

Approved

2/18/88
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Edward F. Reilly, Jr. at
Chairperson

11:00 a.m. ~~xxx~~ on February 16, 1988 in room 254-E of the Capitol.

All members were present ~~except~~

Committee staff present:

Mary Galligan, Legislative Research
Emalene Correll, Legislative Research
Mary Torrence, Assistant Revisor of Statutes
June Windscheffel, Committee Secretary

Conferees appearing before the committee:

The Minutes of the Meetings of January 27, February 2, February 4, and February 11, 1988, were before the Committee. Senator Morris moved the Minutes be approved. The motion was seconded by Senator Bond. The motion carried.

The Chairman announced there had been concerns on SB471, by the Joint Committee on Economic Development, and SB478, by the Joint Committee on Rules and Regulations. Senator Salisbury appeared before the Committee on January 26, to discuss these. Senator Reilly had appointed a Subcommittee, composed of Senator Bond, Chairman; Senator Vidricksen; and Senator Martin. Today Senator Bond has the Subcommittee Report (Attachment #1) for the Committee. The Subcommittee has recommended that the bills be combined into one bill, and it is being numbered SB478.

A balloon of the bill was distributed by staff (Attachment #2). Senator Bond moved the amendment to the balloon on line 426, page 29, following "register" to add "or such later date as clearly expressed in the body of such rule and regulation. Seconded by Senator Martin. The motion carried.

Senator Bond moved the adoption of the Subcommittee Report, and the amended bill be submitted favorably for passage. The motion was seconded by Senator Martin. The motion carried.

Senator Bond moved to report SB471 adversely. The motion was seconded by Senator Martin. The motion carried.

The Chairman thanked everyone for assistance in this matter which has required much time and study.

The Chairman called to the Committee's attention various handouts in the packets: Correspondence from Carol J. Brandert, Kansas Federation of Humane Societies entitled "Why Inspect All Kansas Kennels" (Attachment #3); Statement regarding Senate Bill 615, dated February 10, 1988, concerning speculative investments by the Kansas Public Employees Retirement Board (Attachment #4); an editorial "Matters for development" from The Topeka Capital-Journal, dated February 11, 1988 (Attachment #5); an article, from the Regional Health Review, entitled "Drug Abuse Programs in the Workplace; The Need for a Comprehensive Approach," (Attachment #6)

Senator Hoferer explained a request from the American Cancer Society relating to insurance; requiring mammogram and pap smear coverage to be offered for inclusion in certain health and accident policies (7 RS 2067), (Attachment #7). Senator Bond moved to introduce the proposal. The motion was seconded by Senator Daniels. The motion carried.

Senator Morris moved the Committee request of the President of the Senate, Senator Talkington, that SB479, be referred for interim study. The motion was seconded by Senator Strick. Following discussion the Chairman suggested that motion be postponed until the next meeting of the Committee.

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.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

room _____, Statehouse, at 11:00 a.m. ~~xxx~~ on February 16, 19 88

There was Committee discussion of SB354, concerning licensee fees, retailers, and Class A clubs, and it was decided that no action would be taken on the bill at this time.

The matter of using credit cards to purchase alcoholic beverages and having certain signs in retail stores was discussed by the Committee. Senator Strick moved to introduce the proposal to allow credit cards and such signs. The motion was seconded by Senator Martin. The motion carried.

The Chairman stated that there were other matters that had been reviewed by the Liquor Law Review Commission which would obviously want to be looked at in the state. (Attachment #8)

The Senator said he had received requests from various individuals concerning the bingo. The question is: what we can do concerning bingo to make it a viable operation in the State of Kansas.

The Committee will not meet tomorrow. The schedule is the same for Thursday and Friday, to meet at the regular time as shown on the Agenda.

The meeting was adjourned at noon.

SUBCOMMITTEE REPORT

**SENATE FEDERAL AND STATE AFFAIRS SUBCOMMITTEE
ON S.B. 471 AND S.B. 478**

The Subcommittee, composed of Senators Bond, Vidricksen, and Martin met on February 11, 1988 in Room 254-E, with all members in attendance. Senator Salisbury also attended the meeting.

After discussing the bills with Senator Salisbury and Mr. Tuck Duncan, and considering testimony provided at the Committee hearings on the bills, the Subcommittee agreed upon the following recommendations to the full Committee:

Increase the required notice prior to the public hearing on proposed rules and regulations from 15 days to 21 days.

Require, whenever possible, the publication of a notice of intent to modify existing rules and regulations and establishment of public comment period prior to revision or amendment of existing rules and regulations.

Substitute the term "economic impact" for the term "fiscal impact" throughout the bill.

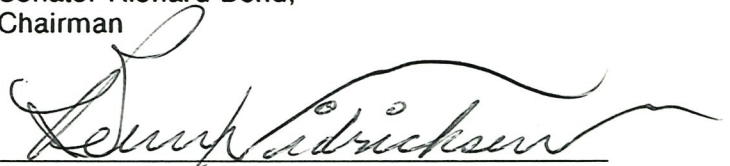
Replace the Revisor of Statutes with the Secretary of State as the secretary to the Rules and Regulations Board.

Require agencies to keep minutes or transcripts of public hearings and records of public comments regarding proposed new or revised rules and regulations for a minimum of three years.


The Subcommittee further recommends that the amendments be incorporated into a single bill.



Senator Richard Bond,
Chairman



Senator Ben Vidricksen



Senator Phil Martin

SENATE BILL No. 478

By Joint Committee on Administrative Rules and Regulations

1-12

Senate FSA
2/16/88
Attachment #2

0017 AN ACT relating to rules and regulations; concerning the filing
 0018 thereof; providing for the transfer of certain rules and regula-
 0019 tion files; amending K.S.A. 2-2606, 16a-6-405, 16a-6-406, 17-
 0020 1282, 32-185, 32-507, 34-101d, 40-2308, 44-573, 45-404, 46-
 0021 224, 46-1211, 46-1501, 47-1215, 65-1630, 65-1825, 65-2703,
 0022 65-2865, 72-7514b, 74-3214, 74-4909, 75-430, 75-431, 75-3504,
 0023 76-168, 76-1927, 77-416, 77-417, 77-418, 77-419, ~~77-424~~, 77-423,
 0024 428, 77-430a, 77-432a, 77-435, 77-436, 79-3297a, 79-3385, 82a-
 0025 816, 82a-923 and 83-147 and K.S.A. 1987 Supp. 74-8710, 77-
 0026 420, 77-421, 77-422, 77-425 and 77-426 and repealing the
 0027 existing sections; also repealing K.S.A. 1987 Supp. 77-439.

0028 *Be it enacted by the Legislature of the State of Kansas:*

0029 New Section 1. The secretary of state shall file and publish
 0030 all rules and regulations as provided by article 4 of chapter 77 of
 0031 the Kansas Statutes Annotated.

0032 New Sec. 2. (a) All rules and regulations of state agencies
 0033 lawfully filed with the office of the revisor of statutes prior to the
 0034 effective date of this act shall continue to be effective and shall
 0035 be deemed to be duly filed with the secretary of state provided
 0036 for by this act until revised, amended, revoked or nullified
 0037 pursuant to law.

0038 (b) All temporary rules and regulations filed prior to the
 0039 effective date of this act and which are in effect on the effective
 0040 date of this act, shall expire on October 1, 1988.

0041 (c) On the effective date of this act, all rules and regulations
 0042 of state agencies lawfully filed with the office of the revisor of
 0043 statutes prior to the effective date of this act and all records
 0044 pertaining to such rules and regulations, shall be transferred to
 0045 the office of the secretary of state.

0046 Sec. 3. K.S.A. 2-2606 is hereby amended to read as follows:

2/16/88
Attachment #2

0047 2-2606. In the administration of this act the commission shall
0048 have the following duties, authorities and powers:

0049 (1) To conduct a campaign of development, education and
0050 publicity;

0051 (2) to find new markets for wheat and wheat products;

0052 (3) to accept grants and donations;

0053 (4) to sue and be sued;

0054 (5) to enter into such contracts as may be necessary or advis-
0055 able for the purpose of this act;

0056 (6) to appoint an administrator and an assistant administrator
0057 and fix their compensation and the said administrator and assist-
0058 ant administrator shall be in the unclassified service of the
0059 Kansas civil service act. With the approval of the commission,
0060 said *the* administrator may appoint such other personnel as is
0061 needed and such employees shall be in the classified service of
0062 the Kansas civil service act. Other than said *the* administrator
0063 and the assistant of the administrator, all employees of the
0064 commission at the time this act takes effect shall from such
0065 effective date be in the classified service under the Kansas civil
0066 service act and each such employee shall attain permanent status
0067 in a classified position without examination and without a pro-
0068 bationary period; and. The time served by each of them *em-*
0069 *ployee* with a state agency prior to July 1, 1965, shall be credited
0070 in determining longevity and longevity benefits under the Kan-
0071 sas civil service act; and. Each such employee shall be entitled to
0072 annual sick leave accumulated prior to July 1, 1965; *Provided,*
0073 *except that* the personnel whose positions are by this act placed
0074 for the first time within the classified service of the Kansas civil
0075 service shall suffer no reduction in classification or pay *thereby,*
0076 but in particular each one shall be paid on a step within the
0077 authorized salary range of the approved class of positions that
0078 either coincides with or is the next step above the payroll
0079 monthly gross amount of pay that would be payable had this
0080 statute not been enacted;

0081 (7) to cooperate with any local, state or national organization
0082 or agency, whether voluntary or created by the law of any state,
0083 or by national law, engaged in work or activities similar to the

0084 work and activities of the commission, and to enter into contracts
0085 and agreements with such organizations or agencies for carrying
0086 on a joint campaign of development, education and publicity;
0087 (8) to expend funds held in the revolving fund previously
0088 authorized under the provisions of this subsection for payment to
0089 the great plains wheat market development association, inc.,
0090 pursuant to contracts with such association for purposes autho-
0091 rized by the Kansas wheat act;

0092 (9) to establish an office of the administrator at any place in
0093 his state the commission may select;

0094 (10) to prosecute in the name of the state of Kansas any suit or
0095 action for the collection of the tax or assessment herein provided;
0096 and

0097 (11) to adopt, rescind, modify and amend all necessary and
0098 proper orders, resolutions and regulations for the procedure and
0099 exercise of its powers and the performance of its duties, and all
1100 rules and regulations shall be filed in the office of the ~~reviser of~~
1101 ~~statutes~~ *secretary of state* as provided in article 4 of chapter 77 of
0102 the Kansas Statutes Annotated.

0103 Sec. 4. K.S.A. 16a-6-405 is hereby amended to read as fol-
0104 lows: 16a-6-405. (1) Every rule *and regulation* or amendment or
0105 revocation thereof shall be filed by the administrator in the office
0106 of the ~~reviser of statutes~~ *secretary of state* in the manner pro-
0107 vided by article 4 of chapter 77 of the Kansas Statutes Annotated
0108 and amendments thereto.

0109 (2) Each rule *and regulation* or amendment or revocation
0110 thereof shall take effect at times prescribed under the provisions
0111 of article 4 of chapter 77 of the Kansas Statutes Annotated and
0112 amendments thereto.

0113 Sec. 5. K.S.A. 16a-6-406 is hereby amended to read as fol-
0114 lows: 16a-6-406. The ~~reviser of statutes~~ *secretary of state* shall
0115 publish all rules *and regulations* filed under the provisions of
0116 this act subject to and in the manner provided for the publication
0117 of rules and regulations under the provisions of article 4 of
0118 chapter 77 of the Kansas Statutes Annotated and amendments
0119 thereto.

0120 Sec. 6. K.S.A. 17-1282 is hereby amended to read as follows:

0117-1282. The securities commissioner may adopt reasonable
 0122 rules and regulations to carry out the provisions of this act. Prior
 0123 to the adoption of any rule ~~or~~ *and* regulation, the securities
 0124 commissioner shall give notice and provide for a hearing in
 0125 accordance with the provisions of K.S.A. 1973 Supp. 77-421, and
 0126 ~~aets amendatory thereof amendments thereto.~~ All such rules and
 0127 regulations shall be filed in the office of the ~~revisor of statutes~~
 0128 *secretary of state* pursuant to K.S.A. 77-416; and ~~aets amendatory~~
 0129 ~~thereof et seq., and amendmendments thereto.~~

0130 Sec. 7. K.S.A. 32-185 is hereby amended to read as follows:

0131 32-185. The ~~forestry, fish and game commission~~ *secretary of the*
 0132 *Kansas department of wildlife and parks* is hereby authorized to
 0133 make and adopt *rules and* regulations establishing and desig-
 0134 nating:

0135 (a) Certain portions of the Missouri river bordering on the
 0136 state of Kansas and certain streams, lakes, impoundments, or
 0137 parts thereof, in the state of Kansas, to be open to commercial
 0138 fishing for such period of time as the ~~commission~~ ^{secretary} may specify;

0139 (b) certain methods and equipment to be legal for the taking
 0140 of fish for commercial purposes, and require daily inspection;

0141 (c) the size and specifications relative to seines, nets, traps,
 0142 and other commercial fishing equipment, and prescribing
 0143 method of tagging;

0144 (d) procedure for the handling, sale, or exchange of fish taken
 0145 for commercial purposes;

0146 (e) species of fish, in addition to those hereinbefore named,
 0147 to be subject to commercial fishing; such additional specifica-
 0148 tions may be by specie alone or specie and size;

0149 (f) such reports to be made by the permittee as the ~~commis-~~
 0150 ~~sion~~ ^{secretary} deems advisable.

0151 The ~~commission~~ regulations adopted as provided for in this act
 0152 *rules and regulations adopted by the* ~~commission~~ shall be effec-
 0153 tive upon the filing of a copy of the same with the ~~revisor of~~ ^{secretary} of the Kansas department of wildlife and parks
 0154 *statutes secretary of state.* The ~~commission~~ shall have authority
 0155 to contract, after securing the best competitive bid, for the
 0156 removal of fish, both game fish and undesirable fish, from any
 0157 waters of the state and may limit related commercial fishing to

0158 the person holding the contract.

0159 Sec. 8. K.S.A. 32-507 is hereby amended to read as follows:

0160 32-507. The ~~commission shall~~*may* adopt such rules and regula-
0161 tions that it ~~shall deem~~ *deems* necessary to implement and
0162 administer the provisions of this act. All rules and regulations
0163 adopted under this act shall be adopted and filed in the office of
0164 the ~~revisor of statutes~~ *secretary of state* as provided in the acts
0165 contained in article 4 of chapter 77 of the Kansas Statutes Anno-
0166 ~~ated and acts amendatory thereof or supplemental amendments~~
0167 ~~to.~~

0168 Sec. 9. K.S.A. 34-101d is hereby amended to read as follows:

0169 34-101d. The director of the Kansas state grain inspection de-
0170 partment, with the approval of the state grain advisory commis-
0171 sion and the governor, is authorized and empowered to enter
0172 into a contract or contracts with the state of Missouri or any
0173 agency of ~~said~~ *such* state which may correspond to the state grain
0174 inspection and weighing department to provide for the taking of
0175 samples and weighing of grain by employees of the Kansas
0176 department from railroad cars which may be held by the railroad
0177 in the area immediately east of the city of Atchison in the state of
0178 Missouri, which railroad cars contain grain in which Kansas grain
0179 dealers or warehousemen or other Kansas citizens or merchants
0180 have an interest. A copy of any agreement which may be
0181 ~~made~~ *entered* into pursuant to this section shall be filed with the
0182 ~~revisor of statutes~~ *secretary of state* as a *rule and regulation* of
0183 the department.

0184 Sec. 10. K.S.A. 40-2308 is hereby amended to read as fol-
0185 lows: 40-2308. The state agency ~~shall make~~ *may adopt*, publish,
0186 and file in the office of the ~~revisor of statutes~~ *secretary of state* as
0187 provided by law, such rules and regulations, not inconsistent
0188 with the provisions of this act, as it finds necessary or appropriate
0189 to the efficient administration of the functions with which it is
0190 charged under this act.

0191 Sec. 11. K.S.A. 44-573 is hereby amended to read as follows:

0192 44-573. The director may adopt and promulgate such rules and
0193 regulations as the director deems necessary for the purposes of
0194 administering and enforcing the provisions of the ~~workmen's~~

secretary of the Kansas department of wildlife and parks

0195 *workers compensation act. The commissioner of insurance may*
0196 *adopt and promulgate such rules and regulations as the commis-*
0197 *sioner of insurance deems necessary for the purposes of admin-*
0198 *istering the workers' compensation fund and group-funded*
0199 *workers' compensation pools. All such rules and regulations*
0200 *shall be filed in the office of ~~revisor of statutes~~ *the secretary of**
0201 *state as provided by article 4 of chapter 77 of the Kansas Statutes*
0202 *Annotated or acts amendatory thereof and amendments thereto.*

0203 Sec. 12. K.S.A. 45-404 is hereby amended to read as follows:
0204 45-404. The state records board shall:

0205 (a) Approve or modify retention and disposition schedules
0206 and records manuals prepared pursuant to subsections (c) and (d)
0207 of K.S.A. 45-406 and amendments thereto. Once approved by the
0208 board the retention and disposition schedules for state agencies
0209 shall be filed with the ~~revisor of statutes~~ *secretary of state.*
0210 Without further action by the board, noncurrent records of state
0211 agencies scheduled for disposition may be disposed of as pro-
0212 vided in the schedules and noncurrent records scheduled for
0213 retention may be transferred to the state archives, subject to
0214 approval by the state archivist and in accordance with proce-
0215 dures to be established by the state archivist.

0216 (b) Pass upon any proposed revisions in the retention and
0217 disposition schedules and upon requests for authority to dispose
0218 of records of state agencies or counties not listed in the sched-
0219 ules. No records of state agencies or counties shall be disposed of
0220 before the retention periods designated in the schedules have
0221 elapsed without the approval of the board. No state agency or
0222 county shall be required to destroy records which it chooses to
0223 retain, even though the retention and disposition schedules
0224 authorize their destruction. The retention and disposition
0225 schedules for all local agencies except counties shall be recom-
0226 mendations and shall not alter or replace current statutes autho-
0227 rizing or restricting the disposition of government records by
0228 local agencies.

0229 (c) Any board of county commissioners may order disposition
0230 of any noncurrent county government records after minimum
0231 retention periods set forth in the schedules prepared pursuant to

0232 subsection (d) of K.S.A. 45-406 and amendments thereto. Any
0233 board of county commissioners may petition the state records
0234 board for amendments to the schedules, for authority to depart
0235 from specific provisions of the schedules or for authority to
0236 implement schedules applicable to only a single county.

0237 (d) With the approval of the state archivist, the board of
0238 county commissioners of any county may transfer any noncurrent
0239 county government records to the custody of the state historical
0240 society. The board of county commissioners of any county may
0241 transfer any noncurrent county government records which have
0242 been determined by the state archivist to be records, which are
0243 not required by law to be confidential or restricted, to the
0244 custody of a county historical society, a genealogical society, a
0245 public library, a college or university library or another local or
0246 regional repository in Kansas, determined by the state archivist
0247 to be suitable, which will accept such records, except that under
0248 authority of this subsection no records relating to the mental or
0249 physical health of any person shall be so transferred.

0250 (e) Pass upon recommendations by the state archivist for
0251 transfer to the state archives of any noncurrent government
0252 records with enduring value which are held by a state agency
0253 opposing such a transfer. When the state archivist makes such a
0254 recommendation, the state agency opposing the transfer shall
0255 defend before the board its reasons for wanting to retain the
0256 records in its custody, and the board shall determine whether the
0257 transfer shall occur.

0258 (f) Approve or modify recommended microphotographic
0259 standards prepared by the state archivist and pass upon requests
0260 for authority to dispose of original government records of state
0261 agencies following reproduction on film, as provided in K.S.A.
0262 45-412 and amendments thereto.

0263 Sec. 13. K.S.A. 46-224 is hereby amended to read as follows:
0264 46-224. (a) "State agency" means the legislature, legislators,
0265 legislative committees and councils and all executive depart-
0266 ments, institutions, offices, officers, commissions, boards and
0267 authorities of the state, but does not include municipalities and
0268 other political subdivisions.

0269 (b) "Rules and regulations" means rules and regulations re-
0270 quired by law to be filed with the ~~revisor of statutes~~ *secretary of*
0271 *state*, and does not include rules adopted by the judicial branch
0272 or any court.

0273 Sec. 14. K.S.A. 46-1211 is hereby amended to read as fol-
0274 lows: 46-1211. (a) There is hereby established the office of
0275 revisor of statutes whose head shall be the revisor of statutes and
0276 who shall be appointed by the legislative coordinating council to
0277 serve under its direction. The revisor of statutes may be removed
0278 from office by a vote of five (5) members of the legislative
0279 coordinating council taken at any regular meeting of such coun-
0280 cil. The revisor of statutes shall receive such compensation as is
0281 determined by the legislative coordinating council. The revisor
0282 of statutes, and any of ~~his~~ *the revisor of statutes'* assistants
0283 specified by the legislative coordinating council, shall receive
0284 expenses and allowances for in-state and out-of-state travel as is
0285 provided by law for members of the legislature. The revisor of
0286 statutes shall appoint such assistants and employees of the office
0287 of ~~r~~ revisor of statutes as are authorized by the legislative coordi-
0288 nating council and shall set their compensation subject to the
0289 approval of such council. The revisor of statutes and all assistants
0290 and employees of the office of revisor of statutes shall be in the
0291 unclassified service.

0292 (b) The office of revisor of statutes shall perform the follow-
0293 ing functions: Drafting of bills, resolutions and other legislative
0294 documents; legal consultation for members of the legislature and
0295 legislative committees; legal research; supervise revisions and
0296 compilations of the general laws of this state; prepare and pub-
0297 lish Kansas Statutes Annotated, Supplements thereto and publi-
0298 cation of additional and replacement volumes thereof; ~~filing and~~
0299 ~~publication of rules and regulations as provided by law; recom-~~
0300 mend to the standing judiciary committees or to other appro-
0301 priate legislative committees such bills as will tend to update or
0302 clarify existing laws; other duties as provided by law; and such
0303 other legal duties as are directed by the legislative coordinating
0304 council.

0305 (c) The office of revisor of statutes, to the extent possible,

0306 shall provide a staff member in attendance at all meetings of all
0307 special committees, select committees and all standing commit-
0308 tees when the legislature is not in session. Such staff member
0309 shall provide legislative legal consultation and bill drafting ser-
0310 vices, and shall suggest such technical changes in statutes and
0311 bill drafts as may be expedient to make the same more harmoni-
0312 ous, clear or understandable, consistent with the policies
0313 espoused by such committee and within the subject field of its
0314 ly. Such staff member shall also assist in legislative proce-
0315 edure matters as may be needed.

0316 (d) Special committees, select committees and standing
0317 committees are expected to utilize the foregoing staff services to
0318 the extent the same are available in making all studies.

0319 Sec. 15. K.S.A. 46-1501 is hereby amended to read as fol-
0320 lows: 46-1501. In accordance with any instructions given by the
0321 legislative coordinating council and as provided in this act, the
0322 revisor of statutes shall introduce in phases and supervise or
0323 operate, or both supervise and operate as may be appropriate, a
0324 comprehensive legislative information system. Such system
0325 shall initially be operated to accomplish computer search of
0326 existing statutes of Kansas and computer preparation of legisla-
0327 tive bills and resolutions. In succeeding years, as may be conve-
0328 nt, such system shall encompass computer preparation of the
0329 following:

- 0330 (a) Statutory search;;
- 0331 (b) search of other documents;;
- 0332 (c) bill and resolution preparation;;
- 0333 (d) printing (outside the office of revisor of statutes) of bills,
0334 resolutions and other documents within the legislative branch;;
- 0335 (e) preparation of such legislative documents as journals,
0336 calendars, bill locators, bill indexes and research materials;;
- 0337 (f) cathode ray tube display of any of the foregoing;;
- 0338 (g) preparation of session laws, statutes, rules and regulations
0339 and other books;; and
- 0340 (h) printing (outside the office of revisor of statutes) of any or
0341 all of the foregoing.

0342 Sec. 16. K.S.A. 47-1215 is hereby amended to read as fol-

0343 lows: 47-1215. The commissioner ~~shall make~~ *may adopt* and
0344 enforce such reasonable rules and regulations relating to trans-
0345 portation of carcasses of domestic animals and packing house
0346 refuse, specifications for disposal plants, substations, places of
0347 transfer, equipment and vehicles, and all operations in connec-
0348 tion therewith, as ~~he may deem~~ *the commissioner deems* advis-
0349 able and which are not inconsistent with provisions of this act.
0350 All such rules and regulations shall be filed with the ~~revisor of~~
0351 *statutes secretary of state*.

0352 Sec. 17. K.S.A. 65-1630 is hereby amended to read as fol-
0353 lows: 65-1630. The board may adopt and promulgate such rea-
0354 sonable rules and regulations, not inconsistent with law, as may
0355 be necessary to carry out the purposes and enforce the provisions
0356 of this act, which rules and regulations shall be filed in the office
0357 of the ~~revisor of statutes~~ *secretary of state* as required by article 4
0358 of chapter 77 of the Kansas Statutes Annotated and ~~any acts~~
0359 ~~amendatory thereof or supplemental~~ *amendments* thereto.

0360 Sec. 18. K.S.A. 65-1825 is hereby amended to read as fol-
0361 lows: 65-1825. The board may adopt and enforce such rules and
0362 regulations as may be necessary to carry out the provisions of this
0363 act. Every such rule or regulation shall be posted for public
0364 inspection in the main office of the board and a certified copy
0365 thereof shall be filed in the office of the secretary of the board
0366 and in the office of the ~~revisor of statutes~~ *secretary of state* in the
0367 manner prescribed by law. The board may also publish such
0368 rules and regulations in such press publications representing the
0369 barber industry as the board deems necessary.

0370 Sec. 19. K.S.A. 65-2703 is hereby amended to read as fol-
0371 lows: 65-2703. The secretary of health and environment is au-
0372 thorized to adopt such *rules and* regulations as are necessary to
0373 protect the public from improper use of poisonous household
0374 articles, and as are necessary to administer the provisions of this
0375 act; ~~said~~ *such rules and* regulations may include requirements
0376 for: Cautionary labeling, the setting out on labels of specific toxic
0377 ingredients, adequate directions for safe use, specific warnings
0378 against common types of misuse, specific prohibition of sale of
0379 articles which are inherently so hazardous that they are unsafe

0380 for domestic use under any type of labeling. Such *rules and*
0381 *regulations* shall be filed in the office of the ~~revisor of statutes~~
0382 *secretary of state*, as required by law.

0383 Sec. 20. K.S.A. 65-2865 is hereby amended to read as fol-
0384 lows: 65-2865. The board shall promulgate all necessary rules;
0385 ~~regulations and forms and regulations~~, not inconsistent
0386 herewith, for carrying out the provisions of this act, which rules
0387 and regulations shall include standards for the dispensing of
0388 drugs by persons licensed to practice medicine and surgery. It
0389 may also adopt rules and regulations supplementing any of the
0390 provisions herein contained but not inconsistent with this act.
0391 All rules and regulations promulgated and adopted by the board
0392 shall be filed with the ~~revisor of statutes~~ *secretary of state* as
0393 required by law.

0394 Sec. 21. K.S.A. 72-7514b is hereby amended to read as fol-
0395 lows: 72-7514b. (a) Every rule and regulation which is adopted
0396 by the state board of education pursuant to authority granted to
0397 the board under section 2 of article 6 of the constitution of the
0398 state of Kansas and which is not adopted pursuant to statutory
0399 authority of the board shall be adopted by the state board of
0400 education and filed as a rule and regulation as provided in this
0401 section.

0402 (b) Prior to the adoption of such rule and regulation, the state
0403 board of education shall give at least 15 days' notice of its
0404 intended action in the Kansas register and hold a public hearing
0405 thereon. The notice shall be published in the Kansas register and
0406 shall contain a summary of the substance of the proposed rule
0407 and regulation along with the full text of any such rule and
0408 regulation to be considered at the hearing. Such notice shall state
0409 the time and place of the public hearing to be held thereon and
0410 the manner in which interested parties may present their views
0411 thereon. Publication of such notice in the Kansas register shall
0412 constitute notice to all parties affected by the rule and regulation.
0413 On the date of the hearing, all interested parties shall be given
0414 reasonable opportunity to present their views or arguments on
0415 adoption of the rule and regulation, either orally or in writing.
0416 (c) The rule and regulation shall be adopted at a meeting

0417 which is open to the public and shall not be adopted unless it
0418 receives approval by roll call vote of a majority of the total
0419 membership of the state board of education.

0420 (d) Each rule and regulation adopted by the state board of
0421 education shall be filed in ~~duplicate~~ *triplicate* with the ~~revisor of~~
0422 ~~statutes~~ *secretary of state* and shall indicate that such rule and
0423 regulation was adopted pursuant to authority granted to the state
0424 board of education under section 2 of article 6 of the constitution
0425 of the state of Kansas. The state board of education shall number
0426 each section with a distinguishing number. Upon filing, the
0427 ~~revisor of statutes~~ *secretary of state* shall assign a distinguishing
0428 number to each section for purposes of publication in the annual
0429 supplement to the Kansas administrative regulations.

0430 (e) All rules and regulations adopted and filed with the
0431 ~~revisor of statutes~~ *secretary of state* in accordance with the
0432 provisions of this section on or before December 31 in any year
0433 shall be published in the annual supplement to the Kansas
0434 administrative regulations which is published during the next
0435 succeeding year after the year in which such rules and regula-
0436 tions were filed unless otherwise directed by the state rules and
0437 regulations board.

0438 (f) As used in this section, "rule and regulation" means a
0439 standard, statement of policy, procedure or practice or general
0440 order, including amendments or revocations thereof, of general
0441 application which is adopted by the state board of education
0442 pursuant to authority granted to the board under section 2 of
0443 article 6 of the constitution of the state of Kansas and which is not
0444 adopted pursuant to statutory authority of the board.

0445 Sec. 22. K.S.A. 74-3214 is hereby amended to read as fol-
0446 lows: 74-3214. All rules and regulations adopted by the board
0447 under authority of this act shall be filed in the office of the
0448 ~~revisor of statutes~~ *secretary of state* as provided by law.

0449 Sec. 23. K.S.A. 74-4909 is hereby amended to read as fol-
0450 lows: 74-4909. (1) The board of trustees shall be responsible for
0451 the general administration of the system, subject to the provi-
0452 sions of this act.

0453 (2) The board shall establish rules and regulations for the

0454 administration of the system and for the transaction of its busi-
0455 ness consistent with law, which rules and regulations shall be
0456 filed in the office of the ~~reviser of statutes~~ *secretary of state*.

0457 (3) The board shall be responsible for the installation of a
0458 complete and adequate system of accounts and records. The
0459 board shall contract with the department of administration to
0460 provide such accounting services as are necessary to avoid du-
0461 plication of efforts and promote efficiency. The board shall pay
0462 the department of administration an amount not exceeding the
0463 total cost incurred in providing this service, which payments
0464 shall be deposited in the state treasury and then credited to the
0465 state general fund.

0466 (4) All meetings of the board shall be open to the public. The
0467 board shall keep a record of its proceedings.

0468 (5) The board may prescribe rules *and regulations* for the
0469 determination of the value of maintenance, board, lodging,
0470 laundry and other allowances to employees in lieu of money.

0471 (6) The board may adopt all necessary actuarial tables to be
0472 used in the operation of the system as recommended by the
0473 actuary, and may compile such additional data as may be neces-
0474 sary for required actuarial valuations and calculations.

0475 (7) The board or the investment committee may invest all
0476 cash not required for current payments in securities eligible for
0477 investment under this act. All actions of the investment commit-
0478 tee shall be reported to the board at the first meeting of the board
0479 following the action of the investment committee.

0480 (8) The board, as soon after the close of the fiscal year as
0481 practical, shall publish for distribution among members a finan-
0482 cial statement showing the financial status of the system.

0483 (9) All decisions of the board as to questions of fact shall be
0484 final and conclusive on all persons except for the right of review
0485 as provided by law and except for fraud or such gross mistake of
0486 fact as to have an effect equivalent to fraud.

0487 (10) Each member's account and records shall be adminis-
0488 tered in a confidential manner and specific data regarding the
0489 member shall not be released unless authorized in writing by the
0490 member; however, the board may release information to the

0491 employer or to other state and federal agencies as it deems
0492 necessary.

0493 Sec. 24. K.S.A. 1987 Supp. 74-8710 is hereby amended to
0494 read as follows: 74-8710. The commission, upon the recommen-
0495 dation of the executive director, shall adopt rules and regulations
0496 governing the establishment and operation of a state lottery as
0497 necessary to carry out the purposes of this act. Temporary rules
0498 and regulations may be adopted by the commission without
0499 being subject to the provisions and requirements of K.S.A. 77-
0500 415 through 77-438, and amendments thereto, but shall be sub-

0501 ject to approval by the attorney general as to legality and shall be secretary of state
0502 filed with the revisor of statutes and published in the Kansas
0503 register. Temporary and permanent rules and regulations may
0504 include but shall not be limited to:

0505 (a) The types of lottery games to be conducted, including but
0506 not limited to instant lottery, on-line and traditional games.

0507 (b) The manner of selecting the winning tickets or shares,
0508 except that, if a lottery game utilizes a drawing of winning
0509 numbers, a drawing among entries or a drawing among finalists,
0510 such drawings shall always be open to the public and shall be
0511 recorded on both video and audio tape.

0512 (c) The manner of payment of prizes to the holders of win-
0513 ning tickets or shares.

0514 (d) The frequency of the drawings or selections of winning
0515 tickets or shares.

0516 (e) The type or types of locations at which tickets or shares
0517 may be sold.

0518 (f) The method or methods to be used in selling tickets or
0519 shares.

0520 (g) Additional qualifications for the selection of lottery re-
0521 tailers and the amount of application fees to be paid by each.

0522 (h) The amount and method of compensation to be paid to
0523 lottery retailers, including special bonuses and incentives.

0524 (i) Deadlines for claims for prizes by winners of each lottery
0525 game.

0526 (j) Provisions for confidentiality of information submitted by
0527 vendors pursuant to K.S.A. 1987 Supp. 74-8705, and amend-

0528 *ments thereto.*

0529 (k) Information required to be submitted by vendors, in ad-
 0530 dition to that required by K.S.A. 1987 Supp. 74-8705, and
 0531 *amendments thereto.*

0532 (l) The major procurement contracts or portions thereof to be
 0533 awarded to minority business enterprises pursuant to subsection
 0534 (a) of K.S.A. 1987 Supp. 74-8705, and *amendments thereto*, and
 0535 procedures for the award thereof.

0536 Sec. 25. K.S.A. 75-430 is hereby amended to read as follows:

0537 30. (a) The secretary of state shall compile, index and pub-
 0538 lish a publication to be known as the Kansas register. Such
 0539 register shall contain:

0540 (1) All acts of the legislature required to be published in the
 0541 Kansas register;

0542 (2) all executive orders and directives of the governor which
 0543 are required to be filed in the office of the secretary of state;

0544 (3) summaries of all opinions of the attorney general inter-
 0545 preting acts of the legislature as prepared by the office of the
 0546 attorney general;

0547 (4) ~~all~~ notices of hearings on proposed administrative rules
 0548 and regulations required to be filed in the office of the ~~revisor of~~
 0549 ~~statutes~~ *secretary of state* under the provisions of article 4 of
 0550 ~~chapter~~ 77 of the Kansas Statutes Annotated and a summary of all
 0551 ~~proposed~~ administrative rules and regulations to be considered
 0552 at such hearings together with the address of the state agency
 0553 from which a copy of the full text of the proposed rules and
 0554 regulations may be received;

0555 ~~(5)~~ the full text of all administrative rules and regulations
 0556 which have been adopted and filed in accordance with the
 0557 provisions of article 4 of chapter 77 of the Kansas Statutes
 0558 Annotated, except that the secretary of state may publish a
 0559 summary of any rule and regulation together with the address of
 0560 the state agency from which a copy of the full text of the
 0561 proposed rules and regulations may be received, if such rule and
 0562 ~~publication~~ *publication* is lengthy and expensive to publish and otherwise
 0563 available in published form and a summary will, in the opinion
 0564 of the secretary, properly notify the public of the contents of such

notice of any public comment period on contemplated modification of an existing rule and regulation, which notice shall contain the information required by K.S.A. 77-421 and amendments thereto;

(5)

(6)

- 05 rule and regulation; _____ (7)
 0566 ~~(6)~~ ⁽⁷⁾ *a cumulative index of all administrative rules and reg-*
 0567 *ulations which have been adopted and filed in accordance with*
 0568 *the provisions of article 4 of chapter 77 of the Kansas Statutes*
 0569 *Annotated;* _____ (8)
 0570 ~~(6)~~ ~~(7)~~ ⁽⁸⁾ *all notices of hearings of special legislative interim*
 0571 *study committees, descriptions of all prefiled bills and resolu-*
 0572 *tions and descriptions of all bills and resolutions introduced in*
 0573 *the legislature during any session of the legislature, and other*
 0574 *legislative information which is approved for publication by the*
 0575 *legislative coordinating council;* _____ (9)
 0576 ~~(7)~~ ~~(8)~~ ⁽⁹⁾ *the hearings docket of the Kansas supreme court and*
 0577 *the court of appeals;* _____ (10)
 0578 ~~(8)~~ ~~(9)~~ ⁽¹⁰⁾ *summaries of all orders of the board of tax appeals*
 0579 *which have statewide application;* _____ (11)
 0580 ~~(9)~~ ~~(10)~~ ⁽¹¹⁾ *all advertisements for contracts for construction, re-*
 0581 *pairs, improvements or purchases by the state of Kansas or any*
 0582 *agency thereof for which competitive bids are required; and* _____ (12)
 0583 ~~(10)~~ ~~(11)~~ ⁽¹²⁾ *any other information which the secretary of state*
 0584 *deems to be of sufficient interest to the general public to merit its*
 0585 *publication or which is required by law to be published in the*
 0586 *Kansas register.*
 0587 (b) The secretary of state shall publish such register at regu-
 0588 lar intervals, but not less than weekly.
 0589 (c) The secretary of state may omit from the register any
 0590 information the publication of which the secretary deems cum-
 0591 bersome, expensive, or otherwise inexpedient, if the information
 0592 is made available in printed or processed form by the adopting
 0593 agency on application for it, and if the register contains a notice
 0594 stating the general subject matter of the information and the
 0595 manner in which a copy of it may be obtained.
 0596 (d) One copy of each issue of the register shall be made
 0597 available without charge on request to each officer, board, com-
 0598 mission, and department of the state having statewide jurisdic-
 0599 tion, to each member of the legislature, to each county clerk in
 0600 the state, and to the supreme court, court of appeals and each
 0601 district court.

0602 (e) The secretary of state shall make copies of the register
0603 available to other persons on payment of a fee to be fixed by the
0604 secretary of state under K.S.A. 75-433, and amendments thereto.
0605 Sec. 26. K.S.A. 75-431 is hereby amended to read as follows:
0606 75-431. (a) Each agency shall file materials for publication in the
0607 Kansas register by delivering to the office of the secretary of state
0608 during normal working hours two certified copies of the docu-
0609 ment to be filed, *except that rules and regulations required to be*
0610 *filed in the office of the secretary of state under the provisions*
0611 *article 4 of chapter 77 of the Kansas Statutes Annotated shall*
0612 *filed in triplicate.* On receipt of a document required by this
0613 act to be published in the register, the secretary of state shall
0614 note the day and hour of filing on the certified copies. One
0615 certified copy of each filed document shall be maintained in
0616 original form or on microfilm in a permanent register in the office
0617 of the secretary of state and, on filing, shall be made available
0618 immediately for public inspection during regular business hours.
0619 (b) If there is a conflict, the official text of a rule *and regula-*
0620 *tion* is the text on file with the ~~reviser of statutes~~ *secretary of*
0621 *state*, and not the text published in the register or on file with the
0622 issuing agency.
0623 (c) The secretary of state is hereby authorized to adopt rules
0624 and regulations necessary to the effective administration of this
0625 act. Such rules and regulations may include, but are not limited
0626 to, rules prescribing paper size and the format of documents
0627 required to be published by this act. The secretary of state may
0628 refuse to accept for filing and publication any document that
0629 does not substantially conform to the promulgated rules and
0630 regulations.
0631 (d) The secretary of state may maintain on microfilm the files
0632 of information required by this act to be published in the register
0633 and, after microfilming, destroy the original copies of all infor-
0634 mation submitted for publication.
0635 Sec. 27. K.S.A. 75-3504 is hereby amended to read as fol-
0636 lows: 75-3504. The board shall pass upon the requests of the
0637 state departments or other agencies for the destruction or other
0638 disposition of records, and shall have power to order the de-

0010 struction, reproduction, temporary or permanent retention, and
0011 disposition of the public records of any department or agency of
0012 the state, to establish records disposal schedules for the orderly
0013 retirement of records, and to adopt such other rules and regula-
0014 tions as they may deem necessary to accomplish the purposes of
0015 this act. ~~Said~~ *The* disposal schedules shall be filed by the board
0016 with the ~~revisor of statutes~~ *secretary of state*. Records so sched-
0017 uled may be transferred to the state records center at regular
0018 intervals, in accordance with procedures to be established by the
0019 center, without further action by the board. In all its acts the
0020 board shall be specifically required to safeguard the legal, fi-
0021 nancial and historical interests of the state in such records.

0022 Sec. 28. K.S.A. 76-168 is hereby amended to read as follows:
0023 76-168. All proceeds of such leases shall be paid into the state
0024 treasury and shall be kept by the state treasurer in separate funds
0025 for the use and benefit of the proper state institutions entitled to
0026 such proceeds under rules and regulations adopted by the board
0027 of regents, approved by the attorney general, and filed with the
0028 ~~revisor of statutes~~ *secretary of state* as provided by law.

0029 Sec. 29. K.S.A. 76-1927 is hereby amended to read as fol-
0030 lows: 76-1927. The Kansas veterans' commission shall have the
0031 authority to establish rules and regulations for the management
0032 and operation of the Kansas soldiers' home and governing con-
0033 duct and discipline of the members of and other persons in the
0034 Kansas soldiers' home. Such rules *and regulations* shall be filed
0035 with the ~~revisor of statutes~~ *secretary of state* as provided by law.
0036 *Provided,* That all such rules and regulations of the board of
0037 managers ~~on file in the office of the revisor of statutes in force~~
0038 ~~and effect on the date this act takes effect shall continue in force~~
0039 ~~and effect until revoked or amended by the Kansas veterans'~~
0040 ~~commission.~~

0041 Sec. 30. K.S.A. 77-416 is hereby amended to read as follows:
0042 77-416. (a) Every state agency shall file with the ~~revisor of~~
0043 ~~statutes~~ *secretary of state* every rule and regulation adopted by it
0044 and every amendment and revocation thereof. Every rule and
0045 regulation, *other than a temporary rule and regulation*, filed in
0046 the office of the ~~revisor of statutes~~ *secretary of state* shall be filed

0047 in duplicate triplicate, and nine copies of every temporary rule
 0048 and regulation shall be filed in the office of the secretary of
 0049 state, and each section shall include a citation to the statutory
 0050 section or sections being implemented or interpreted and a
 0051 citation of the authority pursuant to which it, or any part thereof,
 0052 was adopted. Every rule and regulation filed in the office of the
 0053 ~~revisor of statutes~~ *secretary of state* shall be accompanied by a
 0054 copy of the ~~fiscal or financial~~ economic impact statement required by
 0055 ~~section (b) of this section~~ and any document which is adopted
 0056 by reference by the rule ~~or~~ and regulation, except that for the
 0057 purpose of avoiding unwarranted expense the board may autho-
 0058 rize and direct the ~~revisor of statutes~~ *secretary of state* to file any
 0059 rule ~~or~~ and regulation without the document which is adopted by
 0060 such rule ~~or~~ and regulation whenever the board determines that:
 0061 (1) The document is a technical manual of limited public inter-
 0062 est; (2) the cost of providing file copies of such document is
 0063 excessive in view of its limited public interest; and (3) the
 0064 document will be available for public inspection during normal
 0065 business hours in the office of the agency adopting the rule and
 0066 regulation. A copy of any document adopted by reference in a
 0067 rule and regulation shall be available from the state agency
 0068 which adopted the rule and regulation upon request by any
 0069 person interested therein. The state agency shall, under the
 0070 direction of the ~~revisor of statutes~~ *secretary of state*, shall
 0071 number each section with a distinguishing number and, in mak-
 0072 ing a compilation of the rules and regulations, the sections shall
 0073 be arranged ~~therein~~ in numerical order. A decimal system of
 0074 numbering shall be prohibited.

0075 (b) At the time of drafting ~~any a~~ proposed rule and regulation
 0076 or amendment to ~~any an~~ existing rule and regulation, the state
 0077 agency shall prepare a statement of the ~~fiscal or financial effect or~~ economic
 0078 impact of such proposed rule and regulation or amendment upon
 0079 all governmental agencies or units ~~and private businesses~~ and all persons
 0080 which shall be subject thereto and upon the general public, ~~and~~. If such
 0081 proposed rule and regulation is mandated by federal law as a
 0082 requirement for participating in or implementing a federally
 0083 subsidized or assisted program, the state agency shall so specify

0084 as a part of the ~~fiscal or financial~~ ^{economic} impact statement. The state
 0085 agency shall reevaluate and, when necessary, update the state-
 0086 ment at the time of giving notice of hearing on a proposed rule
 0087 and regulation and at the time of filing a rule and regulation with
 0088 the ~~revisor of statutes~~ *secretary of state*. If a public hearing was
 0089 held prior to the adoption of the rule and regulation, a state
 0090 agency at the time of filing a rule and regulation with the ~~revisor~~
 0091 ~~of statutes~~ *secretary of state* shall include as a part of the ~~fiscal or~~ ^{economic}
 0092 ~~financial~~ impact statement a statement specifying the time and
 93 place at which the hearing was held and the attendance at the
 94 hearing. A copy of the current ~~fiscal or financial~~ ^{economic} impact statement
 0095 shall be available from the state agency upon request by any
 0096 party interested therein.

0097 (c) Upon request of the state rules and regulations board, the
 0098 joint committee on administrative rules and regulations or the
 0099 chairperson of either committee or board, the director of the
 0100 budget shall review the ~~fiscal or financial~~ ^{economic} impact statement
 0101 prepared by any state agency and shall prepare a supplemental
 0102 or revised statement. If possible, the supplemental or revised
 0103 statement shall include a reliable estimate in dollars of the
 0104 anticipated change in revenues and expenditures of the state. It
 0105 also shall include a statement, if determinable or reasonably ^{economic impact}
 0106 foreseeable, of the immediate and long-range ~~financial effect~~ of

0107 ~~the regulation on private businesses and the general public. If,~~ ^{rule and regulation upon person subject thereto}
 0108 after careful investigation, it is determined that no dollar es-
 0109 timate is possible, the statement shall set forth the reasons why
 0110 no dollar estimate can be given. Every state agency is directed to
 0111 cooperate with the division of the budget in the preparation of
 0112 any statement pursuant to this subsection when, and to the
 0113 extent, requested by the director of the budget.

0114 Sec. 31. K.S.A. 77-417 is hereby amended to read as follows:
 0115 77-417. The ~~revisor of statutes~~ *secretary of state* shall: (1) En-
 0116 dorse on each rule and regulation filed, the time and date of the
 0117 filing thereof; (2) maintain a file of such rules and regulations for
 0118 public inspection; (3) keep a complete record of all amendments
 0119 and revocations of rules and regulations; (4) index the rules and
 0120 regulations so filed; and (5) publish the rules and regulations as

0121 hereinafter provided.

0122 Sec. 32. K.S.A. 77-418 is hereby amended to read as follows:

0123 77-418. All rules and regulations adopted and filed by every state
0124 agency shall be typewritten, mimeographed, multilithed, or
0125 printed on standard letter size (8 1/2 by 11 inches) paper, the
0126 kind, grade, and durability thereof to be subject to the approval
0127 of the ~~revisor of statutes~~ *secretary of state*. ~~Whenever~~ *If* any rule
0128 and regulation is amended or revoked after the same has been
0129 adopted and filed, each rule and regulation amended or revoked
0130 shall be filed on a separate sheet or sheets of paper, except this
0131 filing requirement may be complied with for consecutively
0132 numbered rules and regulations which are being revoked by
0133 filing with the ~~revisor of statutes~~ *secretary of state* a statement
0134 clearly identifying the consecutively numbered rules and regu-
0135 lations. Such statement shall clearly express that the consecu-
0136 tively numbered rules and regulations are being revoked and
0137 shall specify the effective date of the revocation of such rules and
0138 regulations. If a rule and regulation is filed with the ~~revisor of~~
0139 ~~statutes~~ *secretary of state* on more than one page, each page of
0140 such rule and regulation, subsequent to the first page, shall be
0141 consecutively numbered at the top of each page, and the number
0142 of the rule and regulation shall be placed in the upper right hand
0143 corner of each page.

0144 Sec. 33. K.S.A. 77-419 is hereby amended to read as follows:

0145 77-419. No section of any rule ~~or~~ *and* regulation shall be revived
0146 or amended unless the new rule ~~or~~ *and* regulation contains the
0147 entire section revived or amended, and any section so amended
0148 shall be revoked. For the purpose of filing in the office of the
0149 ~~revisor of statutes~~ *secretary of state* and for submission to the
0150 joint committee on administrative rules and regulations and to
0151 the legislature as provided in K.S.A. 77-426, and amendments
0152 thereto, a rule and regulation amending an existing regulation
0153 shall indicate the new matter contained therein by underlining
0154 and printing in italics the new matter, and material to be deleted
0155 in such rule and regulation shall be shown in cancelled type.
0156 The ~~revisor of statutes~~ *secretary of state* in preparing such rules
0157 and regulations for publication in the Kansas administrative

0158 regulations shall omit all material shown in cancelled type and
0159 such rules and regulations shall be printed in Roman style type.
0160 The revisor of statutes secretary of state shall not file any
0161 regulation which amends or revives a regulation unless the
0162 regulation so amending or reviving conforms to the provisions of
0163 this section.

0164 Sec. 34. K.S.A. 1987 Supp. 77-420 is hereby amended to read
0165 as follows: 77-420. (a) Every rule and regulation proposed to be
0166 adopted by any state agency, before being submitted to the
0167 attorney general under this section, shall be submitted to the
0168 secretary of administration for approval of its organization, style,
0169 orthography and grammar subject to such requirements as to
0170 organization, style, orthography and grammar as the secretary
0171 may adopt. Every rule and regulation submitted to the secretary
0172 of administration under this subsection (a) shall be accompanied
0173 by a copy of any document which is adopted by reference by the
0174 rule and regulation. Every rule and regulation approved by the
0175 secretary of administration under this subsection (a) shall be
0176 stamped as approved and the date of such approval shall be
0177 indicated therein. ~~No rule and regulation proposed to be adopted~~
0178 ~~by any state agency as a permanent rule and regulation shall be~~
0179 ~~submitted to the secretary of administration for approval of its~~
0180 ~~organization, style, orthography and grammar after October 15 in~~
0181 ~~any year. The secretary of administration shall not approve any~~
0182 ~~permanent rule or regulation submitted or received after 5:00~~
0183 ~~p.m. on October 15 in any year.~~

0184 (b) Every rule and regulation proposed by any state agency
0185 which has been approved by the secretary of administration as
0186 provided in subsection (a) of this section before being adopted or
0187 filed shall be submitted to the attorney general for an opinion as
0188 to the legality of the same, and the attorney general shall
0189 promptly furnish an opinion as to the legality of the proposed
0190 rule and regulation so submitted. Every rule and regulation
0191 submitted to the attorney general under this subsection (b) shall
0192 be accompanied by a copy of any document which is adopted by
0193 reference by the rule and regulation. Every rule and regulation
0194 approved by the attorney general under this subsection (b) shall

0195 be stamped as approved and the date of such approval shall be
0196 indicated therein.

0197 (c) No rule and regulation shall be filed by the revisor of
0198 statutes *secretary of state* unless:

0199 (1) The organization, style, orthography and grammar have
0200 been approved by the secretary of administration;

0201 (2) the rule and regulation has been approved in writing by
0202 the attorney general as to legality;

0203 (3) the attorney general finds that the making of such rule and
0204 regulation is within the authority conferred by law on the state
0205 agency submitting the same;

0206 (4) the rule and regulation has been formally adopted by the
0207 state agency after it has been approved by the secretary of
0208 administration and the attorney general and is accompanied by a
0209 certified or other formal statement of adoption when adoption is
0210 by an executive officer of a state agency, or by a certified copy of
0211 the roll call vote required for its adoption by K.S.A. 77-421, and
0212 any amendments thereto, when adoption is by a board, commis-
0213 sion, authority; or other similar body;

0214 (5) the rule and regulation to be filed is accompanied by a
0215 copy of the fiscal or financial impact statement as provided by
0216 K.S.A. 77-416, and amendments thereto; *and*

0217 (6) the rule and regulation, if a permanent rule and regula-
0218 tion, is submitted or received for filing in the office of the revisor
0219 of statutes not later than 5:00 p.m. on December 15 of any year;
0220 *and*

0221 (7) (6) the rule and regulation is accompanied by a copy of
0222 any document which is adopted by reference by such rule and
0223 regulation unless specifically exempt by the state rules and
0224 regulations board pursuant to subsection (a) of K.S.A. 77-416, and
0225 amendments thereto.

0226 Sec. 35. K.S.A. 1987 Supp. 77-421 is hereby amended to read
0227 as follows: 77-421. (a) Prior to the adoption of any permanent rule
0228 and regulation or any temporary rule and regulation which is
0229 required to be adopted as a temporary rule and regulation in
0230 order to comply with the requirements of the statute authorizing
0231 the same and after any such rule and regulation has been ap-

Whenever possible, prior to formulating a new rule and regulation or modification or revocation of an existing rule and regulation, a state agency shall provide a period for written public comment on the contemplated rule and regulation, modification or revocation unless such rule and regulation, modification or revocation is in response to enactment or amendment of a statute. The agency shall give notice of the public comment period by mailing notice to the secretary of state, who shall publish such notice in the Kansas register. The notice shall contain a brief summary of the substance of the contemplated rule and regulation, modification or revocation and shall state the period of time, established by the agency, during which the agency will receive written public comments on the contemplated rule and regulation, modification or revocation and the address where such comments may be submitted to the agency.

(b)

proved by the secretary of administration and the attorney general, the adopting state agency shall give at least ~~15~~ ²¹ days' notice of its intended action in the Kansas register and to the revisor of statutes secretary of state. The notice shall be mailed to the revisor of statutes secretary of state and published in the Kansas register and. The notice shall contain a summary of the substance of the proposed rules and regulations and the address where a complete copy of the proposed rules and regulations may be obtained. Such notice shall state the time and place of the public hearing to be held thereon and the manner in which interested parties may present their views thereon. The notice shall be accompanied by a copy of the ~~fiscal or financial~~ ^{economic} impact statement provided by K.S.A. 77-416, and amendments thereto, which is applicable to all proposed rules and regulations which will be considered at such public hearing; and. The notice shall state ~~that a copy of the complete fiscal or financial~~ ^{economic} impact statement may be obtained from the state agency and shall provide the address of the state agency from which such ~~fiscal or financial~~ ^{economic} impact statement may be obtained. A summary of such ~~fiscal or financial impact statement, as required by K.S.A. 77-416, and amendments thereto, indicating the estimated monetary impact on governmental agencies or units, private businesses and the general public,~~ shall be published in the Kansas register with the notice of hearing on the applicable rules and regulations. Publication of such notice in the Kansas register shall constitute notice to all parties affected by the rules and regulations.

(b) On the date of the hearing, all interested parties shall be given reasonable opportunity to present their views or arguments on adoption of the rule and regulation, either orally or in writing. When requested to do so, the state agency shall prepare a concise statement of the principal reasons for adopting the rule and regulation or amendment thereto. Whenever a state agency is required by any other statute to give notice and hold a hearing before adopting, amending, reviving or revoking a rule and regulation, the state agency may, in lieu of following the requirements or statutory procedure set out in such other law, give notice and hold hearings on proposed rules and regulations in

economic

(c)

include: (1) A brief description of the proposed rules and regulations and what will likely be accomplished by adoption thereof; (2) an identification of the persons who will be subject to or otherwise affected by the proposed rules and regulations, including those who will directly or indirectly bear the costs thereof and those who will directly or indirectly benefit therefrom; (3) an identification of the probable quantitative and qualitative impact of the proposed rules and regulations on the persons directly or indirectly affected thereby, including the agency proposing the rules and regulations, other governmental agencies or units, private citizens and consumers of the products or services which are the subject of the rules and regulations or the enforcement thereof; (4) any consideration given to less costly methods, quantitative or qualitative, or less intrusive methods for achieving the stated purpose of the rules and regulations; (5) a description of any alternative methods that were considered by the state agency for achieving the stated purpose of the rules and regulations and the quantitative or qualitative reasons why such methods were rejected in favor of the proposed rules and regulations. The notice shall state that a copy of the complete economic

statement indicating the estimated economic impact on governmental agencies or units, persons subject to the proposed rules and regulations

0269 the manner prescribed by this act. Notwithstanding the other
 0270 provisions of this section, the Kansas adult authority parole
 0271 board and the secretary of corrections may, but shall not be
 0272 required to, *may* give notice or an opportunity to be heard to any
 0273 inmate in the custody of the secretary of corrections with regard
 0274 to the adoption of any rule and regulation.

0275 (e) No public hearing required by this section shall be
 0276 scheduled or held by a state agency after December 1 of any
 0277 calendar year.

(d) ~~(c)~~ No rule and regulation shall be adopted except at a
 meeting which is open to the public and notwithstanding any
 0280 other provision of law to the contrary, no rule and regulation
 0281 shall be adopted by a board, commission, authority or other
 0282 similar body unless it receives approval by roll call vote of a
 0283 majority of the total membership thereof.

0284 Sec. 36. K.S.A. 1987 Supp. 77-422 is hereby amended to read
 0285 as follows: 77-422. (a) A rule and regulation may be adopted by a
 0286 state agency as a temporary rule and regulation if the state
 0287 agency and the state rules and regulations board finds that: (1)
 0288 The preservation of the public peace, health, safety or welfare
 0289 necessitates or makes desirable putting such rule and regulation
 0290 into effect prior to the time it could be put into effect if the
 0291 agency were to comply with the notice, hearing and publication
 requirements of this act or prior to the effective date prescribed
 0292 by K.S.A. 77-426, and amendments thereto; or (2) it is necessary
 0293 for such rule and regulation to take effect prior to the effective
 0294 date prescribed by K.S.A. 77-426, and amendments thereto, in
 0295 order to comply with the requirements of the statute authorizing
 0296 the adoption of such rule and regulation or with any federal law
 0297 with which the state agency is required to comply or with rules
 0298 and regulations of federal agencies adopted pursuant to any such
 0299 federal law; or (3) the rule and regulation is adopting, amending
 0300 or revoking a rule and regulation in response to specific direction
 0301 contained in a concurrent resolution adopted by the legislature
 0302 and directed to such agency; or (4) (A) insufficient appropriations
 0303 are available for a specific fiscal year to meet certain budget
 0304 requirements for such fiscal year which necessitates putting a

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

0306 rule and regulation into effect prior to the effective date pre-
 0307 scribed by K.S.A. 77-426, and amendments thereto, (B) the tem-
 0308 porary rule and regulation applies only to such fiscal year, and
 0309 (C) the proposed rule and regulation is not contrary to the
 0310 provisions of an appropriations act or other act of the legislature.

0311 (b) No temporary rule and regulation shall be adopted on the
 0312 basis that such rule and regulation must be adopted as a tempo-
 0313 rary rule and regulation for the purpose of complying with the
 0314 requirements of the statute authorizing the rule and regulation to
 0315 be adopted or on the basis that such rule and regulation must be
 0316 adopted as a temporary rule and regulation for the purpose of
 0317 complying with any federal law with which the state agency is
 0318 required to comply or with rules and regulations of federal
 0319 agencies adopted pursuant to any such federal law without
 0320 notice having been given and a hearing thereon held in the
 0321 manner prescribed by K.S.A. 77-421, and amendments thereto.
 0322 Temporary rules and regulations, other than temporary rules and
 0323 regulations adopted on the basis that such rules and regulations
 0324 must be adopted as temporary rules and regulations for the
 0325 purpose of complying with the requirements of the statute au-
 0326 thorizing the rules and regulations to be adopted or for the
 0327 purpose of complying with any federal law with which the state
 0328 agency is required to comply or with rules and regulations of
 0329 federal agencies adopted pursuant to any such federal law or
 0330 these adopted pursuant to paragraph (4) 2 or 4 of subsection (a),
 0331 may be adopted without the giving of notice and the holding of a
 0332 hearing thereon.

pursuant to subsection (a) (2) or (4)

0333 (c) No temporary rule and regulation shall be adopted prior
 0334 to the effective date of the statute authorizing its adoption, but,
 0335 prior to the effective date of such statute, the proposed temporary
 0336 rule and regulation may be submitted to the secretary of admin-
 0337 istration and to the attorney general for approval as required by
 0338 K.S.A. 77-420, and amendments thereto ~~and notice of the pro-~~
 0339 posed rule and regulation may be given and a hearing held
 0340 thereon in the manner prescribed by K.S.A. 77-421, and amend-
 0341 ments thereto.

0342 (d) A temporary rule and regulation shall take effect: (1) After

0343 approval by the secretary of administration and the attorney
 0344 general as provided by K.S.A. 77-420, and amendments thereto;
 0345 and; (2) after approval by the state rules and regulations board as
 0346 provided by K.S.A. 77-423, and amendments thereto; and (3)
 0347 upon filing with the revisor of statutes secretary of state. The
 0348 effective date of all or specific parts of a temporary rule and
 0349 regulation may be delayed to a date later than its filing date if the
 0350 delayed effective date of such rule and regulation, or specific
 0351 parts thereof, is clearly expressed in the body of such rule and
 0352 regulation. A temporary rule and regulation filed during any year
 0353 not be effective after April 30 of the year succeeding the
 0354 year in which the temporary rule and regulation was filed shall
 0355 be effective for a period not to exceed 120 days.

0356 (e) A temporary rule and regulation which amends an exist-
 0357 ing rule and regulation shall have the effect of suspending the
 0358 force and effect of the existing rule and regulation until such
 0359 time as the temporary rule and regulation is no longer effective.
 0360 In such case, at the time the temporary rule and regulation
 0361 ceases to be effective, the existing permanent rule and regulation
 0362 which was amended by the temporary rule and regulation shall
 0363 be in full force and effect unless such existing rule and regula-
 0364 tion is otherwise amended, revoked or suspended as provided by
 0365 law.

0366 Temporary rules and regulations shall be numbered in
 0367 accordance with the numbering arrangement approved by the
 0368 revisor of statutes secretary of state and shall otherwise conform
 0369 to the approval, adoption and filing requirements of this act,
 0370 insofar as the same can be made applicable.

0371 Sec. 37. K.S.A. 77-424 is hereby amended to read as follows:
 0372 77-424. The state rules and regulations board shall meet as soon
 0373 as possible after December 15 each year to determine which
 0374 rules and regulations are to be published in the Kansas adminis-
 0375 trative regulations or annual supplement thereto. For the pur-
 0376 pose of avoiding unwarranted expense, the board may authorize
 0377 direct the revisor of statutes secretary of state to withhold
 0378 publication of any technical rule and regulation of any state
 0379 agency where such rules and regulations are of limited public

Sec. 37. K.S.A. 77-423 is hereby amended to read as follows:
 77-423. There is hereby created a state rules and regulations board
 consisting of the attorney general, the secretary of state, the
 secretary of administration, the chairperson of the joint committee on
 administrative rules and regulations or a member of the joint
 committee designated by the chairperson from the same house of the
 legislature as the chairperson and the vice-chairperson of the joint
 committee on administrative rules and regulations or a member of the
 joint committee designated by the vice-chairperson from the same house
 of the legislature as the vice-chairperson. If a member is designated
 to serve on the board by the chairperson or vice-chairperson of the
 joint committee, the designated member shall serve in lieu of the
 designating officer on a temporary or permanent basis as specified by
 the designating officer. The attorney general shall be the chairperson
 of said the board. The revisor-of-statutes secretary of state shall
 serve as the secretary to the board. The state rules and regulations
 board shall determine whether a rule and regulation should be adopted
 as a temporary rule and regulation, shall determine the rules and
 regulations to be published in the Kansas administrative regulations
 and in the annual supplement to such regulations as provided for in
 this act and shall perform such other duties as may be required by
 this act.

Renumber remaining sections accordingly

0380 interest and are or will be available in published form. In every
0381 such case where the rules and regulations are not published in
0382 the Kansas administrative regulations or annual supplement,
0383 reference shall be made by the ~~revisor of statutes~~ *secretary of*
0384 *state* to the rules and regulations omitted therefrom, and shall
0385 state how such rules and regulations may be obtained and that
0386 the rules and regulations so omitted are on file in the office of
0387 ~~revisor of statutes~~ *the secretary of state*. Rules and regulations
0388 adopted jointly by two or more agencies shall not be published
in more than one place in the compilation or supplement thereto.

Sec. 38. K.S.A. 1987 Supp. 77-425 is hereby amended to read
0391 as follows: 77-425. Every rule and regulation other than a tem-
0392 porary rule and regulation which is filed by a state agency in the
0393 office of the ~~revisor of statutes~~ *secretary of state* as provided in
0394 this act shall have the force and effect of law on and after the date
0395 prescribed in K.S.A. 77-426, and amendments thereto, until
0396 amended or revoked as provided by law and such amendment or
0397 revocation shall have become effective. Any rule and regulation
0398 not filed and published as required by this act shall be of no force
0399 or effect, except that any error or irregularity in form or any
0400 clerical error or omission of the ~~revisor of statutes~~ *secretary of*
0401 *state* in the filing of such regulation not affecting substantial
0402 rights shall not invalidate the same. The filing and publication of
0403 rules and regulations as required by this act shall not be con-
0404 strued as dispensing with the requirements of any other law
0405 necessary to make the rules and regulations effective. The revo-
0406 cation of a rule and regulation by a state agency shall not be
0407 construed as reviving a rule and regulation previously revoked
0408 by such agency, nor shall such revocation by a state agency be
0409 construed as affecting any right which accrued, any duty im-
0410 posed, any penalty incurred, nor any proceeding commenced,
0411 under or by virtue of the rule and regulation revoked.

0412 Sec. 39. K.S.A. 1987 Supp. 77-426 is hereby amended to read
0413 as follows: 77-426. (a) All rules and regulations on file with the
0414 ~~revisor of statutes~~ *secretary of state* which are in force and effect
0415 at the time this act takes effect shall continue in full force and
0416 effect and may be amended, revived or revoked as provided by

0417 law. All new rules and regulations and all amendments, revivals
 0418 or revocations of rules and regulations, other than temporary
 0419 regulations, adopted in any year shall be filed with the revisor of
 0420 statutes on or before December 15 of such year, and shall
 0421 become effective on and after May 1 of the succeeding year. No
 0422 rules and regulations shall be filed by the revisor of statutes after
 0423 December 15 in any year or prior to the next following May 1,
 0424 except temporary rules and regulations secretary of state and
 0425 shall become effective 45 days following its publication in the
 0426 Kansas register.

0427 (b) As soon as possible after the filing of any rules and
 0428 regulations by a state agency, the revisor of statutes secretary of
 0429 state shall submit to the joint committee on administrative rules
 0430 and regulations such number of copies as may be requested by
 0431 the joint committee on administrative rules and regulations.

0432 (c) At any time prior to adjournment sine die of the regular
 0433 session of the legislature, the legislature may adopt a concurrent
 0434 resolution expressing the concern of the legislature with any
 0435 permanent or temporary rule and regulation which is in force
 0436 and effect and on file in the office of the revisor of statutes
 0437 secretary of state and any permanent rule and regulation filed in
 0438 the office of revisor of statutes the secretary of state during the
 0439 preceding year and requesting the revocation of any such rule
 0440 or regulation or the amendment of any such rule and regulation
 0441 in the manner specified in such resolution.

0442 Sec. 40. K.S.A. 77-428 is hereby amended to read as follows:
 0443 77-428. (a) At the beginning of each calendar year the revisor of
 0444 statutes shall secretary of state, as soon as possible, shall as-
 0445 semble all rules and regulations, except temporary rules and
 0446 regulations, filed during the preceding year in accordance with
 0447 the provisions of this act. The state rules and regulations board
 0448 shall determine which of such rules and regulations are to be
 0449 published in the Kansas administrative regulations or annual
 0450 supplement as provided in this act.

0451 (b) Annual supplements shall be cumulative and shall in-
 0452 clude all rules and regulations published in the annual supple-
 0453 ment in the next preceding year which remain in force and effect

many provisions change

Suggested

for such dates as necessary.

0454 on the effective date of the current supplement, together with all
0455 rules and regulations, other than temporary regulations, which
0456 were regularly adopted and filed in the office of the ~~revisor of~~
0457 ~~statutes~~ *secretary of state* in the year next preceding the year in
0458 which such annual supplement is published ~~and becomes effec-~~
0459 ~~tive,~~ and which were approved for publication by the state rules
0460 and regulations board.

0461 (c) The ~~revisor of statutes~~ *secretary of state* shall prepare
0462 annual supplements to the rules and regulations and material to
0463 be published therewith, in one or more paperbound volumes in
0464 the form determined by the ~~revisor of statutes~~ *secretary of state*.
0465 The annual supplement of rules and regulations shall be pub-
0466 lished and shall include a general index of all rules and regula-
0467 tions contained therein and such notes, cross references and
0468 explanatory materials as will facilitate the use of such supple-
0469 ments. All rules and regulations and material published in the
0470 annual supplement shall be delivered to and published by the
0471 director of printing. Authentication of all supplement volumes
0472 shall be in the manner provided in K.S.A. 77-429, *and amend-*
0473 *ments thereto*. The director of printing shall print the number of
0474 copies requisitioned by the ~~revisor of statutes~~ *secretary of state*.

0475 Sec. 41. K.S.A. 77-430a is hereby amended to read as fol-
0476 lows: 77-430a. (a) The ~~revisor of statutes~~ *secretary of state* shall
0477 edit and prepare for printing and publication volumes of rules
0478 and regulations which replace existing volumes of the Kansas
0479 administrative regulations ~~when authorized by the legislative~~
0480 ~~coordinating council~~ within the limitations of available appro-
0481 priations therefor. Replacement volumes shall be published and
0482 printed in the same format and in accordance with the same
0483 printing specifications used in the volume replaced and shall be
0484 authenticated as required by K.S.A. 77-429, *and amendments*
0485 *thereto*. Replacement volumes of the Kansas administrative reg-
0486 ulations shall be printed by the director of printing and delivered
0487 to the secretary of state who shall distribute and sell them in the
0488 same manner as provided in K.S.A. 77-430, and amendments
0489 thereto, for the distribution and sale of other volumes of the
0490 Kansas administrative regulations.

0491 (b) Whenever it shall become necessary to print additional
0492 copies of any volume of the Kansas administrative regulations,
0493 the ~~revisor of statutes~~ *secretary of state* shall requisition the
0494 necessary number of copies from the director of printing.

0495 Sec. 42. K.S.A. 77-432a is hereby amended to read as fol-
0496 lows: 77-432a. Whenever the secretary of state ~~and the revisor of~~
0497 ~~statutes determine~~ *determines* that any volume of Kansas ad-
0498 ministrative regulations or any annual supplement to the Kansas
0499 administrative regulations has become obsolete by reason of the
0500 publication of a later volume or annual supplement, ~~such officers~~
0501 *the secretary of state* may provide for the disposition of the
0502 remaining copies of such obsolete volumes or supplement vol-
0503 umes by whatever means ~~such officers determine~~ *the secretary*
0504 *determines*, without making a charge therefor.

0505 Sec. 43. K.S.A. 77-435 is hereby amended to read as follows:
0506 77-435. In publishing the material in the Kansas administrative
0507 regulations and latest supplements thereto, the ~~revisor of statutes~~
0508 *secretary of state* shall not alter the sense, meaning or effect of
0509 any rule and regulation but may correct manifest orthographical,
0510 clerical or typographical errors and may edit the rules and
0511 regulations in the following manner:

0512 (a) By inserting the correct references in lieu of any internal
0513 cross-references to session laws or other outdated statutory ref-
0514 erences or outdated references to other rules and regulations
0515 sections.

0516 (b) By changing descriptive-subject-word headings of sec-
0517 tions, subsections or subparts of a rule and regulation in order to
0518 briefly and clearly indicate the subject matter of such sections.

0519 (c) Wherever a board, commission, commissioner, depart-
0520 ment or other agency or officer of the state government has been
0521 abolished by statute and the powers, duties and jurisdiction
0522 thereof transferred to some other board, commission, commis-
0523 sioner, department or other agency or officer now in existence,
0524 the ~~revisor of statutes~~ *secretary of state* may edit the rules and
0525 regulations affected thereby by striking out the name of the
0526 abolished board, commission, commissioner, department or
0527 other agency or officer and inserting in lieu thereof the name of

0528 the proper board, commission, commissioner, department or
0529 other agency or officer.

0530 (d) Where a pronoun of only masculine or only feminine
0531 gender appears a pronoun of the opposite gender may be added,
0532 or language may be changed for the same purpose, so long as the
0533 opening limitation of this section is not violated.

0534 (e) By striking the word "that" wherever it appears as the
0535 first word of any section in the Kansas administrative regulations
0536 or the latest supplement thereto.

0537 (f) By correcting doublets.

0538 No change made pursuant to the provisions of this section shall
0539 effect any change in the substantive meaning of the rule and
0540 regulation section, and any error made by the ~~revisor of statutes~~
0541 *secretary of state* in editing the rules and regulations as autho-
0542 rized by this section shall be construed as a clerical error only.

0543 Sec. 44. K.S.A. 77-436 is hereby amended to read as follows:
0544 77-436. (a) There is hereby established a joint committee on
0545 administrative rules and regulations which shall consist of five
0546 senators and seven members of the house of representatives. The
0547 five senator members shall be appointed as follows: Three by the
0548 committee on organization, calendar and rules and two by the
0549 minority leader of the senate. The seven representative mem-
0550 bers shall be appointed as follows: Four by the speaker of the
0551 house of representatives and three by the minority leader of the
0552 house of representatives. The first named appointee of the com-
0553 mittee on organization, calendar and rules shall be chairperson
0554 or vice-chairperson of the joint committee as provided in this
0555 section. The first named appointee of the speaker of the house of
0556 representatives shall be chairperson or vice-chairperson of the
0557 joint committee as provided in this section.

0558 (b) A quorum of the joint committee on administrative rules
0559 and regulations shall be seven. All actions of the committee may
0560 be taken by a majority of those present when there is a quorum.

0561 In odd-numbered years the chairperson of the joint committee
0562 shall be a member of the house of representatives from the
0563 convening of the regular session in that year until the convening
0564 of the regular session in the next ensuing year. In even-num-

0565 bered years the chairperson of the joint committee shall be a
0566 member of the senate from the convening of the regular session
0567 of that year until the convening of the regular session of the next
0568 ensuing year. The vice-chairperson shall exercise all of the
0569 powers of the chairperson in the absence of the chairperson.

0570 (c) All rules and regulations filed each year in the office of
0571 the ~~revisor of statutes~~ *secretary of state* shall be submitted to and
0572 reviewed by the joint committee on administrative rules and
0573 regulations. All forms used by state agencies and all rules and
0574 regulations specifically excluded from the definition of rule and
0575 regulation under ~~paragraph~~ subsection (4) of K.S.A. 77-415, and amend-
0576 ments thereto, shall be subject to review by the joint committee.
0577 The committee may introduce such legislation as it deems nec-
0578 essary in performing its functions of reviewing administrative
0579 rules and regulations and agency forms.

0580 (d) The provisions of article 12 of chapter 46 of the Kansas
0581 Statutes Annotated, and amendments thereto, applicable to spe-
0582 cial committees shall apply to the joint committee on adminis-
0583 trative rules and regulations to the extent that the same do not
0584 conflict with the specific provisions of this act applicable to such
0585 joint committee.

0586 Sec. 45. K.S.A. 79-3297a is hereby amended to read as fol-
0587 lows: 79-3297a. The secretary of revenue shall change the per-
0588 centage of the amount required to be withheld from wages under
0589 K.S.A. 79-3296, and amendments thereto, when such rate no
0590 longer bears the proper correspondence to the employees' in-
0591 come tax liability on wages because of changes in the federal
0592 withholding rate. Any such change in the state withholding rate
0593 shall be in proper proportion to the amount of increase or
0594 decrease in the federal withholding tax, increases or decreases in
0595 the tax rates under K.S.A. 79-32,110, and amendments thereto, or
0596 increases or decreases in the tax base so that the withholding rate
0597 as changed bears the same correspondence to the employees'
0598 expected income tax liability. Such rate may be fixed for all
0599 bracketed gross income classes, or variable rates may be estab-
0600 lished, based upon adjusted gross income class, to insure proper
0601 withholding consistent with the taxpayer's expected tax liability.

0602 Any such change in rate shall be adopted as a rule and
0603 regulation and shall be effective when filed with the revisor of
0604 statutes secretary of state.

0605 Sec. 46. K.S.A. 79-3385 is hereby amended to read as fol-
0606 lows: 79-3385. The secretary of revenue shall have the power to
0607 make and enforce such rules and regulations as may be necessary
0608 to administer and enforce the provisions of this act. Such rules
0609 and regulations shall be filed in the office of the revisor of
0610 statutes secretary of state as required by law.

0611 Sec. 47. K.S.A. 82a-816 is hereby amended to read as fol-
0612 lows: 82a-816. A copy of the rules and regulations adopted
0613 pursuant to this act, and of any amendments thereto, shall be
0614 filed in the office of the commission and in the office of the
0615 revisor of statutes secretary of state as provided by law. Rules
0616 and regulations shall be published by the commission in a
0617 convenient form.

0618 Sec. 48. K.S.A. 82a-923 is hereby amended to read as fol-
0619 lows: 82a-923. The office shall adopt, amend, promulgate, and
0620 enforce such rules and regulations as are necessary and proper to
0621 carry out the provisions of this act. Such rules and regulations
0622 shall be filed in the office of the revisor of statutes secretary of
0623 state as provided by law. The Kansas water office may prepare
0624 and distribute, free or at cost, compilations of its rules and
0625 regulations.

0626 Sec. 49. K.S.A. 83-147 is hereby amended to read as follows:
0627 83-147. The state sealer of weights and measures is authorized to
0628 promulgate and adopt such rules and regulations and establish
0629 tolerances within a maximum of ~~two percent (2%)~~ 2%, plus or
0630 minus, which may be necessary for the enforcement of this act.
0631 Such rules and regulations shall be filed in the office of the
0632 revisor of statutes secretary of state as provided by article 4 of
0633 chapter 77 of the Kansas Statutes Annotated.

0634 Sec. 50. K.S.A. 2-2606, 16a-6-405, 16a-6-406, 17-1282, 32-
0635 185, 32-507, 34-101d, 40-2308, 44-573, 45-404, 46-224, 46-1211,
0636 46-1501, 47-1215, 65-1630, 65-1825, 65-2703, 65-2865, 72-7514b,
0637 74-3214, 74-4909, 75-430, 75-431, 75-3504, 76-168, 76-1927, 77-
0638 416, 77-417, 77-418, 77-419, 77-424, 77-428, 77-430a, 77-432a, 77-423,

0639 77-435, 77-436, 79-3297a, 79-3385, 82a-816, 82a-923 and 83-147
0640 and K.S.A. 1987 Supp. 74-8710, 77-420, 77-421, 77-422, 77-425,
0641 77-426 and 77-439 are hereby repealed.

0642 Sec. 51. This act shall take effect and be in force from and
0643 after May 1, 1988, and its publication in the Kansas register.

KFHS

P.O. BOX 515 - SALINA, KANSAS 67402-0515

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1544

Kansas Federation of Humane Societies

WHY INSPECT ALL KANSAS KENNELS

Literally, the issue before you is one that cries out for attention. The animals in any deficient kennel, USDA-inspected or not, suffer equally. Parasites, disease, extremes of heat and cold, inadequate food, water and shelter from the elements do not disappear merely because a kennel owner possesses a USDA license.

The following is a list of communities in which USDA kennels have been found deficient. The list is by no means complete but shows that problems exist throughout the state. Studying the forms from which this information comes is an enlightening experience. One observation which emerges is that some inspectors find no deficiencies in any of the kennels under their jurisdiction. It may be that they are fortunate enough to be assigned only the good kennels. There is, however, an obvious alternative.

Abilene	Edna	Lucas	Quinter
Beloit	Galva	Marhattan	Rexford
Buhler	Goff	Marysville	Rossville
Carbondale	Goodland	McCune	Russell
Chanute	Havensville	Minneapolis	Sedan
Cherokee	Highland	Oberlin	Seldon
Clyde	Junction City	Olsburg	Summerford
Columbus	Kansas City	Origa	Wamego
Cuba	Kingman	Osborne	Washington
Delphos	Lincoln	Pittsburg	Waterville
	Welda	Winchester	

USDA inspections are not sufficiently frequent to curb abuses in deficient kennels. Dr. Charles Stumpff, USDA veterinarian for Kansas, admits that "ideally, kennels should be inspected four times a year." (KANSAS CITY STAR, Dec. 13, 1987) His budget allows inspections only 1 1/2 times a year. Funds for support of the federal Animal Welfare Act have been cut under the Reagan administration, just as funds for every social welfare program have been cut.

The breeding industry is a Kansas problem. The business of conscientious breeders is hurt when they are unable to sell their animals because the irresponsible breeders have given all Kansas animals a bad name. The federal government is not concerned about protecting the business of reputable breeders. Kansas should be.

Unfortunately, many Kansas breeders, both the responsible and otherwise, have received deliberately distorted information from some persons who oppose regulation through the bill before you. That information says that a person with just one breeding bitch will have to be licensed. If the people who have disseminated such falsehood have nothing to hide, why are they using scare tactics to achieve the defeat of this measure?

The Kansas Federation of Humane Societies, representing humane groups throughout this state, urges you to allow reason, evidence, and conscience to prevail. These are the hallmarks of legislation in a democratic society.

Carol J. Brandert *Carol J. Brandert*
Kansas Federation of Humane Societies

Senate ESA
2/16/88
Attachment #3

STATE OF KANSAS

JACK STEINEGER
SENATOR SIXTH DISTRICT
STATE CAPITOL BLDG., ROOM 136-NORTH
TOPEKA, KANSAS 66612
(913) 296-7375



TOPEKA

SENATE CHAMBER

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MEMBER INTERSTATE COOPERATION
JUDICIARY
LABOR, INDUSTRY, AND SMALL
BUSINESS
LEGISLATIVE AND CONGRESSIONAL
APPORTIONMENT
LOCAL GOVERNMENT

STATEMENT REGARDING SENATE BILL 615
FEBRUARY 10, 1988

Today, we have filed a bill for consideration by the 1988 Legislatures which will somewhat restrict speculative investments by the Kansas Public Employees Retirement Board. We believe that the pension fund of Kansas employees should be more concerned with the return of the money rather than a high return on the money.

Many people are alarmed with recent information from KPERS concerning their investment strategies. Current statutes authorized KPERS to invest pension funds to make them as productive as possible while exercising the care and judgement that intelligent and prudent men exercise in their own affairs. KPERS has interpreted this language to give it the broadest possible authority and discretion concerning the types of investments it can make, and as a result, has entered into financial dealings which are speculative, at best.

There is concern with reports that KPERS is:

1. Investing in junk bonds;
2. Assuming real estate mortgages on distressed properties;
3. Taking second positions on obligations; and,
4. Agreeing to interest on loans only when cash flows permit.

These kinds of investments are not consistent with the Prudent Man Rule and violate KPERS own policy requiring investment managers to seek out investments in "substantially, seasoned companies in sound financial condition" within the State of Kansas.

This bill will eliminate from the Prudent Man Rule the authority to invest in junk bonds or distressed property, to take second positions on mortgages, and to engage in business dealing with KPERS advisors who have taken a proprietary interest in the investment property. The duty of the Kansas Public Employees Retirement System is to ensure the future of Kansas employees. There is a difference between "investments" and "speculating" in junk bonds and distressed shopping centers.

Senate FSA
2/16/88
Attachment #4

Editorials

—In God We Trust—

Matters for development

When voters were offered the lottery and pari-mutuel amendments in 1986, economic development was one of the selling points. Part of the proceeds from the lottery would be earmarked for economic development. In addition, pari-mutuel would create development in the form of jobs and support services relating to the tracks.

More than a year since voters overwhelmingly said yes, Kansas lottery is providing its part of that package. Last week, Gov. Mike Hayden announced formation of the Kansas Partnership Fund to help local governments provide improvements needed by new or expanding businesses. The special loan fund will amount to \$5.5 million — all from the lottery.

Announcement of the Kansas Partnership Fund came at the same time as Charles R. Warren was named the new president of Kansas Inc., the state's economic development arm. Warren, who has Kansas roots and experience working with a similar organization in Indiana, comes well equipped for the job.

Both of those announcements are welcome news. But Kansas officials must not forget the rest of this economic development package.

Getting pari-mutuel tracks established in Kansas is itself a race against the competition from other states. Especially in Kansas City, where Kansas and Missouri are battling to beat each other out of the starting gate, the selection of a developer is of paramount importance.

Developers have presented their proposals. But while they are waiting for an official nod from the racing commission, those interested in Missouri sites are moving ahead with their plans. And once one developer starts, the race is over. No one expects Kansas City to support tracks on both sides of the state line.

Members of the Kansas Racing Commission have indicated a willingness to cooperate. But they are plowing new ground. They need the cooperation of the Legislature to smooth out any problems that get in their way — just as it did for the multi-state lottery.

Some people would like to see Kansas lose this race. In addition to those who oppose gambling, there also are those who operate tracks in nearby states. They don't want the competition.

But Kansans overwhelmingly approved the pari-mutuel amendment in 1986. The state owes it to them to make the most of this opportunity.

Senate FSA
2/16/88
Attachment #5

74 SA

Drug File

REGIONAL HEALTH REVIEW

Mr. Jean D. Neal, Regional Manager
State Government Affairs
HLR Service Corporation
A Subsidiary of Hoffmann-La Roche Inc.
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FALL 1987

Drug Abuse Programs in the Workplace: The Need for a Comprehensive Approach

Overview of the Drug Abuse Problem

The nation's attention in recent months has been focused dramatically on the tragic results of drug abuse. The news media's detailed reporting of the drug-related deaths of college basketball star Len Bias and professional football player Don Rogers and the use of cocaine by baseball star Dwight Gooden, coupled with mounting safety concerns resulting from drug abuse by airline and train crews and air traffic controllers, has demonstrated the growth of the problem.

Business Insurance magazine reports that drug and alcohol abuse are now the nation's third largest health problem, estimated to cost between \$60 and \$120 billion a year in lost productivity, increased job accidents and injuries, higher medical and insurance costs, absenteeism and worker theft to support drug habits. The Federal Railroad Administration found that train accidents caused by substance abuse killed 37 people and injured 80 during a nine-year period ending in 1984. These numbers will, of course, increase greatly if it is shown that the recent Amtrak/Conrail tragedy in Maryland was drug-related.

Increasingly, the focus is on the jobsite as the place to confront drug abuse with well-conceived, proven programs of prevention, education and rehabilitation. Initially, at least, employers' responses to the growing drug abuse problem varied widely—from heavy-handed actions such as surprise drug testing followed by no-recourse firing for unconfirmed positive results to benign neglect by firms wary of legal, labor and employee morale problems.

Media attention to drug abuse by public figures, and the resulting public awareness, has resulted in a dramatic increase in governmental and private action. These efforts include First Lady Nancy Reagan's nationwide education campaign against drug abuse; the expansion of counseling, assistance and rehabilitation programs; the establishment of information hotlines and support groups; and, more recently, the creation by employers of programs for the workplace that reflect a broad understanding of drug abuse, its prevention and its treatment.

Methods of Preventing Drug Abuse in the Workplace

Many employers, including Federal and state officials, are implementing *comprehensive* drug abuse programs aimed not just at the detection of substance abuse but, more importantly, at education, prevention and treatment. These programs, which almost always are based on a written policy, address the needs not only of the employer but of individual employees, fellow workers and the public at large. They are designed to maintain high standards of safety, quality and productivity, and they include the education, rehabilitation and treatment of those employees found to have substance abuse problems.

Historically, employers relied primarily on observation to identify drug abuse. Later, the sensitive nature of certain jobs and the growing awareness of the potential for workplace drug abuse prompted some companies to institute searches of employees' briefcases, lunchboxes, lockers and work areas. Now, a greater number of employers are using some form of employee drug testing, as part of a comprehensive program, to help spot problems before they become a greater danger to the worker and to others.

In the early 1970s, the military began the first large-scale drug abuse program. The Department of Defense now requires mandatory testing of all service personnel and performs more than three million tests a year. The primary test used by the military is the Abuscreen® System, a highly accurate urinalysis using the Radioimmunoassay (RIA) technique. The use of random urinalysis is the linchpin of the military's program, with approximately three million urine specimens being tested annually. Drug abuse in the armed forces has dropped to the lowest point since the program's inception in the early 1970s, and officers in all four services credit this to the deterrent of "pervasive testing through urinalysis," as *The New York Times* reported in April of 1987. Military officers said that in 1986 less than 3 percent of those tested were found to have used illicit drugs, compared to the 27 percent of those surveyed confidentially in 1980 who admitted to using drugs.



Senate FSA
2/16/88
Attachment #6

before military testing began. The military's program places great emphasis on informing its personnel of the dangers of drug abuse and helping them overcome it.

The results of the military's program have encouraged other government agencies and private enterprises to implement similar programs. Many of these programs use testing to identify abusers, who are then offered assistance.

Who Should Be Tested?

Employers make crucial decisions in determining the frequency and nature of testing once they decide to develop an employee drug abuse prevention program. Several levels of testing are in use:

1. pre-employment testing,
2. "for-cause" testing based on observable evidence of drug abuse,
3. testing as part of periodic physical examinations, and
4. random testing.

The most frequent testing use is pre-employment screening, where hiring depends on a favorable outcome. Usually, applicants failing the test are told why they did not get the job and are allowed to reapply at a later date. Many companies also require employees, once hired, to be tested "for cause" if drug abuse is suspected from certain types of continuing behavior, erratic conduct, loss of productivity or safety problems. Random testing, because of its unexpected nature, is said to be the most effective. But random testing is controversial and more likely to be challenged by employees, unions or civil rights groups. Some employers have decided to require random testing only in cases where public safety is a factor, such as for airline or railroad crews.

Only 3 percent of the Fortune 500 companies screened job applicants for drug abuse in 1983; but by 1986 some 40 percent were doing so, according to the National Institute on Drug Abuse. Very soon, at least 50 percent of these major corporations are expected to have some type of employee drug abuse prevention program involving testing. Companies have identified the following advantages of setting up a comprehensive drug abuse prevention and testing program:

1. a safer and healthier work environment,
2. improved safety and product or service quality,
3. increased worker productivity,
4. fewer work days lost,
5. less need for more disruptive actions such as searches and police referrals,
6. reduced security costs, and
7. reduced health, accident and disability benefit costs.

Accuracy and Reliability

Drug testing must be a two-step process, involving an initial test and then a confirmatory test for those samples that tested positive. Three screening techniques are primarily used: Enzyme Immunoassay (EIA), Radioimmunoassay (RIA) and Thin-Layer Chromatography (TLC). The Defense Department has selected an RIA screening test that is extremely accurate and cost-effective for the detection of THC (marijuana), cocaine, morphine, barbiturates, amphetamines, PCP, methaqualone and LSD. For those members of the armed forces testing positive in the initial assay, the second, confirmatory test—a gas chromatograph/mass spectroscopy (GC/MS) test—is required. This dual testing procedure assures maximum accuracy and is strongly recommended for all employers with worksite drug abuse programs.

Drug testing results can be extremely reliable. The Department of Defense has a continuing proficiency verification program for the nine military and two civilian laboratories conducting its drug tests. In scientific (double-blind) weekly checks of all 11 labs, test results are examined for "false-positive" reports, in which evidence of drug abuse is erroneously reported. The acceptable rate of false positives is 0 percent; to date, not a single false-positive result has been reported. Should any lab report a false positive, it will be closed and decertified, under military policy.

Testing Policies

Knowledgeable employers provide rehabilitation services as part of their health benefit plans and view these services as the keystone of a "comprehensive" program approach to drug abuse prevention. These companies recognize that their most important asset is a safe and healthy workforce. They base their drug abuse program on a written policy defining the consequences of illicit drug use. Management then strives to make the policy clear to all employees, implement the policy fairly, provide education and treatment resources and train supervisors in all aspects of the program. There should be rigid safeguards to keep

employees' names and test results confidential and, by monitoring the "chain of custody," to maintain the integrity and identity of urine samples.

Courts generally have upheld such workplace drug abuse testing policies when they are part of a comprehensive program that addresses the needs not only of the employer but of the employee and the general public. Many court challenges are to *random* testing—that is, testing imposed without suspicion on a mandatory basis. In June, the New York State Court of Appeals, the first state supreme court to examine the issue, ruled unanimously that random tests to identify drug abuse by probationary school teachers violated constitutional guarantees against unreasonable search and seizure. But U.S. appeals courts have upheld random tests for certain U.S. Customs Service workers, Iowa prison guards and New Jersey racetrack jockeys. A number of other challenges to workplace drug testing are now before state and Federal courts, based on Fourth Amendment search questions brought by public employees.

Federal Government Response

The Federal government is approaching workplace drug abuse on a number of fronts, both for its own employees and for certain private-sector employees. A rule established by the U.S. Department of Transportation in February of 1986 requires post-accident drug testing of railroad workers involved in major train accidents and authorizes testing when there is evidence of impairment. It also requires pre-employment screening and preventive education. A unique "bypass" feature of the rule allows drug- or alcohol-dependent rail employees to step forward and obtain treatment confidentially, through employee assistance programs. Workers are not disciplined for admitting to abuse problems.

This comprehensive approach involving education, rehabilitation and assurance of the reliability of testing, is also the thrust of President Ronald Reagan's September 15, 1986, executive order on drug abuse affecting all Federal agencies. The order calls for a number of preventive and educational actions, including drug testing of certain Federal employees in "sensitive" jobs. These include jobs that demand a high degree of public trust and confidence, such as agents of the Drug Enforcement Administration, the Customs Service and the FBI who fight illicit drug trafficking and related crimes.

In the 100th Congress, at least six bills have been introduced concerning drug abuse and testing (HR 280, HR 691, HR 693, S 352, S 356 and S 1041). Prompting the introduction of at least one of the bills was the January 4, 1987, Amtrak/Conrail railroad accident in Maryland. Post-accident urinalysis revealed the presence of marijuana residue in two train engineers. Dr. Robert L. DuPont, former head of the National Institute on Drug Abuse, concluded that the accident "is a very compelling argument for random [drug] testing of any [person in a] safety position." Transportation Secretary Elizabeth Dole has proposed a program that would require testing of many transportation industry employees. The Senate Commerce Committee, by a vote of 19-1, has approved a bill (S 1041) along these lines that calls for testing in five categories—random, pre-employment, post-accident, "reasonable suspicion" and "periodic recurrent"—for airline pilots, train crews, air traffic controllers, long-haul bus and truck drivers and others. The measure, now awaiting Senate action, would require rehabilitation programs for all affected government and private-sector employees.

State and Local Government Activities

In the first half of 1987, more than 80 bills related to workplace drug abuse or testing were introduced in various state legislatures. Montana, Vermont and Connecticut adopted laws that prohibit the testing of most workers without at least "reasonable suspicion" of drug abuse. Iowa banned random testing, requiring "probable cause" before employees can be tested for drug abuse. These new laws place fewer restrictions on testing job applicants than on testing employees. The Vermont and Iowa laws prohibit the firing of employees who successfully complete drug rehabilitation programs. Other legislatures are still considering various measures to regulate or authorize workplace drug abuse testing.

At the local level, a number of city and county governments have considered similar proposals. To date, San Francisco is the only major city that has enacted a measure to prohibit mandatory workplace drug testing.

Private Sector Initiatives

Long before regulatory laws were proposed widely, some private companies were implementing drug testing programs for humanistic reasons and to contain costs, including the expense of hiring and training replacement employees. Many firms can now document the savings resulting from comprehensive drug programs. In a survey commissioned by United Technologies, General Motors reported a 60 to 65 percent recovery rate for employees testing positive for drugs. In treating cocaine users, GM reported saving three dollars for every dollar spent. United Airlines said it spent from \$5,000 to \$10,000 treating each case of cocaine abuse, but reported a 4-1 return on the investment by returning rehabilitated employees to their jobs.

Evidence of reduced accidents and absenteeism and improved health and productivity was related by the Mid-Cal Corporation, an oil well service company of Taft, California. Less than two years after instituting an employee drug program, Mid-Cal reported that the percentage of employees testing positive for drugs plunged from 60 percent to 3 percent. Accidents resulting in time lost from work dropped from 30 to 0 and Worker's Compensation payments dropped from \$156,276 to \$25,116.

The sports industry has been actively involved in drug testing programs as well. The National Football League, several major league baseball teams and most National Collegiate Athletic Association (NCAA) member colleges perform drug tests on athletes.

The well-documented success of drug abuse programs in large corporations has prompted smaller firms to introduce their own programs and has also encouraged professional and collegiate sports groups to undertake or endorse such comprehensive programs.

Conclusion

Already, a broad range of government and private-sector policymakers are establishing workplace drug abuse programs, with the military and large national corporations setting the pace. While much attention has been focused on drug testing, successful corporate programs consider testing to be only one part of a comprehensive approach that includes education, detection, treatment and rehabilitation. The public, too, seems to support employee drug testing, at least in a public safety context. In a Gallup poll conducted for *Hospitals* magazine, 66 percent of over 1000 Americans surveyed agreed that employees in public safety occupations should be tested.

Drug testing in the workplace is expected to continue to expand. It is increasingly apparent that a workplace drug program combining education, testing and employee assistance efforts is both an effective and an appropriate response to the cost and tragedy of drug abuse.

If carefully designed and carried out, employer-required programs for the screening of employees and applicants for drugs, including alcohol, can serve to protect and improve employee health and safety in an ethically acceptable manner.

—Council on Social Issues
American Occupational Medical Association

For more information on comprehensive employee substance abuse programs, write to:

Diagnostic Dimensions Inc.
A Subsidiary of Hoffmann-La Roche Inc.
Building 1, Fifth Floor
340 Kingsland Street
Nutley, NJ 07110

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John L. Colaizzi, Ph.D., et al.

SENATE BILL NO. _____

By Senator Hoferer

AN ACT relating to insurance; requiring mammogram and pap smear coverage to be offered for inclusion in certain health and accident policies; amending K.S.A. 40-19c09 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. This act applies to any individual, group or blanket policy of accident and sickness, medical or surgical expense coverage, or any provision of a policy, contract, plan or agreement for medical service, issued, issued for delivery, continued or renewed, covering Kansas residents on or after the effective date of this act.

New Sec. 2. Notwithstanding any provision of any policy, provision, contract, plan or agreement to which this act applies, whenever reimbursement or indemnity for laboratory, x-ray or both such services are covered, reimbursement or indemnification shall not be denied for mammograms or pap smears when performed at the direction of a licensed practitioner within the lawful scope of such practitioner's license.

Sec. 3. K.S.A. 40-19c09 is hereby amended to read as follows: 40-19c09. Corporations organized under the nonprofit medical and hospital service corporation act shall be subject to the provisions of the Kansas general corporation code, articles 60 to 74, inclusive, of chapter 17 of the Kansas Statutes Annotated, applicable to nonprofit corporations, to the provisions of ~~K.S.A. 40-2,116 and 40-2,117~~ sections 1 and 2 of this act and to the provisions of K.S.A. 40-214, 40-215, 40-216, 40-218, 40-219, 40-222, 40-223, 40-224, 40-225, 40-226, 40-229, 40-230, 40-231, 40-235, 40-236, 40-237, 40-247, 40-248, 40-249, 40-250, 40-251, 40-252, 40-254, 40-2,100, 40-2,101, 40-2,102,

*Senate FSA
2/16/88*

Attachment #7

40-2,103, 40-2,104, 40-2,105, 40-2,116, 40-2,117, 40-2a01 to 40-2a19, inclusive, 40-2111 to 40-2116, inclusive, 40-2216 to 40-2220, inclusive, 40-2401 to 40-2421, inclusive, and 40-3301 to 40-3313, inclusive, and amendments thereto, except as the context otherwise requires, and shall not be subject to any other provisions of the insurance code except as expressly provided in this act.

Sec. 4. K.S.A. 40-19c09 is hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

MEMORANDUM

**TO: The Honorable Edward F. Reilly, Chairman
Senate Committee on Federal and State Affairs**

**FROM: Tom Hanna, Director
Alcoholic Beverage Control Division**

DATE: February 16, 1988

SUBJECT: Liquor Law Review Commission Recommendations

What follows is an informational outline of the Liquor Law Review Commission (LLRC) recommendations which were enacted and rejected by the 1987 Legislature.

RECOMMENDATIONS ENACTED

LICENSE FEES (p. 11)

The LLRC recommended a restructuring of license fees. The Commission recommended fees for eight licensing categories, of which, four were enacted in House Substitute for Senate Substitute Bill 141.

<u>Licensing Category</u>	<u>Prior Fee</u>	<u>Recommended Fee</u>	<u>SB 141 Fee</u>
Spirits Distributor	\$1,250 (Liquor)	\$1,000	\$1,000
Wine Distributor	NA	\$1,000	\$1,000
Beer Distributor	\$150-\$300	\$1,000	\$1,000
Liquor Retail	\$100	\$500	\$250
Drinking Estab.	NA	\$2,000	\$1,000
Class A Club	\$250	\$500-\$1,000	\$250-\$1,000
Class B Club	\$1,000	\$1,000	\$1,000
Caterer	NA	\$1,000	\$500

LICENSEE'S SPOUSE AND ELIGIBILITY (p.12)

The Commission recommended eliminating the requirement that a license candidate's spouse meet all the licensing requirements (except

*Senate FSA
2/16/88
Attachment #8*

citizenship, residency and age) on application for renewal of an existing license. Section 21 of the liquor bill included language implementing this recommendation.

DIRECTOR AND EMPLOYEES OF THE ABC (p.13)

The LLRC recommended the 2-year residency requirement for employees be eliminated and that the Director and employees be permitted to accept hospitality from industry members at conventions, etc. The liquor bill did eliminate the residency requirement and included a provision whereby the Secretary of Revenue could promulgate rules and regulations allowing the Director and his employees to accept official hospitality. Such regulations have not yet been written.

SERVICE OF WHOLESALERS AND RETAILERS (p.13)

The LLRC recommended that distributors and retailers not be disqualified for a license if they serve as city and county commissioners and there is no direct supervision of police activities. The liquor bill contained language allowing such public service.

LICENSING REQUIREMENTS FOR ON-PREMISE ESTABLISHMENTS (p.15)

The LLRC recommended making the licensing requirements consistent among existing and new licensing categories. This recommendation was enacted.

CEREAL MALT BEVERAGE RETAILERS (pp. 16 & 19)

The Commission recommended a stamp and review system whereby cereal malt beverage (CMB) licenses would continue to be issued at the local level but would be reviewed and approved or rejected by the Director of the ABC. New Section 98 of the bill included a provision for the Director to nondiscretionarily issue a \$25 stamp to applicants for a CMB license.

CATERER LICENSE (p.16)

The Commission recommended the establishment of a caterer license where the licensee would sell liquor to the public on unlicensed premises in wet counties. New Section 89 of the bill established such a license.

TEMPORARY PERMITS (p. 17)

The LLRC recommended that provisions for a temporary permit to sell liquor to the public on unlicensed premises without the services of a caterer be made for an individual or organization. It was recommended that each event be limited to 7 days. New Section 91 of the liquor bill established such a permit but restricted an event to 3 days and contained language limiting to 4 the number of times an individual/organization could obtain a temporary permit in a calendar year.

SUNDAY AND ELECTION DAY SALES (pp. 17 & 22)

The Commission recommended allowing the sale of cereal malt beverage for on-premise consumption on Sundays and election days. The sale of CMB for on-premise consumption on Sundays was legalized by the Legislature. The Commission also recommended legalizing election day sales at retail liquor stores. This recommendation, however, was not enacted.

RESIDENCY REQUIREMENTS (p.19)

The LLRC recommended eliminating the county residency requirements for on-premise licensees and retail liquor licensees. Sections 21 and 75 of the liquor bill eliminated the county residency requirements for liquor retailers and on-premise licensees.

DISQUALIFICATION OF CONVICTED FELONS (p.19)

The Commission recommended making all felony convictions a disqualifying factor for license candidates for retail liquor or CMB licenses. Section 21 of the bill prohibits any convicted felon from receiving a license under the liquor control act.

PRICE AND BRAND ADVERTISING (p. 21)

The Commission recommended legalizing the advertising of price and brand by retail liquor stores beginning July 1, 1988. Section 51 of the bill removed restrictions on price and brand advertising effective July 1, 1989.

SUPPLIER PERMITS (p.23)

The Commission recommended a one-time filing fee of \$25 for suppliers doing business in Kansas. New Section 125 of the liquor bill contained such language.

GALLONAGE TAX PAYMENTS (p. 24)

The LLRC recommended requiring all distributors, including beer distributors, to submit the gallonage tax. Before, the gallonage tax on beer was submitted by the brewer. Section 41 of the bill included a provision implementing this recommendation.

MICROBREWERIES (p. 24)

The Commission recommended the establishment of a microbrewery license. Language to implement this recommendation was contained in many sections of the bill.

STRENGTHS OF BEER (p. 9)

The Commission recommended maintaining the current distinction between cereal malt beverage (3.2% or less alcohol by weight) and strong beer (more than 3.2% alcohol). The issue was debated in both houses and no change was made, upholding the recommendation.

RECOMMENDATIONS CONSIDERED AND NOT ENACTED

POINT OF PURCHASE AND DELIVERY OF PRODUCT (p. 10)

The Commission recommended replacing the current 4-tier delivery system where strong beer, wine and spirits flow from supplier to wholesaler to liquor retailer to on-premise establishments, with an optional system. The recommendation was to enable on-premise establishments to purchase from distributors or liquor retailers

The rationale provided by the Commission for this recommendation was that on-premise establishments "are in reality retailers and thus should be given the same opportunity to buy from and be delivered to by a wholesaler that other retailers have." The marketplace, it was contended, should determine who buys what from whom.

Section 45 of the liquor bill was a compromise of sorts. It enabled on-premise establishments to purchase all strengths of beer (not just cereal malt beverage) and bulk wine directly from distributors.

TAXATION (pp. 10-11)

The Commission recommended replacing the current system of taxing alcoholic beverages with one with the following principals: "(1) All alcoholic beverage products (including cereal malt beverage) should be treated uniformly (2) Special excise levies on limited components of the alcoholic beverage market should be avoided (3) Any reform should be revenue neutral. These objectives could be met, it was stated, if the current system is replaced with a system of "(a) imposing the sales tax on all retail sales of alcoholic beverages; (b) instituting an excise tax on wholesale transactions; and (c) increases in gallonage rates."

The recommendation was forwarded because it was believed the current system offers opportunities for tax evasion by imposing high-rate, difficult to collect, excise taxes on on-premise sales of liquor. It was further contended that the current system encourages unfair competition and unnecessarily discriminates between types of products and points of sale. Undercollection of alcoholic beverage taxes was estimated at between \$500,000 and \$1,000,000 annually.

Both houses considered amendments to the current system but no major changes were made. The 8 percent enforcement tax was applied to all sales from distributors to on-premise establishments.

MANDATORY MINIMUM PENALTY FOR PURCHASES BY MINORS (p.12)

The Commission recommended a mandatory minimum penalty of a \$100 fine for minors who possess an alcoholic beverage or use false or altered identification to purchase or attempt to purchase an alcoholic beverage.

The recommendation was an effort to more effectively deal with the growing problem of underage consumption of alcohol.

This recommendation was not included in the liquor bill.

ALCOHOLIC BEVERAGE CONTROL DIVISION (p.12)

The Commission recommended increasing the number of members on the ABC Board of Review from 3 to 5 and increasing significantly the number of agents, auditors and clerical positions within the ABC.

The increase in staffing was recommended to provide for consistent and thorough enforcement and administration of the liquor laws.

Section 5 of the bill abolished the ABC Board of Review. Additional agents, auditors and clerical positions were created in an appropriations bill.

RECIPROCAL PRIVILEGES OF PRIVATE CLUBS (p. 16)

The LLRC recommended eliminating reciprocity among class B private clubs.

The Commission contended that the serving of liquor to the public should be limited to establishments so licensed and that reciprocity represented a way for private clubs to get around the prohibition against serving to the public.

This recommendation was not enacted.

ALCOHOLIC BEVERAGE HANDLER TRAINING AND LICENSING (p. 17)

The Commission recommended requiring all handlers and potential handlers of alcoholic beverages in an on-premise establishment to successfully complete a State mandated and supervised training program regarding the State liquor system. The training would be offered by public and private groups who would have to register with the State.

The recommendation was made to deal positively with the problem of drinking and driving, enhance professionalism within the industry and favorably affect the availability and cost of liquor liability insurance.

SALES OF LIQUOR ON CREDIT (pp. 21-22)

The LLRC recommended legalizing the use of credit cards in retail liquor stores.

The recommendation was made in order to modernize a long-standing restrictive law.

The recommendation was not enacted.

SALES TO THE MILITARY (p. 28)

The Commission recommended, to the extent possible, requiring military installations to purchase spirits, wine and beer in Kansas and exempting such purchases from the gallonage tax.

The recommendation was an attempt to keep business in Kansas.

The recommendation was not enacted.