correctly enrolled, properly signed and presented to the governor on April 29, 2005.

REPORT ON ENROLLED RESOLUTIONS

HR 6034, HR 6039 reported correctly enrolled and properly signed on April 29, 2005.

On motion of Rep. Aurand, the House adjourned until 10:30 a.m., Saturday, April 30, 2005.

CHARLENE SWANSON, *Journal Clerk*.

JANET E. JONES, *Chief Clerk*.

