

Approved April 28, 1988
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Phil Kline at
Chairperson

12:54 ~~xxx~~ a.m./p.m. on Wednesday, April 27, 19⁸⁸ in room 423-S of the Capitol.

All members were present except: Representatives Teagarden, Leach, Baker, Love, Barkis, Foster, Miller, Heinemann, Moomaw, and Borum. - Excused.

Committee staff present:
Jim Wilson, Revisor
Lynn Holt, Research
Elaine Johnson, Secretary

Conferees appearing before the committee:
None

Chairman Kline called the meeting to order at 12:54 p.m. and recognized Jim Wilson who went over the balloon of S.B. 478 and explained the changes to the committee. (Attachment 1).

Representative Chronister moved that July 1, 1988 in Sec. 51 be changed to read June 1, 1988 and that the amendments be adopted. Representative Dyck seconded. The motion carried.

Representative Aylward moved that S.B. 478 as amended be passed favorably and Representative Mead seconded. Motion carried.

Chairman Kline then recognized Jim Wilson who in turn went over the balloon of S.B. 599 and explained the changes to the committee. Mr. Wilson called the committee's attention to the error on page 2, line 0053 which should read 12 member board not 11. (Attachment 2).

Representative Chronister moved that language making the bill subject to appropriations be inserted in the bill and Representative Aylward seconded. Motion carried.

Representative Aylward moved that S.B. 599 as amended be passed favorably and Representative Weimer seconded. Motion carried.

Chairman Kline then opened H.C.R. 5033 for discussion.

Representative Helgerson moved that H.C.R. 5033 be passed favorably and Representative Sader seconded. Motion carried.

Meeting adjourned at 1:35 p.m.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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[As Amended by Senate Committee of the Whole]

As Amended by Senate Committee

Session of 1988

SENATE BILL No. 478

By Joint Committee on Administrative Rules and Regulations

1-12

0021 AN ACT relating to rules and regulations; concerning the filing
 0022 thereof; providing for the transfer of certain rules and regula-
 0023 tion files; amending K.S.A. 2-2606, 16a-6-405, 16a-6-406, ~~17-~~
 0024 ~~1282~~ 32-185, 32-507, 34-101d, 40-2308, 44-573, 45-404, 46-
 0025 224, 46-1211, 46-1501, 47-1215, 65-1630, 65-1825, 65-2703,
 0026 65-2865, 72-7514b, 74-3214, 74-4909, 75-430, 75-431, 75-3504,
 0027 76-168, 76-1927, 77-416, 77-417, 77-418, 77-419, 77-423, 77-
 0028 424, 77-428, 77-430a, 77-432a, 77-435, 77-436, 79-3297a, 79-
 0029 3385, 82a-816, 82a-923 and 83-147 and K.S.A. 1987 Supp.
 0030 74-8710, 77-420, 77-421, 77-422, 77-425 and 77-426 and re-
 0031 pealing the existing sections; also repealing K.S.A. 1987 Supp.
 0032 77-439.

K.S.A. 77-436, as amended by section 1 of 1988 House Bill No. 2705, and

0033 *Be it enacted by the Legislature of the State of Kansas:*
 0034 New Section 1. The secretary of state shall file and publish
 0035 all rules and regulations as provided by article 4 of chapter 77 of
 0036 the Kansas Statutes Annotated.

0037 New Sec. 2. (a) All rules and regulations of state agencies
 0038 ~~lawfully filed with the office of the revisor of statutes prior to the~~
 0039 ~~effective date of this act~~ shall continue to be effective and shall
 0040 be deemed to be duly filed with the secretary of state as provided
 0041 for by this act until revised, amended, revoked or nullified
 0042 pursuant to law.

which are in force and effect at the time this act takes effect

0043 (b) All temporary rules and regulations filed prior to the
 0044 effective date of this act and which are in effect on the effective
 0045 date of this act, shall expire on October 1, 1988.

0046 (c) On the effective date of this act, all rules and regulations
 0047 of state agencies lawfully filed with the office of the revisor of
 0048 statutes prior to the effective date of this act and all records
 0049 pertaining to such rules and regulations, shall be transferred to

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0124 thereto.

0125 ~~Sec. 6. K.S.A. 17-1282 is hereby amended to read as follows:~~
 0126 ~~17-1282. The securities commissioner may adopt reasonable~~
 0127 ~~rules and regulations to carry out the provisions of this act. Prior~~
 0128 ~~to the adoption of any rule or and regulation, the securities~~
 0129 ~~commissioner shall give notice and provide for a hearing in~~
 0130 ~~accordance with the provisions of K.S.A. 1973 Supp. 77-421, and~~
 0131 ~~acts amendatory thereof amendments thereto. All such rules and~~
 0132 ~~regulations shall be filed in the office of the revisor of statutes~~
 0133 ~~secretary of state pursuant to K.S.A. 77-416; and acts amendatory~~
 0134 ~~thereof et seq., and amendments thereto.~~

0135 Sec. 7. K.S.A. 32-185 is hereby amended to read as follows:
 0136 32-185. The ~~forestry, fish and game commission~~ *secretary of the*
 0137 *Kansas department of wildlife and parks* is hereby authorized to
 0138 make and adopt *rules and regulations* establishing and desig-
 0139 nating:

0140 (a) Certain portions of the Missouri river bordering on the
 0141 state of Kansas and certain streams, lakes, impoundments, or
 0142 parts thereof, in the state of Kansas, to be open to commercial
 0143 fishing for such period of time as the ~~commission~~ *secretary* may
 0144 specify;

0145 (b) certain methods and equipment to be legal for the taking
 0146 of fish for commercial purposes, and require daily inspection;

0147 (c) the size and specifications relative to seines, nets, traps,
 0148 and other commercial fishing equipment, and prescribing
 0149 method of tagging;

0150 (d) procedure for the handling, sale, or exchange of fish taken
 0151 for commercial purposes;

0152 (e) species of fish, in addition to those hereinbefore named,
 0153 to be subject to commercial fishing; such additional specifica-
 0154 tions may be by specie alone or specie and size;

0155 (f) such reports to be made by the permittee as the ~~commis-~~
 0156 ~~sion~~ *secretary* deems advisable.

0157 The ~~commission~~ *regulations* adopted as provided for in this act
 0158 *rules and regulations* adopted by the ~~commission~~ *secretary* shall
 0159 be effective upon the filing of a copy of the same with the ~~revisor~~
 0160 ~~of statutes~~ *secretary of state*. The ~~commission~~ *secretary* shall

And by renumbering sections accordingly

Repealed by SB 586

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0383 ingredients, adequate directions for safe use, specific warnings
0384 against common types of misuse, specific prohibition of sale of
0385 articles which are inherently so hazardous that they are unsafe
0386 for domestic use under any type of labeling. Such *rules and*
0387 regulations shall be filed in the office of the ~~revisor of statutes~~
0388 *secretary of state*, as required by law.

0389 Sec. 20. K.S.A. 65-2865 is hereby amended to read as fol-
0390 lows: 65-2865. The board shall promulgate all necessary rules,
0391 ~~regulations and forms and regulations~~, not inconsistent
0392 herewith, for carrying out the provisions of this act, which rules
0393 and regulations shall include standards for the dispensing of
0394 drugs by persons licensed to practice medicine and surgery. It
0395 may also adopt rules and regulations supplementing any of the
0396 provisions herein contained but not inconsistent with this act.
0397 All rules and regulations promulgated and adopted by the board
0398 shall be filed with the ~~revisor of statutes~~ *secretary of state* as
0399 required by law.

0400 Sec. 21. K.S.A. 72-7514b is hereby amended to read as fol-
0401 lows: 72-7514b. (a) Every rule and regulation which is adopted
0402 by the state board of education pursuant to authority granted to
0403 the board under section 2 of article 6 of the constitution of the
0404 state of Kansas and which is not adopted pursuant to statutory
0405 authority of the board shall be adopted by the state board of
0406 education and filed as a rule and regulation as provided in this
0407 section.

0408 (b) Prior to the adoption of such rule and regulation, the state
0409 board of education shall give at least ~~15~~ days' notice of its
0410 intended action in the Kansas register and hold a public hearing
0411 thereon. The notice shall be published in the Kansas register and
0412 shall contain a summary of the substance of the proposed rule
0413 and regulation along with the full text of any such rule and
0414 regulation to be considered at the hearing. Such notice shall state
0415 the time and place of the public hearing to be held thereon and
0416 the manner in which interested parties may present their views
0417 thereon. Publication of such notice in the Kansas register shall
0418 constitute notice to all parties affected by the rule and regulation.
0419 On the date of the hearing, all interested parties shall be given

0047 ~~commission.~~

0048 Sec. 30. K.S.A. 77-416 is hereby amended to read as follows:
0049 77-416. (a) Every state agency shall file with the ~~revisor of~~
0050 ~~statutes secretary of state~~ every rule and regulation adopted by it
0051 and every amendment and revocation thereof. Every rule and
0052 regulation, *other than a temporary rule and regulation*, filed in
0053 the office of the ~~revisor of statutes secretary of state~~ shall be filed
0054 in ~~duplicate triplicate, and nine copies of every temporary rule~~
0055 *and regulation shall be filed in the office of the secretary of*
0056 *state*, and each section shall include a citation to the statutory
0057 section or sections being implemented or interpreted and a
0058 citation of the authority pursuant to which it, or any part thereof,
0059 was adopted. Every rule and regulation filed in the office of the
0060 ~~revisor of statutes secretary of state~~ shall be accompanied by a
0061 copy of the ~~fiscal or financial~~ *economic* impact statement re-
0062 quired by subsection (b) ~~of this section~~ and any document which
0063 is adopted by reference by the rule ~~or~~ *and* regulation, except that
0064 for the purpose of avoiding unwarranted expense the board may
0065 authorize and direct the ~~revisor of statutes secretary of state~~ to
0066 file any rule ~~or~~ *and* regulation without the document which is
0067 adopted by such rule ~~or~~ *and* regulation whenever the board
0068 determines that: (1) The document is a technical manual of
0069 limited public interest; (2) the cost of providing file copies of
0070 such document is excessive in view of its limited public interest;
0071 and (3) the document will be available for public inspection
0072 during normal business hours in the office of the agency adopt-
0073 ing the rule and regulation. A copy of any document adopted by
0074 reference in a rule and regulation shall be available from the
0075 state agency which adopted the rule and regulation upon request
0076 by any person interested therein. The state agency ~~shall~~, under
0077 the direction of the ~~revisor of statutes secretary of state~~, *shall*
0078 number each section with a distinguishing number and, in mak-
0079 ing a compilation of the rules and regulations, the sections shall
0080 be arranged ~~therein~~ in numerical order. A decimal system of
0081 numbering shall be prohibited.

0082 (b) At the time of drafting ~~any a~~ proposed rule and regulation
0083 or amendment to ~~any an~~ existing rule and regulation, the state

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0084 agency shall prepare a statement of the fiscal or financial effect or
 0085 economic impact of such proposed rule and regulation or
 0086 amendment upon all governmental agencies or units and, private
 0087 businesses and all persons which will be subject thereto and
 0088 upon the general public; and, If such/. The economic impact
 0089 statement shall include: (1) A brief description of the proposed
 0090 rules and regulations and what ~~will likely~~ be accomplished by
 0091 their adoption; (2) whether the] proposed rule and regulation is
 0092 mandated by federal law as a requirement for participating in or
 0093 implementing a federally subsidized or assisted program; the
 0094 state agency shall so specify as a part of the fiscal or financial
 0095 economic impact statement; (3) ~~an identification~~ of the persons
 0096 who will be subject to or otherwise affected by the proposed
 0097 rules and regulations, including those who will directly or indi-
 0098 rectly bear the costs thereof and those who will directly or
 0099 indirectly benefit therefrom; (4) ~~an identification~~ of the proba-
 0100 ble ~~quantitative and qualitative~~ impact of the proposed rules
 0101 and regulations on the persons directly or indirectly affected
 0102 thereby, including the agency proposing the rules and regula-
 0103 tions, other governmental agencies or units, private citizens and
 0104 consumers of the products or services which are the subject of
 0105 the rules and regulations or the enforcement thereof; (5) ~~any~~
 0106 ~~consideration given to less costly methods, quantitative or qual-~~
 0107 ~~itative, or less intrusive methods for achieving the state purpose~~
 0108 ~~of the rules and regulations; and (6)] a description of any alter-~~
 0109 ~~native methods that were considered by the state agency for~~
 0110 ~~achieving the stated purpose of the rules and regulations and the~~
 0111 ~~quantitative or qualitative~~ reasons why such methods were
 0112 rejected in favor of the proposed rules and regulations]. The
 0113 state agency shall reevaluate and, when necessary, update the
 0114 statement at the time of giving notice of hearing on a proposed
 0115 rule and regulation and at the time of filing a rule and regulation
 0116 with the ~~revisor of statutes~~ secretary of state. If a public hearing
 0117 was held prior to the adoption of the rule and regulation, a state
 0118 agency at the time of filing a rule and regulation with the ~~revisor~~
 0119 ~~of statutes~~ secretary of state shall include as a part of the fiscal or
 0120 financial economic impact statement a statement specifying the

is intended to

a. description

economic and noneconomic

and

, including alternatives which have less economic or non-economic impact or which are less intrusive,

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0121 time and place at which the hearing was held and the attendance
0122 at the hearing. A copy of the current ~~fiscal or financial~~ *economic*
0123 impact statement shall be available from the state agency upon
0124 request by any party interested therein.

0125 (c) Upon request of the state rules and regulations board, the
0126 joint committee on administrative rules and regulations or the
0127 chairperson of either committee or board, the director of the
0128 budget shall review the ~~fiscal or financial~~ *economic* impact
0129 statement prepared by any state agency and shall prepare a
0130 supplemental or revised statement. If possible, the supplemental
0131 or revised statement shall include a reliable estimate in dollars of
0132 the anticipated change in revenues and expenditures of the state.
0133 It also shall include a statement, if determinable or reasonably
0134 foreseeable, of the immediate and long-range ~~financial effect~~
0135 *economic impact* of the ~~regulation on private businesses rule~~
0136 *and regulation upon persons subject thereto* and the general
0137 public. If, after careful investigation, it is determined that no
0138 dollar estimate is possible, the statement shall set forth the
0139 reasons why no dollar estimate can be given. Every state agency
0140 is directed to cooperate with the division of the budget in the
0141 preparation of any statement pursuant to this subsection when,
0142 and to the extent, requested by the director of the budget.

0143 Sec. 31. K.S.A. 77-417 is hereby amended to read as follows:
0144 77-417. The ~~revisor of statutes~~ *secretary of state* shall: (1) En-
0145 dorse on each rule and regulation filed, the time and date of the
0146 filing thereof; (2) maintain a file of such rules and regulations for
0147 public inspection; (3) keep a complete record of all amendments
0148 and revocations of rules and regulations; (4) index the rules and
0149 regulations so filed; and (5) publish the rules and regulations as
0150 hereinafter provided.

0151 Sec. 32. K.S.A. 77-418 is hereby amended to read as follows:
0152 77-418. All rules and regulations adopted and filed by every state
0153 agency shall be typewritten, mimeographed, multilithed, or
0154 printed on standard letter size (8 1/2 by 11 inches) paper, the
0155 kind, grade, and durability thereof to be subject to the approval
0156 of the ~~revisor of statutes~~ *secretary of state*. ~~Whenever~~ *If* any rule
0157 and regulation is amended or revoked after the same has been

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0232 (3) the attorney general finds that the making of such rule and
0233 regulation is within the authority conferred by law on the state
0234 agency submitting the same;

0235 (4) the rule and regulation has been formally adopted by the
0236 state agency after it has been approved by the secretary of
0237 administration and the attorney general and is accompanied by a
0238 certified or other formal statement of adoption when adoption is
0239 by an executive officer of a state agency, or by a certified copy of
0240 the roll call vote required for its adoption by K.S.A. 77-421, and
0241 any amendments thereto, when adoption is by a board, commis-
0242 sion, authority, or other similar body;

0243 (5) the rule and regulation to be filed is accompanied by a
0244 copy of the ~~fiscal or financial~~ impact statement as provided by
0245 K.S.A. 77-416, and amendments thereto; and

economic

0246 (6) the rule and regulation, if a permanent rule and regula-
0247 tion, is submitted or received for filing in the office of the revisor
0248 of statutes not later than 5:00 p.m. on December 15 of any year;
0249 and

0250 (7) (6) the rule and regulation is accompanied by a copy of
0251 any document which is adopted by reference by such rule and
0252 regulation unless specifically exempt by the state rules and
0253 regulations board pursuant to subsection (a) of K.S.A. 77-416, and
0254 amendments thereto.

0255 Sec. 35. K.S.A. 1987 Supp. 77-421 is hereby amended to read

0 as follows: 77-421. ~~(a) Whenever possible, prior to formulating a
0257 modification to any existing rule and regulation, a state agency
0258 shall provide a period for written public comment on the con-
0259 templated modification. The agency shall give notice of the
0260 public comment period by mailing notice to the secretary of
0261 state, who shall publish such notice in the Kansas register. The
0262 notice shall contain a brief summary of the substance of the
0263 contemplated modification and shall state the period of time,
0264 established by the agency, during which the agency will receive
0265 written public comments on the contemplated modification and
0266 the address where such comments may be submitted to the
0267 agency.~~

0268 (b) Prior to the adoption of any permanent rule and regula-

(a)

0269 tion or any temporary rule and regulation which is required to be
 0270 adopted as a temporary rule and regulation in order to comply
 0271 with the requirements of the statute authorizing the same and
 0272 after any such rule and regulation has been approved by the
 0273 secretary of administration and the attorney general, the adopt-
 0274 ing state agency shall give at least ~~15~~ ²¹ days' notice of its
 0275 intended action in the Kansas register and to the ~~revisor of~~
 0276 ~~statutes~~ *secretary of state*. The notice shall be mailed to the
 0277 ~~revisor of statutes~~ *secretary of state* and published in the Kansas
 0278 register ~~and~~. *The notice shall contain: (1) a summary of the*
 0279 *substance of the proposed rules and regulations and; (2) a*
 0280 *summary of the economic impact statement indicating the es-*
 0281 *timated economic impact on governmental agencies or units,*
 0282 *persons subject to the proposed rules and regulations and the*
 0283 *general public; (3) the address where a complete copy of the*
 0284 *proposed rules and regulations [and the complete economic*
 0285 *impact statement required by K.S.A. 77-416 and amendments*
 0286 *thereto] may be obtained. Such notice shall state; (4) the time*
 0287 *and place of the public hearing to be held thereon and; and* ⁽⁵⁾
 0288 *the manner in which interested parties may present their views*
 0289 *thereon. The notice shall be accompanied by a copy of the fiscal*
 0290 *or financial economic impact statement provided by K.S.A. 77-*
 0291 *416; and amendments thereto, which is applicable to all pro-*
 0292 *posed rules and regulations which will be considered at such*
 0293 *public hearing; and. The notice shall state that a copy of the*
 0294 *complete fiscal or financial include: (1) A brief description of the*
 0295 *proposed rules and regulations and what will likely be accom-*
 0296 *plished by adoption thereof; (2) an identification of the persons*
 0297 *who will be subject to or otherwise affected by the proposed*
 0298 *rules and regulations, including those who will directly or*
 0299 *indirectly bear the costs thereof and those who will directly or*
 0300 *indirectly benefit therefrom; (3) an identification of the proba-*
 0301 *ble quantitative and qualitative impact of the proposed rules*
 0302 *and regulations on the persons directly or indirectly affected*
 0303 *thereby, including the agency proposing the rules and regula-*
 0304 *tions; other governmental agencies or units, private citizens and*
 0305 *consumers of the products or services which are the subject of*

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0306 the rules and regulations or the enforcement thereof; (4) any
 0307 consideration given to less costly methods, quantitative or
 0308 qualitative, or less intrusive methods for achieving the stated
 0309 purpose of the rules and regulations; (5) a description of any
 0310 alternative methods that were considered by the state agency
 0311 for achieving the stated purpose of the rules and regulations and
 0312 the quantitative or qualitative reasons why such methods were
 0313 rejected in favor of the proposed rules and regulations. The
 0314 notice shall state that a copy of the complete economic impact
 0315 statement may be obtained from the state agency and shall
 '6 provide the address of the state agency from which such fiscal or
 0317 financial impact statement may be obtained. A summary of such
 0318 fiscal or financial impact statement, as required by K.S.A. 77-416,
 0319 and amendments thereto, indicating the estimated monetary
 0320 impact on governmental agencies or units, private businesses
 0321 statement indicating the estimated economic impact on govern-
 0322 mental agencies or units, persons subject to the proposed rules
 0323 and regulations and the general public, shall be published in the
 0324 Kansas register with the notice of hearing on the applicable rules
 0325 and regulations. Publication of such notice in the Kansas register
 0326 shall constitute notice to all parties affected by the rules and
 0327 regulations.

0328 (b)(c) On the date of the hearing, all interested parties shall
 0329 be given reasonable opportunity to present their views or ar-
) guments on adoption of the rule and regulation, either orally or
 0331 in writing. When requested to do so, the state agency shall
 0332 prepare a concise statement of the principal reasons for adopting
 0333 the rule and regulation or amendment thereto. Whenever a state
 0334 agency is required by any other statute to give notice and hold a
 0335 hearing before adopting, amending, reviving or revoking a rule
 0336 and regulation, the state agency may, in lieu of following the
 0337 requirements or statutory procedure set out in such other law,
 0338 give notice and hold hearings on proposed rules and regulations
 0339 in the manner prescribed by this act. Notwithstanding the other
 0340 provisions of this section, the Kansas adult authority parole
 0341 board and the secretary of corrections may ~~but shall not be~~
 0342 ~~required to~~ may give notice or an opportunity to be heard to any

(b)

; and (5) a specific statement that the period of 30 days' notice constitutes a public comment period for the purpose of receiving written public comments on the proposed rules and regulations and the address where such comments may be submitted to the state agency

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0343 inmate in the custody of the secretary of corrections with regard
0344 to the adoption of any rule and regulation.

, but the secretary shall not be required to give such notice or opportunity

0345 (e) No public hearing required by this section shall be
0346 scheduled or held by a state agency after December 1 of any
0347 calendar year.

0348 ~~(d)~~ When, pursuant to this or any other statute, a state
0349 agency holds a hearing on the adoption of a proposed rule and
0350 regulation, the agency shall cause ~~minutes or a transcript~~ of the
0351 hearing to be made. If the proposed rule and regulation is
0352 adopted and becomes effective, the state agency shall maintain,
0353 for not less than three years after its effective date, such minutes
0354 or ~~transcript~~ together with a list of all persons who appeared at
0355 the hearing and who they represented, any written testimony
0356 presented at the hearing and any written comments submitted
0357 during the public comment period ~~if any, provided by the~~
0358 ~~agency pursuant to subsection (a).~~

(c)

written minutes or other records, including a record maintained on sound recording tape or on any electronically accessed media or any combination of written or electronically accessed media records

other records

0359 (d) ~~(e)~~ ~~(c)~~ No rule and regulation shall be adopted except at a
0360 meeting which is open to the public and notwithstanding any
0361 other provision of law to the contrary, no rule and regulation
0362 shall be adopted by a board, commission, authority or other
0363 similar body unless it receives approval by roll call vote of a
0364 majority of the total membership thereof.

(d)

0365 Sec. 36. K.S.A. 1987 Supp. 77-422 is hereby amended to read
0366 as follows: 77-422. (a) A rule and regulation may be adopted by a
0367 state agency as a temporary rule and regulation if the state
0368 agency and the state rules and regulations board finds that: (1)
0369 The preservation of the public peace, health, safety or welfare
0370 necessitates or makes desirable putting such rule and regulation
0371 into effect prior to the time it could be put into effect if the
0372 agency were to comply with the notice, hearing and publication
0373 requirements of this act or prior to the effective date prescribed
0374 by K.S.A. 77-426, and amendments thereto; ~~or~~ (2) it is necessary
0375 for such rule and regulation to take effect prior to the effective
0376 date prescribed by K.S.A. 77-426, and amendments thereto, in
0377 order to comply with the requirements of the statute authorizing
0378 the adoption of such rule and regulation or with any federal law
0379 with which the state agency is required to comply or with rules

0491 office of revisor of statutes the secretary of state. Rules and
 0492 regulations adopted jointly by two or more agencies shall not be
 0493 published in more than one place in the compilation or supple-
 0494 ment thereto.

0495 Sec. 38 39. K.S.A. 1987 Supp. 77-425 is hereby amended to
 0496 read as follows: 77-425. Every rule and regulation other than a
 0497 temporary rule and regulation which is filed by a state agency in
 0498 the office of the revisor of statutes secretary of state as provided
 0499 in this act shall have the force and effect of law on and after the
 0500 date prescribed in K.S.A. 77-426, and amendments thereto, until
 0501 amended or revoked as provided by law and such amendment or
 0502 revocation shall have become effective. Any rule and regulation
 0503 not filed and published as required by this act shall be of no force
 0504 or effect, except that any error or irregularity in form or any
 0505 clerical error or omission of the revisor of statutes secretary of
 0506 state in the filing of such regulation not affecting substantial
 0507 rights shall not invalidate the same. The filing and publication of
 0508 rules and regulations as required by this act shall not be con-
 0509 strued as dispensing with the requirements of any other law
 0510 necessary to make the rules and regulations effective. The revo-
 0511 cation of a rule and regulation by a state agency shall not be
 0512 construed as reviving a rule and regulation previously revoked
 0513 by such agency, nor shall such revocation by a state agency be
 0514 construed as affecting any right which accrued, any duty im-
 0515 posed, any penalty incurred, nor any proceeding commenced,
 0516 under or by virtue of the rule and regulation revoked.

0517 Sec. 39 40. K.S.A. 1987 Supp. 77-426 is hereby amended to
 0518 read as follows: 77-426. (a) All rules and regulations ~~on file with~~
 0519 ~~the~~ revisor of statutes ~~secretary of state~~ which are in force and
 0520 effect at the time this act takes effect shall continue in full force
 0521 and effect and may be amended, revived or revoked as provided
 0522 by law. All new rules and regulations and all amendments,
 0523 revivals or revocations of rules and regulations, other than tem-
 0524 porary regulations, adopted in any year shall be filed with the
 0525 revisor of statutes on or before December 15 of such year, and
 0526 shall become effective on and after May 1 of the succeeding year.
 0527 No rules and regulations shall be filed by the revisor of statutes

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0639 opening limitation of this section is not violated.

0640 (e) By striking the word "that" wherever it appears as the
0641 first word of any section in the Kansas administrative regulations
0642 or the latest supplement thereto.

0643 (f) By correcting doublets.

0644 No change made pursuant to the provisions of this section shall
0645 effect any change in the substantive meaning of the rule and
0646 regulation section, and any error made by the ~~reviser of statutes~~
0647 *secretary of state* in editing the rules and regulations as autho-
0648 rized by this section shall be construed as a clerical error only.

0649 Sec. 44 45. K.S.A. 77-436 is hereby amended to read as
0650 follows: 77-436. (a) There is hereby established a joint commit-
0651 tee on administrative rules and regulations which shall consist of
0652 five senators and seven members of the house of representatives.
0653 The five senator members shall be appointed as follows: Three
0654 by the committee on organization, calendar and rules and two by
0655 the minority leader of the senate. The seven representative
0656 members shall be appointed as follows: Four by the speaker of
0657 the house of representatives and three by the minority leader of
0658 the house of representatives. The ~~first named appointee of the~~

0659 committee on organization, calendar and rules shall ~~be chair-~~
0660 person or vice-chairperson of the joint committee as provided in
0661 this section. The ~~first named appointee of the~~ speaker of the
0662 house of representatives shall ~~be chairperson or vice-chairperson~~
0663 of the joint committee as provided in this section.

designate a senator member to

0664 (b) A quorum of the joint committee on administrative rules
0665 and regulations shall be seven. All actions of the committee may
0666 be taken by a majority of those present when there is a quorum.

0667 In odd-numbered years the chairperson of the joint committee
0668 shall be ~~a~~ member of the house of representatives from the
0669 convening of the regular session in that year until the convening
0670 of the regular session in the next ensuing year. In even-num-

designate a representative member to

0671 bered years the chairperson of the joint committee shall be ~~a~~
0672 member of the senate from the convening of the regular session
0673 of that year until the convening of the regular session of the next

the designated

0674 ensuing year. The vice-chairperson shall exercise all of the
0675 powers of the chairperson in the absence of the chairperson.

the designated

[Previously Adopted]

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0676 (c) All rules and regulations filed each year in the office of
 0677 the ~~revisor of statutes~~ *secretary of state* shall be submitted to and
 0678 reviewed by the joint committee on administrative rules and
 0679 regulations. All forms used by state agencies and all rules and
 0680 regulations specifically excluded from the definition of rule and
 0681 regulation under ~~paragraph~~ *subsection* (4) of K.S.A. 77-415, and
 0682 amendments thereto, shall be subject to review by the joint
 0683 committee. The committee may introduce such legislation as it
 0684 deems necessary in performing its functions of reviewing ad-
 0685 ministrative rules and regulations and agency forms.

0686 ~~(d) The provisions of article 12 of chapter 46 of the Kansas~~
 0687 ~~Statutes Annotated, and amendments thereto, applicable to spe-~~
 0688 ~~cial committees shall apply to the joint committee on adminis-~~
 0689 ~~trative rules and regulations to the extent that the same do not~~
 0690 ~~conflict with the specific provisions of this act applicable to such~~
 0691 ~~joint committee.~~

0692 Sec. 45 46. K.S.A. 79-3297a is hereby amended to read as
 0693 follows: 79-3297a. The secretary of revenue shall change the
 0694 percentage of the amount required to be withheld from wages
 0695 under K.S.A. 79-3296, *and amendments thereto*, when such rate
 0696 no longer bears the proper correspondence to the employees'
 0697 income tax liability on wages because of changes in the federal
 0698 withholding rate. Any such change in the state withholding rate
 0699 shall be in proper proportion to the amount of increase or
 0700 decrease in the federal withholding tax, increases or decreases in
 0701 the tax rates under K.S.A. 79-32,110, *and amendments thereto*, or
 0702 increases or decreases in the tax base so that the withholding rate
 0703 as changed bears the same correspondence to the employees'
 0704 expected income tax liability. Such rate may be fixed for all
 0705 adjusted gross income classes, or variable rates may be estab-
 0706 lished, based upon adjusted gross income class, to insure proper
 0707 withholding consistent with the taxpayer's expected tax liability.
 0708 Any such change in rate shall be adopted as a rule and
 0709 regulation and shall be effective when filed with the ~~revisor of~~
 0710 *statutes secretary of state*.

0711 Sec. 46 47. K.S.A. 79-3385 is hereby amended to read as
 0712 follows: 79-3385. The secretary of revenue shall have the power

The joint committee shall meet on call of the chairperson as authorized by the legislative coordinating council. All such meetings shall be held in Topeka, unless authorized to be held in a different place by the legislative coordinating council. Members of the joint committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of such committee authorized by the legislative coordinating council.

(e) Amounts paid under authority of this section shall be paid from appropriations for legislative expense and vouchers therefor shall be prepared by the director of legislative administrative services and approved by the chairperson or vice-chairperson of the legislative coordinating council.

0713 to make and enforce such rules and regulations as may be
 0714 necessary to administer and enforce the provisions of this act.
 0715 Such rules and regulations shall be filed in the office of the
 0716 ~~revisor of statutes~~ *secretary of state* as required by law.

0717 Sec. 47 48. K.S.A. 82a-816 is hereby amended to read as
 0718 follows: 82a-816. A copy of the *rules and* regulations adopted
 0719 pursuant to this act, and ~~of any~~ amendments thereto, shall be
 0720 filed in the office of the commission and in the office of the
 0721 ~~revisor of statutes~~ *secretary of state* as provided by law. Rules
 0722 and regulations shall be published by the commission in a
 0723 convenient form.

0724 Sec. 48 49. K.S.A. 82a-923 is hereby amended to read as
 0725 follows: 82a-923. The office shall adopt, amend, promulgate, and
 0726 enforce such rules and regulations as are necessary and proper to
 0727 carry out the provisions of this act. Such rules and regulations
 0728 shall be filed in the office of the ~~revisor of statutes~~ *secretary of*
 0729 *state* as provided by law. The Kansas water office may prepare
 0730 and distribute, free or at cost, compilations of its rules and
 0731 regulations.

0732 Sec. 49 50. K.S.A. 83-147 is hereby amended to read as
 0733 follows: 83-147. The state sealer of weights and measures is
 0734 authorized to promulgate and adopt such rules and regulations
 0735 and establish tolerances within a maximum of ~~two percent (2%)~~
 0736 2%, plus or minus, which may be necessary for the enforcement
 0737 of this act. Such rules and regulations shall be filed in the office
 0738 of the ~~revisor of statutes~~ *secretary of state* as provided by article
 0739 4 of chapter 77 of the Kansas Statutes Annotated.

0740 Sec. 50 51. K.S.A. 2-2606, 16a-6-405, 16a-6-406, ~~[17-1282]~~ 32-
 0741 185, 32-507, 34-101d, 40-2308, 44-573, 45-404, 46-224, 46-1211,
 0742 46-1501, 47-1215, 65-1630, 65-1825, 65-2703, 65-2865, 72-7514b,
 0743 74-3214, 74-4909, 75-430, 75-431, 75-3504, 76-168, 76-1927, 77-
 0744 416, 77-417, 77-418, 77-419, 77-423, 77-424, 77-428, 77-430a,
 0745 77-432a, 77-435, 77-436, 79-3297a, 79-3385, 82a-816, 82a-923 and
 0746 83-147 and K.S.A. 1987 Supp. 74-8710, 77-420, 77-421, 77-422,
 0747 ~~77-425, 77-426 and 77-439~~ are hereby repealed.

0748 Sec. 51 52. This act shall take effect and be in force from and
 0749 after ~~[May 1, 1988, and]~~ its publication in the Kansas register.

Sec. 51. On July 1, 1988, K.S.A. 77-436, as amended by section 1 of 1988 House Bill No. 2705, is hereby repealed.

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4/27/88

SENATE BILL No. 599

By Senator F. Kerr

2-9

0020 AN ACT creating the agricultural value added processing center;
 0021 providing for a leadership council, responsibilities of the
 0022 leadership council and ~~coordinator~~ creating the agricultural
 0023 value added processing fund making and concerning appro-
 0024 priations for the fiscal year ending June 30, 1989.

0025 Be it enacted by the Legislature of the State of Kansas:
 0026 Section 1. ~~The purpose of this act is to authorize a leadership~~
 0027 ~~council to evaluate and develop the establishment of~~ an agricul-
 0028 tural value added processing center at ~~associated with~~ Kansas
 0029 state university. ~~The center shall be established July 1, 1989. (a)~~

0030 The objectives of the center may shall include, but not be limited
 0031 to, ~~developing Kansas agricultural processing potential through~~
 0032 ~~communication, cooperation and promotion;~~ providing technical
 0033 assistance ~~to existing and potential value added processing fa-~~
 0034 ~~cilities;~~ developing a network for collecting and distributing
 0035 information to individuals involved in value added processing in
 0036 Kansas; initiating pilot plant facilities to act as research and
 0037 development laboratories for existing ~~small scale value added~~
 0038 processing endeavors in ~~the state;~~ providing technical assistance
 0039 to new agricultural value added processing businesses; ~~and~~
 0040 ~~developing Kansas agricultural processing potential through~~
 0041 ~~communication, cooperation and promotion.~~

(c) 0042 ~~(b)~~ The ~~marketing development efforts concerning products~~
 0043 ~~shall be conducted cooperatively~~ with existing state agencies
 0044 ~~involved in marketing and shall include but not be limited to~~
 0045 developing a market referral program, matching distribution to
 0046 buyers in coordination with other state agencies concerned with
 0047 marketing Kansas products; ~~increasing national interest in Kan-~~

and a director of such center

the director

(a) There is hereby created

which is

(b)

at Kansas state university and at other appropriate locations in Kansas

, including incubator facilities

and potential

Kansas

and promoting communication and cooperation among private businesses, state government agencies and public and private colleges and universities in Kansas; and establishing research and develop programs in technologies that have value-added commercial potential for food and non-food agricultural products

center shall cooperate

in order to promote market development relating to agricultural value added products. In furtherance of such cooperation, the functions of the center

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0048 ~~gas food production~~ assisting private entrepreneurs in the es-
0049 tablishment of facilities and markets for new agricultural value
0050 added processing endeavors; and introducing coordinated pro-
0051 grams to develop marketing skills of existing agricultural value
0052 adding processors in ~~the state~~ Kansas

0053 Sec. 2. (a) ~~A~~ leadership council consisting of 11 members
0054 ~~shall be established by July May 1, 1988, to facilitate the creation~~
0055 ~~of the agricultural value added processing center. The 11 mem-~~
0056 ~~bers shall be selected~~ as follows:

0057 (1) A member of the house of representatives and a member
0058 of the senate appointed by the legislative coordinating council,
0059 and such members shall be from different political parties;

0060 (2) the dean of the college of agriculture ~~from~~ at Kansas state
0061 university or the dean's designee;

(4) 0062 ~~(3)~~ the secretary of the state board of agriculture, or the
0063 secretary's designee;

(5) 0064 ~~(4)~~ the secretary of commerce, or the secretary's designee;
0065 ~~(5)~~ a board member of the Kansas technology enterprise

0066 corporation, selected by a majority vote of the board;

0067 (6) ~~four six citizens~~ of Kansas, representing a variety of agri-
0068 cultural processing interests ~~agricultural producers and a vari-~~
0069 ~~ety of processing interests~~ selected by the governor; and.

0070 (7) a member from Kansas state university who shall be
0071 appointed by the dean of the school of agriculture and approved
0072 by the president of Kansas state university. This member shall be
0073 hired in a newly created staff position at Kansas state university
0074 and shall be designated as the coordinator of the agricultural
0075 value added processing center.

(d) 0076 ~~(b)~~ The members of the leadership council shall be paid
0077 subsistence allowance, mileage and other expenses as provided
0078 in K.S.A. 75-3223, and amendments thereto, as there is money
0079 available in the agricultural value added processing fund.

0080 ~~(c)~~ The leadership council shall be and is hereby abolished
0081 on July 1, 1991.

0082 Sec. 3. (a) ~~The leadership council shall hire a coordinator~~
0083 ~~who will be selected from a list of applicants provided by the~~
0084 ~~president of the Kansas technology enterprise corporation. Such~~

There is hereby created the agricultural value added processing center

(3) the dean of the college of engineering at Kansas state
university or the dean's designee;

(6) six residents

and including at least one person having recognized expertise in both
national and international marketing of agricultural products, who
shall be appointed

(b) The members of the leadership council appointed under
subsection (a)(1) shall be appointed for a term ending on the day
preceding the commencement of the regular session of the legislature
in the first odd-numbered year following their appointment. The
members of the leadership council appointed by the governor under
subsection (a)(6) shall be appointed for terms as follows: (1) Three
members shall be appointed for terms ending on June 30, 1990, and (2)
three members shall be appointed for terms ending on June 30, 1991.
After the expiration of the initial terms of such members appointed by
the governor, members shall be appointed by the governor for terms of
two years. All vacancies in the office of appointed members shall be
filled by appointment by the officer or council making the original
appointment for the remainder of the unexpired term of the member
creating the vacancy.

(c) The leadership council shall organize annually by the election
from its membership of a chairperson and a vice-chairperson. The
leadership council shall adopt such rules of procedure as it deems
necessary for conducting its business.

for attendance at meetings of the leadership council, or subcommittee
meetings thereof authorized by the council,

0085 ~~Coordinator shall be an employee of the Kansas technology~~
0086 ~~enterprise corporation and shall be located in the office of the~~
0087 ~~president of Kansas state university.~~

0088 (b) The ~~Coordinator~~ shall be responsible for publishing a
0089 formal strategy and set of goals ~~for the agricultural value added~~
0090 processing center and presenting the strategy and goals to the
0091 ~~legislature and the governor on January 10, 1989. A follow-up~~
0092 ~~report shall be made on April 1, 1989. The coordinator shall~~
0093 prepare a preliminary budget proposal for fiscal year 1990 and
0094 present such budget proposal to the ~~governor no later than~~
0095 ~~September 1, 1988. The strategy, goals and budget proposals~~
0096 ~~shall be ratified by the leadership council.~~

0097 ~~Sec. 4. The leadership council shall decide the agencies~~
0098 ~~which will be the most helpful in determining financial, techni-~~
0099 ~~cal, marketing or other aids in the value added business en-~~
0100 ~~deavors.~~

0101 ~~Sec. 5. (a) Any person involved in the business of value~~
0102 ~~adding to agricultural products, through a manufacturing~~
0103 ~~process, shall pay a \$10 registration fee to the coordinator, who~~
0104 ~~shall remit the money monthly to the agricultural value added~~
0105 ~~processing fund which is hereby created in the state treasury.~~

0106 (b) All moneys credited to such fund shall be expended or
0107 transferred only for the purposes of this act. Expenditures from
0108 such fund shall be made in accordance with appropriation acts
0109 upon warrants of the director of accounts and reports issued
0110 pursuant to vouchers approved by the coordinator.

0111 (c) "Person" means any individual, partnership, corporation
0112 or joint venture carrying on business or proposing to carry on
0113 business within the state.

0114 ~~Sec. 5.~~

0115 **KANSAS TECHNOLOGY ENTERPRISE CORPORATION**

0117 (a) ~~There is appropriated for the above agency from the~~
0118 ~~following special revenue fund for the fiscal year ending June~~
0119 ~~30, 1989, all moneys now or hereafter lawfully credited to and~~
0120 ~~available in such fund, except that expenditures shall not exceed~~
0121 ~~the following:~~

0122 ~~Agricultural value added processing fund \$175,000~~

0124 ~~Provided, That expenditures from this fund may be made for the~~

Sec. 3. (a) The leadership council shall appoint the director of the agricultural value added processing center from a list of nominees prepared by the president of the Kansas technology enterprise corporation. The director shall be in the unclassified service under the Kansas civil service act and shall serve at the pleasure of the leadership council. The director shall receive compensation from appropriations made for the Kansas technology enterprise corporation for the agricultural value added processing center. The director

director

adopted by the leadership council

board of directors of the Kansas technology enterprise corporation. At the direction of the leadership council, the director shall

board of directors of the Kansas technology enterprise corporation prior to September 1, 1988. Each year, such board of directors shall submit a proposed budget for the agricultural value added processing center within the budget estimate prepared and submitted to the division of the budget pursuant to K.S.A. 75-3717 and amendments thereto. The director shall present the strategy, goals and budget proposals of the agricultural value added processing center to the standing committees on agriculture and economic development of the senate and the house of representatives at the beginning of the regular session of the legislature in 1989 and shall present a follow-up report to such committees during that session and after April 1, 1989.

(c) The leadership council shall develop and adopt a formal strategy and set of goals for such agricultural value added processing center and shall revise and update such strategy and goals as deemed necessary by the council. The leadership council may recommend such legislation as the council deems appropriate for the purposes of the agricultural value added processing center.

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0125 establishment and operating expenditures for a center of excel-
0126 lence to be located at (associated with) at Kansas state university
0127 to be known as the agricultural value added processing center.
0128 Provided further, That expenditures may be made from this
0129 fund for operating expenditures for a coordinator and for prep-
0130 aration and development of a business plan for such center of
0131 excellence.

0132 (b) On July 1, 1988, the director of accounts and reports shall
0133 transfer \$175,000 from the Kansas economic development re-
0134 search and development account of the state economic develop-
0135 ment initiatives fund of the department of commerce to the
0136 agricultural value added processing fund of the Kansas technol-
0137 ogy enterprise corporation.

Sec. 4. Documents and other materials submitted to the agricultural value added center, the director of such center or the leadership council of such center by Kansas businesses shall not be public records if such documents and other materials are determined to be trade or business secrets. Each such document or other material determined to be trade or business secrets shall be maintained in a secured environment by the director of the agricultural value added center.

(a)

(b) The provisions of this act shall expire on July 1, 1992.

5. 0138 Sec. 6. This act shall be known and may be cited as the
0139 agricultural value added processing center act.

6. 0140 Sec. 7. This act shall take effect and be in force from and
0141 after its publication in the Kansas register.

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