

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE.

The meeting was called to order by Chairperson Senator Susan Wagle at 1:30 p.m. on January 21, 2003 in Room 231-N of the Capitol.

All members were present except: Senator Chris Steineger

Committee staff present: Ms. Emalene Correll, Kansas Legislative Research Department
Mr. Norm Furse, Revisor of Statutes
Ms. Margaret Cianciarulo, Administrative Assistant

Conferees appearing before the committee:

Others attending: See attached guest list

Handouts

Upon calling the meeting to order, Chairperson Susan Wagle stated that she and Senator Barnett had visited and have come to this session with strong concerns about the cost of health care escalating. She announced to the Committee that they would be presenting some educational meetings over the next couple of weeks covering some of the many facets of health care and the escalating cost of services. She then referred them to the Kansas Health Institute 2003 Calendar for Kansas Health Policy Forums and Health Policy Brownbag Lunches. A copy of the calendar is (Attachment 1) attached hereto and incorporated into the Minutes by reference

A discussion ensued between Senators Wagle, Barnett, and Jordan and Ms. Correll ranging from:

- 1) Pennsylvania being able to address some reform issues through insurance regulation;
- 2) looking at what our reform has done in the state over the last 10 years, what costs were before and after, and basically looks at what might be possible in this state to allow small businesses across the state to pool efforts and to try to get an arm around how we can control some of these costs;
- 3) the VA's presentation to the Ways and Means Committee, on the pharmaceutical program they have implemented;
- 4) Governor Sebelius' plan to visit with surrounding states regarding the multi state purchasing plans; and
- 5) research the need for legislation. (Emalene has a member on health insurance reform. Senator Wagle asked for a copy of what is available.)

Hearing on consideration of reappointment

The Chair announced the next order of business was the consideration of Governor Graves' reappointment of Mr. Stuart C. Lang, Ms. Patricia A. Gaunce, and Mr. John B. Payne as Members, for the University of Kansas Hospital Authority. Copies of their Senate Confirmation Information Summaries are (Attachment 2) attached hereto and incorporated into the Minutes by reference. She asked that the Committee take a few minutes to look over the summaries, then asked for comments or questions.

CONTINUATION SHEET

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE at on January 21, 2003 in Room 231-N of the Capitol.

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Senators Wagle, Barnett, Haley, and Harrington, Ms. Emalene Correll from Research and Mr. Bill Sneed, representing Kansas Hospital Authority, discussed comments and questions ranging from clarification on Ms. Gaunce's summary, the procedures of reappointment, to these appointments being new to these people (they are already serving a 1-year term, and this appointment would be effective until 2006).

As there was no further discussion, Senator Jordan stated that while serving on the Confirmation Oversight Committee, he had the opportunity to meet with all three and commented on how Mr. Paine's experience in life science research is significant. Senator Jordan then made a motion to support the reappointment on the floor. Senator Haley seconded the motion and the motion passed.

Adjournment

The Chair asked for bill introductions. As there was none and with no further business, the meeting was adjourned. The time was 1:50 p.m.

The next meeting is scheduled for January 22, 2003.

SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

GUEST LIST

12 in
att -

DATE: January 21, 2003

| NAME | REPRESENTING |
|-------------------|--------------------------------|
| Bill Sneed | UKHA |
| Michelle Peterson | Kansas Governmental Consulting |
| Andy Shaw | Kearney & Associates Inc |
| Steve Solomon | The Farm Inc. |
| Paul Hummer | Mr. Bob Leger |
| Ron Seiber | Hain Law Firm |
| Dan By | _____ |
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at 1



January & February

Kansas Health Policy Forums

January 28, 2003

3:30 to 6 p.m., dinner provided

Health Care Spending Growth and State Policy Options

Speaker: James M. Verdier, J.D., Senior Fellow,
Mathematica Policy Research, Inc., Washington, D.C.

February 12, 2003

3:30 to 6 p.m., dinner provided

The Obesity Epidemic: Can Public Policy Play a Role?

Speakers: James S. Marks, M.D., M.P.H., and
William H. Dietz, M.D., Ph.D.,
Centers for Disease Control and Prevention

Health Policy Brownbag Lunches

Lunches will begin promptly at noon and adjourn at 1 p.m.

January 22, 2003

A Rural Health Agenda for Kansas

January 29, 2003

Medicaid Spending: Developing a Long-term Strategy

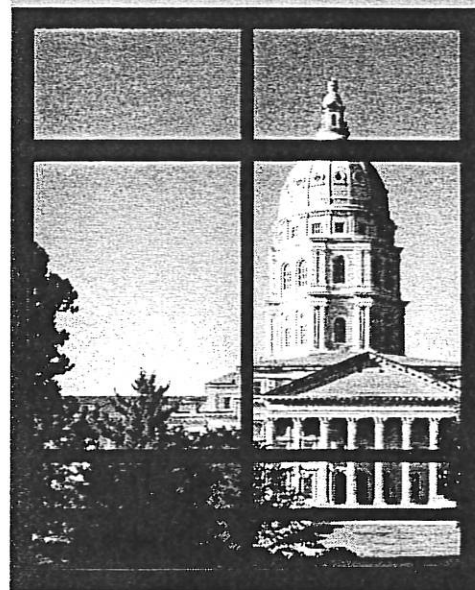
February 19, 2003

To be announced

February 26, 2003

To be announced

Health Policy Calendar **2003**



Senate Public Health & Welfare Committee
Date: January 21, 2003
Attachment 1-1
*Healthier Kansans through
informed decisions*

at 2

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Bill Graves

Appointee: Stuart C. Lang

Position: Member, University of Kansas Hospital Authority

Will serve a one-year term ending March 15, 2003

Appointment Date: Upon confirmation by Senate Term: AND a succeeding three-year term ending March 15, 2006
(Approved by Governor-elect Sebelius)

Statutory Authority: KSA 76-3304

Party Affiliation: Republican

➤ Statutory geographic representation requirements *(indicate any that apply)*:

Congressional District: Third

County: _____

Size requirement *(if any)*: _____

Other, specify: _____

➤ Statutory party affiliation requirement: No more than _____ members from the same political party.

➤ Statutory industry or occupation requirements Public Member

Salary _____ Predecessor: _____ New Position _____

Board Composition Prior to Confirmation of New Appointee:

(SEE ATTACHED LIST)

*Senate Public Health & Welfare Committee
Date: January 21, 2003
Attachment 2-1*

University of Kansas Hospital Authority

| Member Name | | County | Party | CD | Occupational Industry | Expiration Date |
|-------------|---------|-------------|-------|----|-----------------------|-----------------|
| Chapman | Edward | Leavenworth | D | 2 | Public Member | 03/15/2005 |
| Edmands | Clay | Saline | R | 1 | Public Member | 03/15/2004 |
| Farha | George | Sedgwick | R | 4 | Public Member | 03/15/2006 |
| Honse | Robert | Douglas | R | 3 | Public Member | 03/15/2006 |
| Jager | Eric | Johnson | R | 3 | Public Member | 03/15/2005 |
| Keim | Betty | Johnson | R | 3 | Public Member | 03/15/2004 |
| Nazar | Edward | Sedgwick | D | 4 | Public Member | 03/15/2006 |
| Parkinson | Mark | Johnson | R | 3 | Public Member | 03/15/2006 |
| Payne | John | Johnson | R | 3 | Public Member | 03/15/2004 |
| Sunderland | Charles | Johnson | R | 3 | Public Member | 03/15/2005 |
| Zollars | William | Johnson | R | 3 | Public Member | 03/15/2003 |

* New Position per SB642

* Indicates member being replaced

GOVERNOR'S APPOINTEES ONLY

SENATE BILL No. 642

By Committee on Ways and Means

3-6

AN ACT concerning the university of Kansas hospital authority act; amending K.S.A. 2001 Supp. 76-3303, 76-3304, ~~76-3311~~, 76-3321 and 76-3322 and repealing the existing sections.

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

Section 1. K.S.A. 2001 Supp. 76-3303 is hereby amended to read as follows: 76-3303. As used in K.S.A. 2001 Supp. 76-3301 through 76-3323, and amendments thereto, the following words and phrases have the following meanings unless a different meaning clearly appears from the content:

(a) "Authority" means the university of Kansas hospital authority created by this act.

(b) "Board" means the board of directors of the authority created by this act.

(c) "Health sciences schools" means the schools of medicine, nursing, allied health, pharmacy and any other schools operated by the university of Kansas at the university of Kansas medical center.

(d) "Bonds" means any bonds, notes, lease certificates of participation or other evidences of indebtedness, whether or not the interest on which is subject to federal income taxation, issued by the authority pursuant to this act.

(e) "Hospital assets" means all records, property or rights in property, real and personal, tangible and intangible existing on the transfer date specified by this act, used by or accruing to university of Kansas or the university of Kansas medical center for the benefit of the university of Kansas hospital in the normal course of its operations as a teaching, research and medical treatment facility.

(f) "Hospital obligations" means all debts or other obligations, contingent or certain, owing on the transfer date under this act to any person or other entity, arising out of the operation of the university of Kansas hospital as a medical treatment facility, and including, without limitation, all bonds and other debts for the purchase of goods and services, whether or not delivered, and obligations for the delivery of services, whether or not performed.

- 1 (g) "Regents" means the board of regents of the state of Kansas.
- 2 (h) "State employee" means a person employed by the state of Kansas
3 whether or not a classified or unclassified employee in the state personnel
4 system. *Hospital or authority employees shall not be considered state em-*
5 *ployees, as such term is defined in this act or in any other statute or*
6 *regulation. The provisions of this subsection are to be construed and ap-*
7 *plied retroactively to the date of the original enactment of K.S.A. 2001*
8 *Supp. 76-3303, and amendments thereto.*
- 9 (i) "Transfer date" means a date or dates agreed to by the regents
10 and the authority which shall be on or after March 1, 1998, but not later
11 than December 31, 1998, for the transfer of hospital assets to and the
12 assumption of hospital obligations by such authority.
- 13 (j) "University of Kansas hospital" means the hospital and hospital
14 clinics operated by the university of Kansas, separately or jointly with
15 another health care provider.
- 16 (k) "State" means the state of Kansas.
- 17 (l) "Initial board" means the board of directors initially appointed by
18 the governor under this act.
- 19 (m) "Medical center employee" means an employee of the university
20 of Kansas medical center whose salary is not paid in whole or in part from
21 the hospital revenue fund.
- 22 (n) "Hospital or authority employee" means an employee of the ~~uni-~~
23 ~~versity of Kansas medical center authority~~ who performs services for the
24 university of Kansas hospital as part of one or more departments or other
25 ~~administrative units of the hospital or otherwise performs services for the~~
26 ~~authority~~ and whose salary is paid in whole or in part from ~~by the hospital~~
27 ~~revenue fund authority~~. *A hospital authority employee shall not be con-*
28 *sidered to be a state employee, as such term is defined in this act or in*
29 *any other statute or regulation. The provisions of this subsection are to*
30 *be construed and applied retroactively to the date of the original enact-*
31 *ment of K.S.A. 2001 Supp. 76-3303, and amendments thereto.*
- 32 (o) "President" means the chief executive officer of the authority.
- 33 (p) "This act" means the university of Kansas hospital authority act.
- 34 Sec. 2. K.S.A. 2001 Supp. 76-3304 is hereby amended to read as
35 follows: 76-3304. (a) There is hereby established a body politic and cor-
36 porate, with corporate succession, to be known as the university of Kansas
37 hospital authority. The authority shall be an independent instrumentality
38 of this state. Its exercise of the rights, powers and privileges conferred by
39 this act shall be deemed and held to be the performance of an essential
40 governmental function.
- 41 (b) The authority shall be governed by a ~~fourteen member~~ *nineteen-*
42 *member* board of directors. ~~Eight~~ *Thirteen* of the members shall be rep-
43 resentatives of the general public who are recognized for outstanding

1 knowledge and leadership in the fields of finance, business, health-care
2 management, health care providers, legal affairs, education or govern-
3 ment. Of the ~~eight~~ 13 members representing the general public, there
4 shall be at least one member from each congressional district. ~~Three~~ Six
5 members shall be ex officio voting members consisting of the chancellor
6 of the university of Kansas, the executive vice chancellor of the university
7 of Kansas medical center ~~and~~, the executive dean of the university of
8 Kansas school of medicine. ~~Three members shall be nonvoting ex officio~~
9 ~~members consisting of~~, the chief of staff of the university of Kansas hos-
10 pital medical staff, the president of the authority and the dean of the
11 university of Kansas school of nursing.

12 (c) The ~~eight~~ 13 members representing the general public appointed
13 to the ~~initial~~ board shall be appointed by the governor *pursuant to sub-*
14 *section (f) and* subject to senate confirmation as provided in K.S.A. 75-
15 4315b, and amendments thereto. Any member whose nomination is sub-
16 ject to confirmation during a regular session of the legislature shall be
17 deemed terminated when the senate rejects the nomination. No such
18 termination shall affect the validity of any action taken by such member
19 prior to such termination. ~~Of the eight members appointed to the initial~~
20 ~~board, two shall be members of the Kansas board of regents and two~~
21 ~~members shall be members of the Kansas legislature. The two legislative~~
22 ~~appointees shall be appointed by the governor from a panel of four nom-~~
23 ~~inees composed of (1) one member of the legislature nominated by the~~
24 ~~speaker of the house of representatives, (2) one member of the legislature~~
25 ~~nominated by the minority leader of the house of representatives, (3) one~~
26 ~~member of the legislature nominated by the president of the senate, and~~
27 ~~(4) one member of the legislature nominated by the minority leader of~~
28 ~~the senate.~~

29 (d) ~~Of the members appointed to the initial board by the governor,~~
30 ~~two members shall be appointed for a term which expires March 15, 1999,~~
31 ~~three members shall be appointed for a term which expires March 15,~~
32 ~~2000, and three members shall be appointed for a term which expires~~
33 ~~March 15, 2001. On the effective date of this act, the terms of the general~~
34 ~~public board members then serving on the board shall expire, and, pur-~~
35 ~~suant to subsection (f), the governor shall reappoint all such general public~~
36 ~~board members. Of the general public members appointed to the board~~
37 ~~by the governor under this section, three shall have a term of office of one~~
38 ~~year, three shall have a term of office of two years, three shall have a term~~
39 ~~of office of three years and four shall have a term of office of four years.~~
40 ~~Terms of general public members appointed pursuant to this section shall~~
41 ~~expire on March 15. Any general public member whose term expires under~~
42 ~~this section and thereafter is reappointed under this section shall be ex-~~
43 ~~empt to the requirements of subsection (f) for the term of office appointed~~

1 *under this section.*

2 (e) After the ~~initial~~ board of directors is appointed *under subsection*
3 *(d)*, members other than ex officio shall be appointed for a term of ~~three~~
4 *four* years each, except in the event of a vacancy the appointment shall
5 be for the remainder of the unexpired portion of the term. Each member
6 shall hold office for the term of appointment and until the successor has
7 been confirmed. Any member is eligible for reappointment, but members
8 shall not be eligible to serve more than ~~two~~ *three* consecutive ~~three-year~~
9 *four-year* terms, *except that this limitation shall not include any previous*
10 *term of office of any general public member serving on the board on the*
11 *effective date of this act.*

12 (f) ~~Except for appointment of the initial board,~~ When a vacancy oc-
13 curs or is announced regarding a member or members representing the
14 general public, a nominating committee of the board *after receiving input*
15 *from the board and conferring with the board* shall ~~forward~~ *assemble* a
16 slate of ~~candidates~~ *not less than two nor more than three persons for each*
17 *vacancy and shall forward each slate* to the governor ~~for consideration.~~
18 ~~Appointment to the board shall be made by the governor subject to senate~~
19 ~~confirmation.~~ *The governor shall appoint one board member from each*
20 *slate and shall forward each appointment to the senate for confirmation*
21 *as provided in K.S.A. 75-4315b, and amendments thereto. Except as pro-*
22 *vided by K.S.A. 2001 Supp. 46-2601, and amendments thereto, no person*
23 *appointed to the board shall exercise any power, duty or function as a*
24 *member of the board until confirmed by the senate.*

25 (g) The terms of members serving by virtue of their office shall expire
26 immediately upon termination of their holding such office.

27 (h) The board annually shall elect one of their number as chairperson
28 and another as vice-chairperson. The board also shall elect a secretary
29 and treasurer for terms determined by the board. The same person may
30 serve as both secretary and treasurer. The board shall establish an exec-
31 utive committee, nominating committee and other standing or special
32 committees and prescribe their duties and powers, and any executive
33 committee may exercise all such powers and duties of the board as the
34 board may delegate.

35 (i) Members of the board of directors of the authority shall serve
36 without compensation. Members of the board attending meetings of the
37 board, or attending a subcommittee meeting thereof authorized by the
38 board, shall be paid ~~subsistence allowances, mileage and all other appli-~~
39 ~~cable expenses as provided in K.S.A. 75-3223, and amendments thereto,~~
40 *provided such expenses are consistent with policies established from time-*
41 *to-time by the authority's board of directors and as required by subsection*

42 (j).
43 (j) No part of the funds of the authority shall inure to the benefit of,

1 or be distributed to, its employees, officers or members of the board,
 2 except that the authority may make reasonable payments for expenses
 3 incurred on its behalf relating to any of its lawful purposes and the au-
 4 thority shall be authorized and empowered to pay reasonable compen-
 5 sation for services rendered to or for its benefit relating to any of its lawful
 6 purposes including to pay its employees reasonable compensation.

7 (k) Any member of the board of directors other than an ex officio
 8 member may be removed by an affirmative vote of ~~seven~~ 10 of the mem-
 9 bers of the board for malfeasance or misfeasance in office, regularly failing
 10 to attend meetings, or for any cause which renders the member incapable
 11 of or unfit to discharge the duties of director.

12 (l) The board shall meet at least six times per year and at such other
 13 times as it deems appropriate, or upon call by the president or the chair-
 14 person, or upon written request of a majority of the directors. The board
 15 may adopt, repeal and amend such rules, procedures and bylaws, not
 16 contrary to law or inconsistent with this act, as it deems expedient for its
 17 own governance and for the governance and management of the author-
 18 ity. A majority of the total voting membership of the board shall constitute
 19 a quorum for meetings. The board may act by a majority of those at any
 20 meeting where a quorum is present, except upon such issues as the board
 21 may determine shall require a vote of ~~seven~~ 10 members for approval.
 22 The ~~initial~~ board shall meet for the initial meeting upon call by the chan-
 23 cellor of the university of Kansas who shall act as temporary chairperson
 24 until officers of the board are elected pursuant to subsection (h).

25 (m) The board shall appoint a president who shall serve at the plea-
 26 sure of the board. The president shall serve as the chief executive officer
 27 of the authority. The president's salary shall be set by the board. The
 28 board may negotiate and enter into an employment agreement with the
 29 individual selected as president of the authority which may provide for
 30 compensation allowances, benefits and expenses as may be included in
 31 such agreement. The president shall direct and supervise administrative
 32 affairs and the general management of the authority. ~~The president shall~~
 33 ~~be a nonvoting ex officio member of the board. The president, as a mem-~~
 34 ~~ber of the board of directors, may not vote on such president's salary.~~

35 (n) The board may provide to the president of the authority and other
 36 employees designated by the board supplemental benefits in addition to
 37 the benefits provided in K.S.A. 2001 Supp. 76-3322, and amendments
 38 thereto.

39 (o) The authority shall continue until terminated by law, except that
 40 no such law shall take effect so long as the authority has bonds outstand-
 41 ing, unless adequate provision has been made for the payment or retire-
 42 ment of such debts or obligations. Upon any such dissolution of the au-
 43 thority, all property, funds and assets thereof shall be vested in the state,

1 university of Kansas medical center or other hospital entity as designated
2 by the board and approved by act of the Kansas legislature.

3 ~~Sec. 3. K.S.A. 2001 Supp. 76-3311 is hereby amended to read as~~
4 ~~follows: 76-3311. (a) The authority may employ such employees as it may~~
5 ~~require and upon such terms and conditions as it may establish. The~~
6 ~~authority shall establish personnel, payroll, benefit and other such systems~~
7 ~~as authorized by the board, such systems to be initially established or~~
8 ~~contracted by the transfer date, or at such later date designated by the~~
9 ~~board. The authority shall determine the qualifications and duties of its~~
10 ~~employees subject to any statutes concerning licensure, certification or~~
11 ~~registration under state law. The board shall develop and adopt policies~~
12 ~~and procedures that will afford its employees grievance rights, ensure that~~
13 ~~employment decisions shall be based upon merit and fitness of applicants~~
14 ~~and shall prohibit discrimination because of race, religion, color, sex or~~
15 ~~national origin.~~

16 ~~—(b) Nothing in this act or any act of which it is amendatory shall be~~
17 ~~construed as placing any officer or employee of the authority in the clas-~~
18 ~~sified or the unclassified service under the Kansas civil service act.~~

19 ~~—(c) All current hospital employees of the university of Kansas medical~~
20 ~~center shall transfer to the authority. The authority and the university of~~
21 ~~Kansas medical center shall then jointly determine any medical center~~
22 ~~employees whose employment shall be transferred to the authority. The~~
23 ~~university shall issue a written notice to all persons whose employment~~
24 ~~will be transferred to the authority. After receipt of such notice, each~~
25 ~~such employee may elect not to be employed by the authority by sub-~~
26 ~~mitting a written statement of such election within 45 days after receipt~~
27 ~~of such notice. Any classified employee of the university of Kansas med-~~
28 ~~ical center who receives such notice of transfer to the authority and elects~~
29 ~~not to become employed by the authority and who is not reemployed by~~
30 ~~any department, institution, board, commission or agency of the state~~
31 ~~shall be subject to the provisions of K.S.A. 75-2048 et seq. and amend-~~
32 ~~ments thereto. Any unclassified employee or unclassified health care~~
33 ~~worker of the university of Kansas medical center who receives such no-~~
34 ~~tice of transfer to the authority and elects not to become employed by~~
35 ~~the authority shall be subject to the employment policies of the university~~
36 ~~of Kansas medical center. Any employee who accepts employment with~~
37 ~~the authority shall not be considered to be involuntarily separated from~~
38 ~~state employment. The authority shall not be treated as a state agency for~~
39 ~~purposes of the state leave payment reserve fund under K.S.A. 75-5542~~
40 ~~through 75-5545, and amendments thereto.~~

41 ~~—(d) Hospital employees and medical center employees of the univer-~~
42 ~~sity of Kansas medical center who transfer to the authority to a position~~
43 ~~of similar duties as of the transfer date shall receive the same rate of~~

1 compensation as was received by the employee prior to such transfer.

2 ~~—(c) Notwithstanding the provisions of K.A.R. 1-9-13 or any other rules~~
3 ~~and regulations or of any statute to the contrary, all vacation leave and~~
4 ~~sick leave balances of employees of the university of Kansas medical cen-~~
5 ~~ter who accept employment with the authority as of the transfer date shall~~
6 ~~be transferred from the university of Kansas medical center to the~~
7 ~~authority.~~

8 ~~—(f) The authority and the university of Kansas medical center may~~
9 ~~enter into agreements providing for the purchase of services of employees~~
10 ~~of the university of Kansas medical center utilized in support of the hos-~~
11 ~~pital by payment of such amounts as may be agreed upon by the parties.~~

12 ~~—(g) Nothing in this act shall affect the representation rights of collec-~~
13 ~~tive bargaining organizations that represent employees of the university~~
14 ~~of Kansas medical center who transfer to the authority, nor shall it affect~~
15 ~~any term or condition of any collective bargaining agreement in effect on~~
16 ~~the effective date of this act. The authority shall be a public agency for~~
17 ~~purposes of the Kansas public employer-employee relations act, K.S.A.~~
18 ~~75-4321 et seq., and amendments thereto.~~

19 ~~—(h) The authority is authorized to establish a health insurance plan~~
20 ~~for the benefit of its employees or to enter into agreements with the~~
21 ~~department of administration in accordance with K.S.A. 75-6503 and~~
22 ~~amendments thereto, providing for the coverage of its employees under~~
23 ~~the state employees' health insurance plan. Notwithstanding any other~~
24 ~~provision of law to the contrary, any person whose employment is trans-~~
25 ~~ferred to the authority as a result of this act and who is a member of any~~
26 ~~plan providing health insurance coverage as an employee of the university~~
27 ~~of Kansas medical center and who so elects to continue such coverage~~
28 ~~shall continue to be a member of such health insurance plan under the~~
29 ~~same terms and conditions as if no transfer had occurred, with such elec-~~
30 ~~tion to continue through the current state employees' health insurance~~
31 ~~coverage period. Alternatively, an employee may elect to become a mem-~~
32 ~~ber of any health insurance plan established by the authority.~~

33 Sec. 4-3. K.S.A. 2001 Supp. 76-3321 is hereby amended to read as
34 follows: 76-3321. The authority is exempt from the provisions of K.S.A.
35 12-1675 through 12-1677, 45-401 through 45-413, 75-1250 through 75-
36 1270, 75-2925 through 75-2975, 75-3701 through 75-37,119, 75-4363, 75-
37 4701 through 75-4744, and 77-501 through 77-550 and K.S.A. 2001 Supp.
38 75-4362 and amendments thereto.

39 Sec. 5-4. K.S.A. 2001 Supp. 76-3322 is hereby amended to read as
40 follows: 76-3322. The authority shall affiliate with the Kansas public em-
41 ployees retirement system on the transfer date as defined in K.S.A. 2001
42 Supp. 76-3303 and amendments thereto, in accordance with the provi-
43 sions of K.S.A. 74-4910 and 74-4927 and amendments thereto for current

1 ~~and future employees with respect to transferred employees. The Not-~~
2 ~~withstanding the provisions of K.S.A. 74-4910, and amendments thereto,~~
3 ~~the authority may, at the election of the board, affiliate with the system~~
4 ~~with respect to any or all employees employed by the authority after the~~
5 ~~transfer date, except that the authority, with respect to any employee who~~
6 ~~is enrolled in the system after the transfer date, may not change such~~
7 ~~employee's membership status retroactively. Any person who was an em-~~
8 ~~ployee of the university of Kansas medical center and a member of the~~
9 ~~system on the transfer date and whose employment is transferred to the~~
10 ~~authority as provided in the university of Kansas hospital authority act~~
11 ~~shall continue to be a member of the system. For all those members of~~
12 ~~the faculty and other persons employed by the board of regents who were~~
13 ~~receiving assistance in the purchase of retirement annuities as provided~~
14 ~~in K.S.A. 74-4925 and amendments thereto on the transfer date and~~
15 ~~whose employment is transferred to the authority as provided in the uni-~~
16 ~~versity of Kansas hospital authority act, the authority shall at the election~~
17 ~~of the board, either (1) assist such employees in the purchase of retire-~~
18 ~~ment annuities as provided in K.S.A. 74-4925 and amendments thereto~~
19 ~~or (2) adopt, in accordance with requirements of the federal internal~~
20 ~~revenue code, retirement plans sponsored by the authority providing sub-~~
21 ~~stantially similar benefits as such retirement annuities and the authority~~
22 ~~shall continue to provide the insured death and disability benefits as pro-~~
23 ~~vided in K.S.A. 74-4927a and 74-4927g and amendments thereto. For~~
24 ~~future employees employed by the authority on or after the transfer date,~~
25 ~~the authority shall designate whether such employee shall be a member~~
26 ~~of the system or whether the authority shall either (1) provide assistance~~
27 ~~in the purchase of retirement annuities as provided in K.S.A. 74-4925 and~~
28 ~~amendments thereto adopt, in accordance with requirements of the fed-~~
29 ~~eral internal revenue code, a retirement plan or plans sponsored by the~~
30 ~~authority providing substantially similar benefits as such retirement an-~~
31 ~~nuities. The authority shall continue to provide the insured death and~~
32 ~~disability benefits as provided in K.S.A. 74-4927a and 74-4927g and~~
33 ~~amendments thereto with respect to transferred employees who are mem-~~
34 ~~bers of the system. The authority, at the election of the board, may provide~~
35 ~~death and disability benefits as provided in K.S.A. 74-4927a and 74-4927g~~
36 ~~and amendments thereto with respect to other transferred employees and~~
37 ~~employees hired after the transfer date or the authority may provide sim-~~
38 ~~ilar death and disability benefits to such employees. For employees em-~~
39 ~~ployed by the authority on or after the transfer date, the authority, at the~~
40 ~~election of the board, either may (1) enroll such employees as member of~~
41 ~~the system, or (2) provide that such employee shall be eligible for partic-~~
42 ~~ipation in a retirement plan or plans sponsored by the authority.~~
43

Sec. 6-5. K.S.A. 2001 Supp. 76-3303, 76-3304, ~~76-3311~~, 76-3321 and

1 76-3322 are hereby repealed.

2 Sec. 7.6. This act shall take effect and be in force from and after its
3 publication in the Kansas register.

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KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

PLEASE TYPE OR PRINT

| | | |
|---|---|----|
| Lang | Stuart | C. |
| Last Name | First Name | MI |
| Lang | Nancy | P. |
| Spouse's Name | | |
| 11825 Norwood | | |
| Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number | | |
| Leawood, KS 66211 | | |
| City, State, Zip Code | | |
| 913-338-1764 | 913-266-9179 | |
| Home Phone Number (include area code) | Business Phone Number (include area code) | |

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:*(check one or more of the following)*

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

University of Kansas Hospital Authority

Division if applicable (May use acronyms)

Board Member

Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

*

8494

C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here

| BUSINESS NAME AND ADDRESS | TYPE OF BUSINESS | DESCRIPTION OF INTERESTS HELD | PERCENT OF OWNERSHIP INTERESTS | HELD BY WHOM |
|---|------------------|-------------------------------|--------------------------------|--------------|
| 1. First National of Nebraska Omaha, NE | Bank | stock | less than 5% | Grant Lang |
| 2. Enuvics Overland Park, KS | Technology | stock | " | Grant Lang |
| 3. Artisan Mid Cap Fund | Mutual Fund | " | " | " |
| 4. Dodge & Cox Mutual Fund T. Rowe Price Blue Chip Growth | Mutual Funds | " | " | " |
| 5. Eaton Vance World Whole Health Service Strong Ultra Short-Term Income | Mutual Funds | " | " | " |
| 6. Fidelity Mid Cap Stock Fund Vanguard Short Term | Mutual Funds | " | " | " |
| 7. Invesco Financial Services Fund Wells Value Fund | Mutual Funds | " | " | " |
| 8. Janice Balanced Fund | Mutual Funds | " | " | " |
| 9. Meridian Value Fund | Mutual Funds | " | " | " |
| 10. Putnam Voyager Fund | Mutual Funds | " | " | " |

D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here

| NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED | ADDRESS | RECEIVED BY: |
|--|---------|--------------|
| 1. | | |
| 2. | | |
| 3. | | |

Grant C. Lang

E. **RECEIPT OF COMPENSATION:** List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.
If you have nothing to report in Section "E"1, check here ____.

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|---------------------------|-------------------|------------------|
| 1. | First National Bank of KS | 6201 College Blvd | Bank |
| 2. | | | |

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here .

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|------------------|---------|------------------|
| 1. | | | |
| 2. | | | |

F. **OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS:** List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

| | BUSINESS NAME AND ADDRESS | POSITION HELD | HELD BY WHOM |
|----|----------------------------------|---------------|--------------|
| 1. | Overland Park Chamber Foundation | Board Member | Stuart Lang |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| 6. | | | |
| 7. | | | |
| 8. | | | |

- G. **RECEIPT OF FEES AND COMMISSIONS:** List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here .

| | NAME OF CLIENT / CUSTOMER | ADDRESS | RECEIVED BY |
|-----|---------------------------|---------|-------------|
| 1. | | | |
| 2. | | | |
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| 13. | | | |

H. **DECLARATION:**

I, Stuart C. Lang, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

10-20-02

Date

Stuart C. Lang

Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES _____

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

APPOINTMENTS QUESTIONNAIRE

Office of Governor Bill Graves

Please complete and return this form to the Governor's Appointments Office. Attach additional sheets if necessary.

Name: Stuart C. Lang
Home Address: 11825 Norwood
City, State, Zip: Leawood KS 66211
Business Address: 6201 College Blvd.
City, State, Zip: Overland Park, KS
Home Phone: 913-338-1764 Business Phone: 913-266-9179
Date of Birth: 10-31-47 Place of Birth: Rockford, Ill.
Party Affiliation: Republican KBI Check: NA In Process Complete

BACKGROUND

1. List high school, college, or other education institutions attended along with the date attended and degree conferred.

| <i>Education Institution</i> | <i>Dates</i> | <i>Degree</i> |
|---------------------------------|---------------------|----------------|
| <u>Quilford H.S.</u> | <u>8-63 to 6-66</u> | <u>Diploma</u> |
| <u>Southern Methodist Univ.</u> | <u>9-66 to 5-70</u> | <u>BBA</u> |
| <u>Univ. of Houston</u> | <u>8-70 to 5-73</u> | <u>J.D.</u> |

2. List memberships in business, trade and professional organizations for the past 10 years.

| <i>Organization</i> | <i>Dates</i> |
|----------------------------------|-------------------------------|
| <u>Overland Park Rotary Club</u> | <u>1993 to 1997 (approx.)</u> |
| _____ | _____ |
| _____ | _____ |

3. List any public offices you have been elected or appointed to, along with the dates of service.

| <i>Office Held</i> | <i>Dates</i> |
|--------------------|--------------|
| <u>None</u> | _____ |
| _____ | _____ |
| _____ | _____ |

4. List any positions held with a foreign, federal or local government entity along with the dates of service.

| <i>Position</i> | <i>Government Entity</i> | <i>Dates</i> |
|-----------------|--------------------------|--------------|
| <i>None</i> | | |
| | | |
| | | |

5. List any lobbying activities you have been involved in during the past five years. This includes activities as a registered lobbyist activities for which you were compensated.

| <i>Group</i> | <i>Compensation (yes/no)</i> | <i>Dates</i> |
|--------------|------------------------------|--------------|
| <i>None</i> | | |
| | | |
| | | |

6. List experience or interest which qualify you for the position to which you have been appointed!

general business experience

7. Summarize business and professional experience.

I have had 29 years of experience in the banking industry, the past 9 as a chief executive officer.

8. List any service in the United State military. Include dates of service, branch, date and type of discharge.

| <i>Branch</i> | <i>Discharge</i> | <i>Dates</i> |
|---------------|------------------|--------------|
| <i>None</i> | | |
| | | |
| | | |

9. Provide details of any arrest, charge or questioning by a federal, state or other law enforcement authority for violation of any federal, state, county or municipal law, regulation or ordinance (excluding traffic violations for which a fine of \$100 or less was imposed).

None

10. List and provide details of any interests that may present a conflict of interest for this position.

None

I, Stuart C. Lang, declare that this questionnaire is true, correct and complete to the best of my knowledge.

Stuart C. Lang
Signature

10-20-02
Date

*Return completed questionnaire to Judy Krueger, Secretary of Appointments, State Capitol, Rm 226-S, Topeka, Kansas 66612.
If you have questions, please call 913/296-4052.*

Stuart C. Lang
President & CEO
First National Bank of Kansas

EDUCATIONAL BACKGROUND:

B.B.A. in Finance, Southern Methodist University, 1970
J.D., University of Houston, 1973
Graduate School of Credit and Financial Management, Stanford University, 1984

WORK EXPERIENCE:

Twenty-nine years in banking.

CIVIC INVOLVEMENT:

- Board Member - Johnson County Community College Foundation
- Board Member - Overland Park Chamber Foundation
- Past Board Member - Health Midwest, Johnson County, Inc.
- Past Member Johnson County Infrastructure Advisory Committee
- Past Board Member - Overland Park Chamber of Commerce
- Past Advisory Board Member - The Southwestern Graduate School of Banking (SWGSB)
- Past Member - Senator Pat Roberts' Committee on Science, Technology & the Future
- Past Board Member - Safehome
- Past Board Member - Leawood Foundation
- Past Board Member - Main Street Corridor Development Corp.
- Past Chairman (Johnson County) - Boy Scouts of America Annual Fund Drive
- Past Advisory Board Member - Johnson County Business Tech Center

PERSONAL:

Born 1947, Rockford, Illinois
Wife and family reside in Leawood, Kansas

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Bill Graves

Appointee: Patricia A. Gaunce

Position: Member, University of Kansas Hospital Authority

Will serve a one-year term ending March 15, 2003

Appointment Date: Upon confirmation by Senate Term: AND a succeeding three-year term ending March 15, 2006
(Approved by Governor-elect Sebelius)

Statutory Authority: KSA 76-3304

Party Affiliation: Democrat

➤ Statutory geographic representation requirements *(indicate any that apply)*:

Congressional District: Third

County: _____

Size requirement *(if any)*: _____

Other, specify: _____

➤ Statutory party affiliation requirement: No more than _____ members from the same political party.

➤ Statutory industry or occupation requirements Public Member

Salary _____ Predecessor: _____ New Position _____

Board Composition Prior to Confirmation of New Appointee:

(SEE ATTACHED LIST)

University of Kansas Hospital Authority

| Member Name | | County | Party | CD | Occupational Industry | Expiration Date |
|-------------|---------|-------------|-------|----|-----------------------|-----------------|
| Chapman | Edward | Leavenworth | D | 2 | Public Member | 03/15/2005 |
| Edmands | Clay | Saline | R | 1 | Public Member | 03/15/2004 |
| Farha | George | Sedgwick | R | 4 | Public Member | 03/15/2006 |
| Honse | Robert | Douglas | R | 3 | Public Member | 03/15/2006 |
| Jager | Eric | Johnson | R | 3 | Public Member | 03/15/2005 |
| Keim | Betty | Johnson | R | 3 | Public Member | 03/15/2004 |
| Nazar | Edward | Sedgwick | D | 4 | Public Member | 03/15/2006 |
| Parkinson | Mark | Johnson | R | 3 | Public Member | 03/15/2006 |
| Payne | John | Johnson | R | 3 | Public Member | 03/15/2004 |
| Sunderland | Charles | Johnson | R | 3 | Public Member | 03/15/2005 |
| Zollars | William | Johnson | R | 3 | Public Member | 03/15/2003 |

* New Position per SB642

* Indicates member being replaced

GOVERNOR'S APPOINTEES ONLY

SENATE BILL No. 642

By Committee on Ways and Means

3-6

AN ACT concerning the university of Kansas hospital authority act; amending K.S.A. 2001 Supp. 76-3303, 76-3304, ~~76-3311~~, 76-3321 and 76-3322 and repealing the existing sections.

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

Section 1. K.S.A. 2001 Supp. 76-3303 is hereby amended to read as follows: 76-3303. As used in K.S.A. 2001 Supp. 76-3301 through 76-3323, and amendments thereto, the following words and phrases have the following meanings unless a different meaning clearly appears from the content:

(a) "Authority" means the university of Kansas hospital authority created by this act.

(b) "Board" means the board of directors of the authority created by this act.

(c) "Health sciences schools" means the schools of medicine, nursing, allied health, pharmacy and any other schools operated by the university of Kansas at the university of Kansas medical center.

(d) "Bonds" means any bonds, notes, lease certificates of participation or other evidences of indebtedness, whether or not the interest on which is subject to federal income taxation, issued by the authority pursuant to this act.

(e) "Hospital assets" means all records, property or rights in property, real and personal, tangible and intangible existing on the transfer date specified by this act, used by or accruing to university of Kansas or the university of Kansas medical center for the benefit of the university of Kansas hospital in the normal course of its operations as a teaching, research and medical treatment facility.

(f) "Hospital obligations" means all debts or other obligations, contingent or certain, owing on the transfer date under this act to any person or other entity, arising out of the operation of the university of Kansas hospital as a medical treatment facility, and including, without limitation, all bonds and other debts for the purchase of goods and services, whether or not delivered, and obligations for the delivery of services, whether or not performed.

- 1 (g) "Regents" means the board of regents of the state of Kansas.
- 2 (h) "State employee" means a person employed by the state of Kansas
3 whether or not a classified or unclassified employee in the state personnel
4 system. *Hospital or authority employees shall not be considered state em-*
5 *ployees, as such term is defined in this act or in any other statute or*
6 *regulation. The provisions of this subsection are to be construed and ap-*
7 *plied retroactively to the date of the original enactment of K.S.A. 2001*
8 *Supp. 76-3303, and amendments thereto.*
- 9 (i) "Transfer date" means a date or dates agreed to by the regents
10 and the authority which shall be on or after March 1, 1998, but not later
11 than December 31, 1998, for the transfer of hospital assets to and the
12 assumption of hospital obligations by such authority.
- 13 (j) "University of Kansas hospital" means the hospital and hospital
14 clinics operated by the university of Kansas, separately or jointly with
15 another health care provider.
- 16 (k) "State" means the state of Kansas.
- 17 (l) "Initial board" means the board of directors initially appointed by
18 the governor under this act.
- 19 (m) "Medical center employee" means an employee of the university
20 of Kansas medical center whose salary is not paid in whole or in part from
21 the hospital revenue fund.
- 22 (n) "~~Hospital or authority employee~~" means an employee of the ~~uni-~~
23 ~~versity of Kansas medical center authority~~ who performs services for the
24 university of Kansas hospital as part of one or more departments or other
25 ~~administrative units of the hospital or otherwise performs services for the~~
26 ~~authority~~ and whose salary is paid in whole or in part ~~from by the hospital~~
27 ~~revenue fund authority. A hospital authority employee shall not be con-~~
28 ~~sidered to be a state employee, as such term is defined in this act or in~~
29 ~~any other statute or regulation. The provisions of this subsection are to~~
30 ~~be construed and applied retroactively to the date of the original enact-~~
31 ~~ment of K.S.A. 2001 Supp. 76-3303, and amendments thereto.~~
- 32 (o) "President" means the chief executive officer of the authority.
- 33 (p) "This act" means the university of Kansas hospital authority act.
- 34 Sec. 2. K.S.A. 2001 Supp. 76-3304 is hereby amended to read as
35 follows: 76-3304. (a) There is hereby established a body politic and cor-
36 porate, with corporate succession, to be known as the university of Kansas
37 hospital authority. The authority shall be an independent instrumentality
38 of this state. Its exercise of the rights, powers and privileges conferred by
39 this act shall be deemed and held to be the performance of an essential
40 governmental function.
- 41 (b) The authority shall be governed by a ~~fourteen-member~~ *nineteen-*
42 *member* board of directors. ~~Eight~~ *Thirteen* of the members shall be rep-
43 resentatives of the general public who are recognized for outstanding

1 knowledge and leadership in the fields of finance, business, health-care
2 management, health care providers, legal affairs, education or govern-
3 ment. Of the ~~eight~~ 13 members representing the general public, there
4 shall be at least one member from each congressional district. ~~Three~~ Six
5 members shall be ex officio voting members consisting of the chancellor
6 of the university of Kansas, the executive vice chancellor of the university
7 of Kansas medical center and, the executive dean of the university of
8 Kansas school of medicine. ~~Three members shall be nonvoting ex officio~~
9 ~~members consisting of~~, the chief of staff of the university of Kansas hos-
10 pital medical staff, the president of the authority and the dean of the
11 university of Kansas school of nursing.

12 (c) The ~~eight~~ 13 members representing the general public appointed
13 to the ~~initial~~ board shall be appointed by the governor *pursuant to sub-*
14 *section (f) and* subject to senate confirmation as provided in K.S.A. 75-
15 4315b, and amendments thereto. Any member whose nomination is sub-
16 ject to confirmation during a regular session of the legislature shall be
17 deemed terminated when the senate rejects the nomination. No such
18 termination shall affect the validity of any action taken by such member
19 prior to such termination. ~~Of the eight members appointed to the initial~~
20 ~~board, two shall be members of the Kansas board of regents and two~~
21 ~~members shall be members of the Kansas legislature. The two legislative~~
22 ~~appointees shall be appointed by the governor from a panel of four nom-~~
23 ~~inees composed of (1) one member of the legislature nominated by the~~
24 ~~speaker of the house of representatives, (2) one member of the legislature~~
25 ~~nominated by the minority leader of the house of representatives, (3) one~~
26 ~~member of the legislature nominated by the president of the senate, and~~
27 ~~(4) one member of the legislature nominated by the minority leader of~~
28 ~~the senate.~~

29 (d) ~~Of the members appointed to the initial board by the governor,~~
30 ~~two members shall be appointed for a term which expires March 15, 1999,~~
31 ~~three members shall be appointed for a term which expires March 15,~~
32 ~~2000, and three members shall be appointed for a term which expires~~
33 ~~March 15, 2001. On the effective date of this act, the terms of the general~~
34 ~~public board members then serving on the board shall expire, and, pur-~~
35 ~~suant to subsection (f), the governor shall reappoint all such general public~~
36 ~~board members. Of the general public members appointed to the board~~
37 ~~by the governor under this section, three shall have a term of office of one~~
38 ~~year, three shall have a term of office of two years, three shall have a term~~
39 ~~of office of three years and four shall have a term of office of four years.~~
40 ~~Terms of general public members appointed pursuant to this section shall~~
41 ~~expire on March 15. Any general public member whose term expires under~~
42 ~~this section and thereafter is reappointed under this section shall be ex-~~
43 ~~empt to the requirements of subsection (f) for the term of office appointed~~

1 *under this section.*

2 (e) After the ~~initial~~ board of directors is appointed *under subsection*
3 *(d)*, members other than ex officio shall be appointed for a term of ~~three~~
4 *four* years each, except in the event of a vacancy the appointment shall
5 be for the remainder of the unexpired portion of the term. Each member
6 shall hold office for the term of appointment and until the successor has
7 been confirmed. Any member is eligible for reappointment, but members
8 shall not be eligible to serve more than ~~two~~ *three* consecutive ~~three-year~~
9 *four-year* terms, *except that this limitation shall not include any previous*
10 *term of office of any general public member serving on the board on the*
11 *effective date of this act.*

12 ~~(f) Except for appointment of the initial board, When a vacancy oc-~~
13 ~~curs or is announced regarding a member or members representing the~~
14 ~~general public, a nominating committee of the board after receiving input~~
15 ~~from the board and conferring with the board shall forward assemble a~~
16 ~~slate of candidates not less than two nor more than three persons for each~~
17 ~~vacancy and shall forward each slate to the governor for consideration.~~
18 ~~Appointment to the board shall be made by the governor subject to senate~~
19 ~~confirmation. The governor shall appoint one board member from each~~
20 ~~slate and shall forward each appointment to the senate for confirmation~~
21 ~~as provided in K.S.A. 75-4315b, and amendments thereto. Except as pro-~~
22 ~~vided by K.S.A. 2001 Supp. 46-2601, and amendments thereto, no person~~
23 ~~appointed to the board shall exercise any power, duty or function as a~~
24 ~~member of the board until confirmed by the senate.~~

25 (g) The terms of members serving by virtue of their office shall expire
26 immediately upon termination of their holding such office.

27 (h) The board annually shall elect one of their number as chairperson
28 and another as vice-chairperson. The board also shall elect a secretary
29 and treasurer for terms determined by the board. The same person may
30 serve as both secretary and treasurer. The board shall establish an exec-
31 utive committee, nominating committee and other standing or special
32 committees and prescribe their duties and powers, and any executive
33 committee may exercise all such powers and duties of the board as the
34 board may delegate.

35 (i) Members of the board of directors of the authority shall serve
36 without compensation. Members of the board attending meetings of the
37 board, or attending a subcommittee meeting thereof authorized by the
38 board, shall be paid ~~subsistence allowances, mileage and all other appli-~~
39 ~~cable expenses as provided in K.S.A. 75-3223, and amendments thereto,~~
40 *provided such expenses are consistent with policies established from time-*
41 *to-time by the authority's board of directors and as required by subsection*
42 *(j).*

43 (j) No part of the funds of the authority shall inure to the benefit of,

1 or be distributed to, its employees, officers or members of the board,
2 except that the authority may make reasonable payments for expenses
3 incurred on its behalf relating to any of its lawful purposes and the au-
4 thority shall be authorized and empowered to pay reasonable compen-
5 sation for services rendered to or for its benefit relating to any of its lawful
6 purposes including to pay its employees reasonable compensation.

7 (k) Any member of the board of directors other than an ex officio
8 member may be removed by an affirmative vote of ~~seven~~ 10 of the mem-
9 bers of the board for malfeasance or misfeasance in office, regularly failing
10 to attend meetings, or for any cause which renders the member incapable
11 of or unfit to discharge the duties of director.

12 (l) The board shall meet at least six times per year and at such other
13 times as it deems appropriate, or upon call by the president or the chair-
14 person, or upon written request of a majority of the directors. The board
15 may adopt, repeal and amend such rules, procedures and bylaws, not
16 contrary to law or inconsistent with this act, as it deems expedient for its
17 own governance and for the governance and management of the author-
18 ity. A majority of the total voting membership of the board shall constitute
19 a quorum for meetings. The board may act by a majority of those at any
20 meeting where a quorum is present, except upon such issues as the board
21 may determine shall require a vote of ~~seven~~ 10 members for approval.
22 The ~~initial~~ board shall meet for the initial meeting upon call by the chan-
23 cellor of the university of Kansas who shall act as temporary chairperson
24 until officers of the board are elected pursuant to subsection (h).

25 (m) The board shall appoint a president who shall serve at the plea-
26 sure of the board. The president shall serve as the chief executive officer
27 of the authority. The president's salary shall be set by the board. The
28 board may negotiate and enter into an employment agreement with the
29 individual selected as president of the authority which may provide for
30 compensation allowances, benefits and expenses as may be included in
31 such agreement. The president shall direct and supervise administrative
32 affairs and the general management of the authority. ~~The president shall~~
33 ~~be a nonvoting ex officio member of the board. The president, as a mem-~~
34 ~~ber of the board of directors, may not vote on such president's salary.~~

35 (n) The board may provide to the president of the authority and other
36 employees designated by the board supplemental benefits in addition to
37 the benefits provided in K.S.A. 2001 Supp. 76-3322, and amendments
38 thereto.

39 (o) The authority shall continue until terminated by law, except that
40 no such law shall take effect so long as the authority has bonds outstand-
41 ing, unless adequate provision has been made for the payment or retire-
42 ment of such debts or obligations. Upon any such dissolution of the au-
43 thority, all property, funds and assets thereof shall be vested in the state,

1 university of Kansas medical center or other hospital entity as designated
2 by the board and approved by act of the Kansas legislature.

3 Sec. 3. K.S.A. 2001 Supp. 76-3311 is hereby amended to read as
4 follows: 76-3311. (a) ~~The authority may employ such employees as it may
5 require and upon such terms and conditions as it may establish. The
6 authority shall establish personnel, payroll, benefit and other such systems
7 as authorized by the board, such systems to be initially established or
8 contracted by the transfer date, or at such later date designated by the
9 board. The authority shall determine the qualifications and duties of its
10 employees subject to any statutes concerning licensure, certification or
11 registration under state law. The board shall develop and adopt policies
12 and procedures that will afford its employees grievance rights, ensure that
13 employment decisions shall be based upon merit and fitness of applicants
14 and shall prohibit discrimination because of race, religion, color, sex or
15 national origin.~~

16 ~~—(b) Nothing in this act or any act of which it is amendatory shall be
17 construed as placing any officer or employee of the authority in the clas-
18 sified or the unclassified service under the Kansas civil service act.~~

19 ~~—(c) All current hospital employees of the university of Kansas medical
20 center shall transfer to the authority. The authority and the university of
21 Kansas medical center shall then jointly determine any medical center
22 employees whose employment shall be transferred to the authority. The
23 university shall issue a written notice to all persons whose employment
24 will be transferred to the authority. After receipt of such notice, each
25 such employee may elect not to be employed by the authority by sub-
26 mitting a written statement of such election within 45 days after receipt
27 of such notice. Any classified employee of the university of Kansas med-
28 ical center who receives such notice of transfer to the authority and elects
29 not to become employed by the authority and who is not reemployed by
30 any department, institution, board, commission or agency of the state
31 shall be subject to the provisions of K.S.A. 75-2948 *et seq.* and amend-
32 ments thereto. Any unclassified employee or unclassified health care
33 worker of the university of Kansas medical center who receives such no-
34 tice of transfer to the authority and elects not to become employed by
35 the authority shall be subject to the employment policies of the university
36 of Kansas medical center. Any employee who accepts employment with
37 the authority shall not be considered to be involuntarily separated from
38 state employment. The authority shall not be treated as a state agency for
39 purposes of the state leave payment reserve fund under K.S.A. 75-5542
40 through 75-5545, and amendments thereto.~~

41 ~~—(d) Hospital employees and medical center employees of the univer-
42 sity of Kansas medical center who transfer to the authority to a position
43 of similar duties as of the transfer date shall receive the same rate of~~

1 compensation as was received by the employee prior to such transfer.

2 ~~—(c) Notwithstanding the provisions of K.A.R. 1-9-13 or any other rules~~
3 ~~and regulations or of any statute to the contrary, all vacation leave and~~
4 ~~sick leave balances of employees of the university of Kansas medical cen-~~
5 ~~ter who accept employment with the authority as of the transfer date shall~~
6 ~~be transferred from the university of Kansas medical center to the~~
7 ~~authority.~~

8 ~~—(f) The authority and the university of Kansas medical center may~~
9 ~~enter into agreements providing for the purchase of services of employees~~
10 ~~of the university of Kansas medical center utilized in support of the hos-~~
11 ~~pital by payment of such amounts as may be agreed upon by the parties.~~

12 ~~—(g) Nothing in this act shall affect the representation rights of collec-~~
13 ~~tive bargaining organizations that represent employees of the university~~
14 ~~of Kansas medical center who transfer to the authority, nor shall it affect~~
15 ~~any term or condition of any collective bargaining agreement in effect on~~
16 ~~the effective date of this act. The authority shall be a public agency for~~
17 ~~purposes of the Kansas public employer-employee relations act, K.S.A.~~
18 ~~75-4321 et seq., and amendments thereto.~~

19 ~~—(h) The authority is authorized to establish a health insurance plan~~
20 ~~for the benefit of its employees or to enter into agreements with the~~
21 ~~department of administration in accordance with K.S.A. 75-6503 and~~
22 ~~amendments thereto, providing for the coverage of its employees under~~
23 ~~the state employees' health insurance plan. Notwithstanding any other~~
24 ~~provision of law to the contrary, any person whose employment is trans-~~
25 ~~ferred to the authority as a result of this act and who is a member of any~~
26 ~~plan providing health insurance coverage as an employee of the university~~
27 ~~of Kansas medical center and who so elects to continue such coverage~~
28 ~~shall continue to be a member of such health insurance plan under the~~
29 ~~same terms and conditions as if no transfer had occurred, with such elec-~~
30 ~~tion to continue through the current state employees' health insurance~~
31 ~~coverage period. Alternatively, an employee may elect to become a mem-~~
32 ~~ber of any health insurance plan established by the authority.~~

33 Sec. ~~4~~ 3. K.S.A. 2001 Supp. 76-3321 is hereby amended to read as
34 follows: 76-3321. The authority is exempt from the provisions of K.S.A.
35 12-1675 through 12-1677, 45-401 through 45-413, 75-1250 through 75-
36 1270, 75-2925 through 75-2975, 75-3701 through 75-37,119, 75-4363, 75-
37 4701 through 75-4744, and 77-501 through 77-550 and K.S.A. 2001 Supp.
38 75-4362 and amendments thereto.

39 Sec. ~~5~~ 4. K.S.A. 2001 Supp. 76-3322 is hereby amended to read as
40 follows: 76-3322. The authority shall affiliate with the Kansas public em-
41 ployees retirement system on the transfer date as defined in K.S.A. 2001
42 Supp. 76-3303 and amendments thereto, in accordance with the provi-
43 sions of K.S.A. 74-4910 and 74-4927 and amendments thereto for current

1 ~~and future employees with respect to transferred employees. The Not-~~
2 ~~withstanding the provisions of K.S.A. 74-4910, and amendments thereto,~~
3 ~~the authority may, at the election of the board, affiliate with the system~~
4 ~~with respect to any or all employees employed by the authority after the~~
5 ~~transfer date, except that the authority, with respect to any employee who~~
6 ~~is enrolled in the system after the transfer date, may not change such~~
7 ~~employee's membership status retroactively. Any person who was an em-~~
8 ~~ployee of the university of Kansas medical center and a member of the~~
9 ~~system on the transfer date and whose employment is transferred to the~~
10 ~~authority as provided in the university of Kansas hospital authority act~~
11 ~~shall continue to be a member of the system. For all those members of~~
12 ~~the faculty and other persons employed by the board of regents who were~~
13 ~~receiving assistance in the purchase of retirement annuities as provided~~
14 ~~in K.S.A. 74-4925 and amendments thereto on the transfer date and~~
15 ~~whose employment is transferred to the authority as provided in the uni-~~
16 ~~versity of Kansas hospital authority act, the authority shall at the election~~
17 ~~of the board, either (1) assist such employees in the purchase of retire-~~
18 ~~ment annuities as provided in K.S.A. 74-4925 and amendments thereto~~
19 ~~or (2) adopt, in accordance with requirements of the federal internal~~
20 ~~revenue code, retirement plans sponsored by the authority providing sub-~~
21 ~~stantially similar benefits as such retirement annuities and the authority~~
22 ~~shall continue to provide the insured death and disability benefits as pro-~~
23 ~~vided in K.S.A. 74-4927a and 74-4927g and amendments thereto. For~~
24 ~~future employees employed by the authority on or after the transfer date,~~
25 ~~the authority shall designate whether such employee shall be a member~~
26 ~~of the system or whether the authority shall either (1) provide assistance~~
27 ~~in the purchase of retirement annuities as provided in K.S.A. 74-4925 and~~
28 ~~amendments thereto adopt, in accordance with requirements of the fed-~~
29 ~~eral internal revenue code, a retirement plan or plans sponsored by the~~
30 ~~authority providing substantially similar benefits as such retirement an-~~
31 ~~nuities. The authority shall continue to provide the insured death and~~
32 ~~disability benefits as provided in K.S.A. 74-4927a and 74-4927g and~~
33 ~~amendments thereto with respect to transferred employees who are mem-~~
34 ~~bers of the system. The authority, at the election of the board, may provide~~
35 ~~death and disability benefits as provided in K.S.A. 74-4927a and 74-4927g~~
36 ~~and amendments thereto with respect to other transferred employees and~~
37 ~~employees hired after the transfer date or the authority may provide sim-~~
38 ~~ilar death and disability benefits to such employees. For employees em-~~
39 ~~ployed by the authority on or after the transfer date, the authority, at the~~
40 ~~election of the board, either may (1) enroll such employees as member of~~
41 ~~the system, or (2) provide that such employee shall be eligible for partic-~~
42 ~~ipation in a retirement plan or plans sponsored by the authority.~~

43 Sec. 6-5. K.S.A. 2001 Supp. 76-3303, 76-3304, ~~76-3311~~, 76-3321 and

1 76-3322 are hereby repealed.

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

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KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

PLEASE TYPE OR PRINT

Gauce

Patricia

A.

Last Name

First Name

MI

Gauce, Gary L.

Spouse's Name

7300 Waverly Avenue

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

Kansas City, Kansas 66109

City, State, Zip Code

913-299-6879

Home Phone Number (include area code)

913-596-5800

Business Phone Number (include area code)

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:*(check one or more of the following)*

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.

University of Kansas Hospital Authority

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Division if applicable (May use acronyms)

Board

Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

*

| | | | |
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| 6 | 2 | 7 | 9 |
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Rev. 2/2001

C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here ____.

| BUSINESS NAME AND ADDRESS | TYPE OF BUSINESS | DESCRIPTION OF INTERESTS HELD | PERCENT OF OWNERSHIP INTERESTS | HELD BY WHOM |
|---------------------------|------------------|-------------------------------|--------------------------------|--------------|
| 1. KPRS Topeka | Retirement Fund | Retirement Acct | | Self |
| 2. Pioneer Mutual Funds | Retirement Fund | Same | | Self |
| 3. Met Life | Annuity | Same | | Self |
| 4. | | | | |
| 5. | | | | |
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D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here x .

| NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED | ADDRESS | RECEIVED BY: |
|--|---------|--------------|
| 1. | | |
| 2. | | |
| 3. | | |

E. **RECEIPT OF COMPENSATION:** List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.
 If you have nothing to report in Section "E"1, check here ____.

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|-----------------------------|----------------------|------------------|
| 1. | Unified School District 500 | 1737 N. 82 KCK 66112 | Public Library |
| 2. | West Wyandotte Library | | |

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
 If you have nothing to report in Section "E"2, check here x .

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|------------------|---------|------------------|
| 1. | | | |
| 2. | | | |

F. **OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS:** List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
 If you have nothing to report in Section "F", check here ____.

| | BUSINESS NAME AND ADDRESS | POSITION HELD | HELD BY WHOM |
|----|---------------------------------------|-----------------------------|--------------|
| 1. | United Way of Wyéo KCK | Board Member | Self |
| 2. | Chamber of Commerce of KCK | Board Member Chair Elect | Self |
| 3. | Wyandotte Health Foundation of KCK | Board Member | Self |
| 4. | Women's Chamber of Commerce of KCK | Board Member | Self |
| 5. | KCK Community College Endowment Assn. | Advisory Board | Self |
| 6. | | | |
| 7. | | | |
| 8. | | | |

G. **RECEIPT OF FEES AND COMMISSIONS:** List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

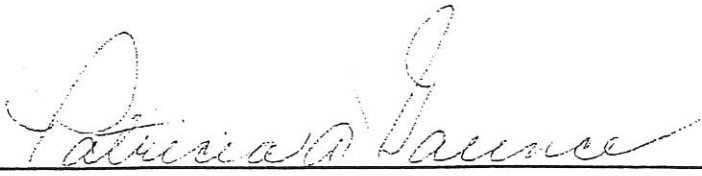
If you have nothing to report in Section "G", check here .

| | NAME OF CLIENT / CUSTOMER | ADDRESS | RECEIVED BY |
|-----|---------------------------|---------|-------------|
| 1. | | | |
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| 13. | | | |

H. **DECLARATION:**

I, Patricia A. Gaunce, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

10-17-02
Date


Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES 0.

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

APPOINTMENTS QUESTIONNAIRE

Office of Governor Bill Graves

Please complete and return this form to the Governor's Appointments Office. Attach additional sheets if necessary.

Name: Patricia A. Gaunce

Home Address: 7300 Waverly

City, State, Zip: Kansas City, Kansas 66109

Business Address: 1737 N. 82 Kansas City, Kansas 66112

City, State, Zip: Kansas City, Kansas 66112

Home Phone: 913-299-6879 Business Phone: 913-596-5800

Date of Birth: 090434 Place of Birth: Bethany Hospital - KCK

Party Affiliation: Democrat KBI Check: NA In Process Complete

BACKGROUND

1. List high school, college, or other education institutions attended along with the date attended and degree conferred.

| <i>Education Institution</i> | <i>Dates</i> | <i>Degree</i> |
|---|------------------|-------------------|
| <u>Wyandotte High School</u> | <u>1949-1952</u> | <u>Diploma</u> |
| <u>American Institute of Banking</u> | <u>1952-53</u> | <u>Coursework</u> |
| <u>Achieved highest level of continuing education offered by Kansas State Library</u> | | |
| | | <u>1998</u> |

2. List memberships in business, trade and professional organizations for the past 10 years.

| <i>Organization</i> | <i>Dates</i> |
|--|---------------------|
| <u>American Library Association</u> | <u>1971-1999</u> |
| <u>Kansas Library Association</u> | <u>1971-Present</u> |
| <u>KCK Women's Chamber of Commerce</u> | <u>1985-Present</u> |
| <u>KCK Area Chamber of Commerce</u> | <u>1994-Present</u> |

3. List any public offices you have been elected or appointed to, along with the dates of service.

| <i>Office Held</i> | <i>Dates</i> |
|--------------------|--------------|
| <u>n/a</u> | |
| | |
| | |

4. List any positions held with a foreign, federal or local government entity along with the dates of service.

| <i>Position</i> | <i>Government Entity</i> | <i>Dates</i> |
|--|------------------------------|--------------|
| Chair - Mayor's Access to Healthcare Commission | UG of WYCO/KCK | 2000-2001 |
| Chair - Mayor's Task Force on Public Library Funding | UG/WYCO/KCK | 1999-2000 |
| Board - Wyandotte County Library Board | Appt. by KCK/WyCo Commission | 1999-Present |

5. List any lobbying activities you have been involved in during the past five years. This includes activities as a registered lobbyist activities for which you were compensated.

| <i>Group</i> | <i>Compensation (yes/no)</i> | <i>Dates</i> |
|--------------|------------------------------|--------------|
| N/A | | |
| | | |
| | | |
| | | |

6. List experience or interest which qualify you for the position to which you have been appointed.

| |
|---|
| Mayor's Access to Healthcare Commission |
| Wyandotte Health Foundation Board |
| Ks. State HRSA Grant Commission |

7. Summarize business and professional experience.

~~Served as a library administrator for 42 years and state and local library task forces and committees. Board experience with United Way, Chamber of Commerce and Women's Chamber of Commerce providing strategic planning and fiscal management.~~

8. List any service in the United State military. Include dates of service, branch, date and type of discharge.

| <i>Branch</i> | <i>Discharge</i> | <i>Dates</i> |
|---------------|------------------|--------------|
| NA | | |
| | | |
| | | |

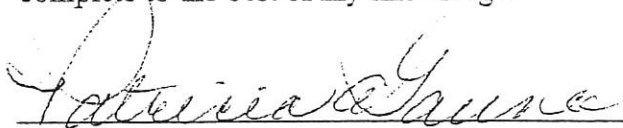
9. Provide details of any arrest, charge or questioning by a federal, state or other law enforcement authority for violation of any federal, state, county or municipal law, regulation or ordinance (excluding traffic violations for which a fine of \$100 or less was imposed).

NA

10. List and provide details of any interests that may present a conflict of interest for this position.

NA

I, Patricia A. Gaunce, declare that this questionnaire is true, correct and complete to the best of my knowledge.


Signature

10-17-02
Date

*Return completed questionnaire to Judy Krueger, Secretary of Appointments, State Capitol, Rm 226-S, Topeka, Kansas 66612.
If you have questions, please call 913/296-4052.*

Biographical Sketch - Pat Gaunce 1998

Lifelong resident of Wyandotte County. Employed by the KCK Public Library /USD 500 since September 1960. School libraries for 9 years, public library branch manager since 1969, moving from County library project at Horanif School (1969-71) to Wyandotte Plaza Library (1971-1986) and involved in the planning and subsequent opening and management of West Wyandotte Library from 1986 to date.

Have been a community volunteer all my married life (married high school sweetheart Gary Gaunce, Vice President and C.O.O. S&S Meat Company, K.C. Mo.). We have 3 children (Terry, Candee (Hoffman), Chris) and six grandchildren ranging in age from 16 to 8 mos.

Professional library memberships include American Library Association, Kansas Library Association, (various roundtables within those organizations), Friends of Kansas Libraries, Friends of KCK Public Library, Friends of Kimberling City, Missouri Library. I am the Wyandotte County representative to the Northeast Kansas Library Executive Board and currently Vice-Chair of that Board and have served on the Kansas Library Association Council for the past two years. Have taught a workshop on Library Management and Community Involvement for the KPLACE third year classes at Emporia State University each May for past several years. KPLACE sponsored by State Library and SLIM at Emporia. Chaired the KPLACE Roundtable statewide for the past two years.

Community Volunteer Board Positions - Current

Current President of KCK Women's Chamber of Commerce (second term 1998-99)

Board position with KCK Area Chamber of Commerce

Chamber Communication Council member

Chamber Minority Enterprise Committee member

Member Chamber Ambassadors

Current President of KCK Community College Endowment Board and Assn.

Chair of Mid-America Education Hall of Fame Committee

Chair of Schlagle Trust Committee

Member KCKCC 75th Anniversary Committee

Member Mayor's Prayer Breakfast Committee

Co-Chair of Friends of the Arts Scholarship Committee

Board Member - Youth Policy Board - Business/Labor Representative

Current Co-Chair of Governor Graves Wyandotte County Re-election Committee

Past Community Board Positions

Heart of American Family and Childrens' Services

Kansas Children's Museum

Tri-County Tourism Council and Board

Wyandotte County Historical Society and Museum

Rainbow Mental Health Assn.

Creative Experiences

West Branch YWCA



Patricia Gaunce

West Wyandotte Branch Manager

1737 N. 82nd Street, Kansas City, KS 66112

(913) 596-5800 Fax: (913) 596-5806

gaunce@kckpl.lib.ks.us

2-38

Victory Hills Golf and Country Club
KCK Mayor's Christmas Tree Committee
Wyandotte County Literacy Council
International Relations Chair for Council of Clubs
Youth Opportunities Unlimited
Coalition for Positive Family Relationships

Also hold memberships in:

Kansas Women's Day Club
Kaw Valley Arts and Humanities
Friends of Grinter
Friends of Kaw Valley Center
Presbyterian Manor Auxiliary
Bethany Foundation

AWARDS

KCKPL Director's Award in 1985
KCKWCC Hats of to Women 1989
Community Partnership Award from Wy/Jo Junior League 1989
KLA President's Distinguished Service Award for the State 1992
Graduated from the KCK Police Dept. Citizens' Police Academy in Nov. 1996
Selected by K.C. Star Editors as a "Community Star" in 1996
YWCA Heart of Gold Award for Community Advocate on February 27, 1998
KCK Area Chamber of Commerce Ambassador of the Month, June 1998

Becoming a volunteer is a choice and an opportunity... not an obligation. Volunteering has allowed me to indulge my whims and chase my dreams in the community I love. Consider the potential for accomplishment when we are passionate about what we do, and when we allow that positive energy to propel us forward with determination and enthusiasm. At the end of each day I read the two questions I have posted on my refrigerator door..."what random act of kindness did you do today that brought a smile to someone else's face? and did YOU make a difference today, somehow?" Hopefully I will always be able to offer a positive response to both!

Attⁿ

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Bill Graves

Appointee: John B. Payne

Position: Member, University of Kansas Hospital Authority

Appointment Date: Upon confirmation by Senate Expiration Date 3/15/2003 Term one year

Statutory Authority: KSA 76-3304 as amended by SB642 Party Affiliation: Republican

- Statutory geographic representation requirements *(indicate any that apply)*:
 - Congressional District: Third District
 - County: _____
 - Size requirement *(if any)*: _____
 - Other, specify: _____

➤ Statutory party affiliation requirement: No more than _____ members from the same political party.

➤ Statutory industry or occupation requirements Public Member

Salary _____ Predecessor: _____ New Position _____

Board Composition Prior to Confirmation of New Appointee:

(SEE ATTACHED LIST)

University of Kansas Hospital Authority

| Member Name | | County | Party | CD | Occupational Industry | Expiration Date |
|-------------|---------|-------------|-------|----|-----------------------|-----------------|
| Chapman | Edward | Leavenworth | D | 2 | Public Member | 03/15/2005 |
| Edmands | Clay | Saline | R | 1 | Public Member | 03/15/2004 |
| Farha | George | Sedgwick | R | 4 | Public Member | 03/15/2006 |
| Honse | Robert | Douglas | R | 3 | Public Member | 03/15/2006 |
| Jager | Eric | Johnson | R | 3 | Public Member | 03/15/2005 |
| Keim | Betty | Johnson | R | 3 | Public Member | 03/15/2004 |
| Murguia | Ramon | Wyandotte | D | 3 | Public Member | 03/15/2003 |
| Nazar | Edward | Sedgwick | D | 4 | Public Member | 03/15/2006 |
| Parkinson | Mark | Johnson | R | 3 | Public Member | 03/15/2006 |
| Sunderland | Charles | Johnson | R | 3 | Public Member | 03/15/2005 |
| Zollars | William | Johnson | R | 3 | Public Member | 03/15/2003 |

* Indicates member being replaced

GOVERNOR'S APPOINTEES ONLY

SENATE BILL No. 642

AN ACT concerning the university of Kansas hospital authority act; amending K.S.A. 2001 Supp. 76-3303, 76-3304, 76-3321 and 76-3322 and repealing the existing sections.

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

Section 1. K.S.A. 2001 Supp. 76-3303 is hereby amended to read as follows: 76-3303. As used in K.S.A. 2001 Supp. 76-3301 through 76-3323, and amendments thereto, the following words and phrases have the following meanings unless a different meaning clearly appears from the content:

(a) "Authority" means the university of Kansas hospital authority created by this act.

(b) "Board" means the board of directors of the authority created by this act.

(c) "Health sciences schools" means the schools of medicine, nursing, allied health, pharmacy and any other schools operated by the university of Kansas at the university of Kansas medical center.

(d) "Bonds" means any bonds, notes, lease certificates of participation or other evidences of indebtedness, whether or not the interest on which is subject to federal income taxation, issued by the authority pursuant to this act.

(e) "Hospital assets" means all records, property or rights in property, real and personal, tangible and intangible existing on the transfer date specified by this act, used by or accruing to university of Kansas or the university of Kansas medical center for the benefit of the university of Kansas hospital in the normal course of its operations as a teaching, research and medical treatment facility.

(f) "Hospital obligations" means all debts or other obligations, contingent or certain, owing on the transfer date under this act to any person or other entity, arising out of the operation of the university of Kansas hospital as a medical treatment facility, and including, without limitation, all bonds and other debts for the purchase of goods and services, whether or not delivered, and obligations for the delivery of services, whether or not performed.

(g) "Regents" means the board of regents of the state of Kansas.

(h) "State employee" means a person employed by the state of Kansas whether or not a classified or unclassified employee in the state personnel system. *Hospital or authority employees shall not be considered state employees, as such term is defined in this act or in any other statute or regulation. The provisions of this subsection are to be construed and applied retroactively to the date of the original enactment of K.S.A. 2001 Supp. 76-3303, and amendments thereto.*

(i) "Transfer date" means a date or dates agreed to by the regents and the authority which shall be on or after March 1, 1998, but not later than December 31, 1998, for the transfer of hospital assets to and the assumption of hospital obligations by such authority.

(j) "University of Kansas hospital" means the hospital and hospital clinics operated by the university of Kansas, separately or jointly with another health care provider.

(k) "State" means the state of Kansas.

(l) "Initial board" means the board of directors initially appointed by the governor under this act.

(m) "Medical center employee" means an employee of the university of Kansas medical center whose salary is not paid in whole or in part from the hospital revenue fund.

(n) "Hospital or authority employee" means an employee of the university of Kansas medical center authority who performs services for the university of Kansas hospital as part of one or more departments or other administrative units of the hospital or otherwise performs services for the authority and whose salary is paid in whole or in part from by the hospital revenue fund authority. *A hospital authority employee shall not be considered to be a state employee, as such term is defined in this act or in any other statute or regulation. The provisions of this subsection are to be construed and applied retroactively to the date of the original enactment of K.S.A. 2001 Supp. 76-3303, and amendments thereto.*

(o) "President" means the chief executive officer of the authority.

(p) "This act" means the university of Kansas hospital authority act.

Sec. 2. K.S.A. 2001 Supp. 76-3304 is hereby amended to read as follows: 76-3304. (a) There is hereby established a body politic and cor-

porate, with corporate succession, to be known as the university of Kansas hospital authority. The authority shall be an independent instrumentality of this state. Its exercise of the rights, powers and privileges conferred by this act shall be deemed and held to be the performance of an essential governmental function.

(b) The authority shall be governed by a ~~fourteen-member~~ *nineteen-member* board of directors. ~~Eight~~ *Thirteen* of the members shall be representatives of the general public who are recognized for outstanding knowledge and leadership in the fields of finance, business, health-care management, health care providers, legal affairs, education or government. Of the ~~eight~~ *13* members representing the general public, there shall be at least one member from each congressional district. ~~Three~~ *Six* members shall be ex officio voting members consisting of the chancellor of the university of Kansas, the executive vice chancellor of the university of Kansas medical center and the executive dean of the university of Kansas school of medicine. ~~Three members shall be nonvoting ex officio members consisting of,~~ the chief of staff of the university of Kansas hospital medical staff, the president of the authority and the dean of the university of Kansas school of nursing.

(c) The ~~eight~~ *13* members representing the general public appointed to the initial board shall be appointed by the governor *pursuant to subsection (f) and* subject to senate confirmation as provided in K.S.A. 75-4315b, and amendments thereto. Any member whose nomination is subject to confirmation during a regular session of the legislature shall be deemed terminated when the senate rejects the nomination. No such termination shall affect the validity of any action taken by such member prior to such termination. ~~Of the eight members appointed to the initial board, two shall be members of the Kansas board of regents and two members shall be members of the Kansas legislature. The two legislative appointees shall be appointed by the governor from a panel of four nominees composed of (1) one member of the legislature nominated by the speaker of the house of representatives, (2) one member of the legislature nominated by the minority leader of the house of representatives, (3) one member of the legislature nominated by the president of the senate, and (4) one member of the legislature nominated by the minority leader of the senate.~~

(d) ~~Of the members appointed to the initial board by the governor, two members shall be appointed for a term which expires March 15, 1990, three members shall be appointed for a term which expires March 15, 2000, and three members shall be appointed for a term which expires March 15, 2001. On the effective date of this act, the terms of the general public board members then serving on the board shall expire, and, pursuant to subsection (f), the governor shall reappoint all such general public board members. Of the general public members appointed to the board by the governor under this section, three shall have a term of office of one year, three shall have a term of office of two years, three shall have a term of office of three years and four shall have a term of office of four years. Terms of general public members appointed pursuant to this section shall expire on March 15. Any general public member whose term expires under this section and thereafter is reappointed under this section shall be exempt to the requirements of subsection (f) for the term of office appointed under this section.~~

(e) After the initial board of directors is appointed under subsection (d), members other than ex officio shall be appointed for a term of ~~three~~ *four* years each, except in the event of a vacancy the appointment shall be for the remainder of the unexpired portion of the term. Each member shall hold office for the term of appointment and until the successor has been confirmed. Any member is eligible for reappointment, but members shall not be eligible to serve more than ~~two~~ *three* consecutive ~~three-year~~ *four-year* terms, *except that this limitation shall not include any previous term of office of any general public member serving on the board on the effective date of this act.*

(f) ~~Except for appointment of the initial board, When a vacancy occurs or is announced regarding a member or members representing the general public, a nominating committee of the board after receiving input from the board and conferring with the board shall forward assemble a slate of candidates not less than two nor more than three persons for each vacancy and shall forward each slate to the governor for consideration.~~

~~Appointment to the board shall be made by the governor subject to senate confirmation. The governor shall appoint one board member from each slate and shall forward each appointment to the senate for confirmation as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 2001 Supp. 46-2601, and amendments thereto, no person appointed to the board shall exercise any power, duty or function as a member of the board until confirmed by the senate.~~

(g) The terms of members serving by virtue of their office shall expire immediately upon termination of their holding such office.

(h) The board annually shall elect one of their number as chairperson and another as vice-chairperson. The board also shall elect a secretary and treasurer for terms determined by the board. The same person may serve as both secretary and treasurer. The board shall establish an executive committee, nominating committee and other standing or special committees and prescribe their duties and powers, and any executive committee may exercise all such powers and duties of the board as the board may delegate.

(i) Members of the board of directors of the authority shall serve without compensation. Members of the board attending meetings of the board, or attending a subcommittee meeting thereof authorized by the board, shall be paid ~~subsistence allowances, mileage and all other applicable expenses as provided in K.S.A. 75-3223, and amendments thereto, provided such expenses are consistent with policies established from time-to-time by the authority's board of directors and as required by subsection (j).~~

(j) No part of the funds of the authority shall inure to the benefit of, or be distributed to, its employees, officers or members of the board, except that the authority may make reasonable payments for expenses incurred on its behalf relating to any of its lawful purposes and the authority shall be authorized and empowered to pay reasonable compensation for services rendered to or for its benefit relating to any of its lawful purposes including to pay its employees reasonable compensation.

(k) Any member of the board of directors other than an ex officio member may be removed by an affirmative vote of ~~seven~~ 10 of the members of the board for malfeasance or misfeasance in office, regularly failing to attend meetings, or for any cause which renders the member incapable of or unfit to discharge the duties of director.

(l) The board shall meet at least six times per year and at such other times as it deems appropriate, or upon call by the president or the chairperson, or upon written request of a majority of the directors. The board may adopt, repeal and amend such rules, procedures and bylaws, not contrary to law or inconsistent with this act, as it deems expedient for its own governance and for the governance and management of the authority. A majority of the total voting membership of the board shall constitute a quorum for meetings. The board may act by a majority of those at any meeting where a quorum is present, except upon such issues as the board may determine shall require a vote of ~~seven~~ 10 members for approval. ~~The initial~~ board shall meet for the initial meeting upon call by the chancellor of the university of Kansas who shall act as temporary chairperson until officers of the board are elected pursuant to subsection (h).

(m) The board shall appoint a president who shall serve at the pleasure of the board. The president shall serve as the chief executive officer of the authority. The president's salary shall be set by the board. The board may negotiate and enter into an employment agreement with the individual selected as president of the authority which may provide for compensation allowances, benefits and expenses as may be included in such agreement. The president shall direct and supervise administrative affairs and the general management of the authority. ~~The president shall be a nonvoting ex officio member of the board. The president, as a member of the board of directors, may not vote on such president's salary.~~

(n) The board may provide to the president of the authority and other employees designated by the board supplemental benefits in addition to the benefits provided in K.S.A. 2001 Supp. 76-3322, and amendments thereto.

(o) The authority shall continue until terminated by law, except that no such law shall take effect so long as the authority has bonds outstanding, unless adequate provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the au-

thority, all property, funds and assets thereof shall be vested in the state, university of Kansas medical center or other hospital entity as designated by the board and approved by act of the Kansas legislature.

Sec. 3. K.S.A. 2001 Supp. 76-3321 is hereby amended to read as follows: 76-3321. The authority is exempt from the provisions of K.S.A. 12-1675 through 12-1677, 45-401 through 45-413, 75-1250 through 75-1270, 75-2925 through 75-2975, 75-3701 through 75-37,119, 75-4363, 75-4701 through 75-4744, and 77-501 through 77-550 and K.S.A. 2001 Supp. 75-4362 and amendments thereto.

Sec. 4. K.S.A. 2001 Supp. 76-3322 is hereby amended to read as follows: 76-3322. The authority shall affiliate with the Kansas public employees retirement system on the transfer date as defined in K.S.A. 2001 Supp. 76-3303 and amendments thereto, in accordance with the provisions of K.S.A. 74-4910 and 74-4927 and amendments thereto ~~for current and future employees with respect to transferred employees.~~ *The Notwithstanding the provisions of K.S.A. 74-4910, and amendments thereto, the authority may, at the election of the board, affiliate with the system with respect to any or all employees employed by the authority after the transfer date, except that the authority, with respect to any employee who is enrolled in the system after the transfer date, may not change such employee's membership status retroactively.* Any person who was an employee of the university of Kansas medical center and a member of the system on the transfer date and whose employment is transferred to the authority as provided in the university of Kansas hospital authority act shall continue to be a member of the system. For all those members of the faculty and other persons employed by the board of regents who were receiving assistance in the purchase of retirement annuities as provided in K.S.A. 74-4925 and amendments thereto on the transfer date and whose employment is transferred to the authority as provided in the university of Kansas hospital authority act, the authority shall at the election of the board, either (1) assist such employees in the purchase of retirement annuities as provided in K.S.A. 74-4925 and amendments thereto or (2) adopt, in accordance with requirements of the federal internal revenue code, retirement plans sponsored by the authority providing substantially similar benefits as such retirement annuities and the authority shall continue to provide the insured death and disability benefits as provided in K.S.A. 74-4927a and 74-4927g and amendments thereto. For future employees employed by the authority on or after the transfer date, the authority shall designate whether such employee shall be a member of the system or whether the authority shall either (1) provide assistance in the purchase of retirement annuities as provided in K.S.A. 74-4925 and amendments thereto *adopt, in accordance with requirements of the federal internal revenue code, a retirement plan or plans sponsored by the authority providing substantially similar benefits as such retirement annuities. The authority shall continue to provide the insured death and disability benefits as provided in K.S.A. 74-4927a and 74-4927g and amendments thereto with respect to transferred employees who are members of the system. The authority, at the election of the board, may provide death and disability benefits as provided in K.S.A. 74-4927a and 74-4927g and amendments thereto with respect to other transferred employees and employees hired after the transfer date or the authority may provide similar death and disability benefits to such employees. For employees employed by the authority on or after the transfer date, the authority, at the election of the board, either may (1) enroll such employees as member of the system, or (2) provide that such employee shall be eligible for participation in a retirement plan or plans sponsored by the authority.*

Sec. 5. K.S.A. 2001 Supp. 76-3303, 76-3304, 76-3321 and 76-3322 are hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body

President of the Senate.

Secretary of the Senate.

Passed the HOUSE _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.



KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

PLEASE TYPE OR PRINT

| | | | | | | | | | | | | | | | | | | | | | | | |
|-----------|---|---|---|---|--|--|--|--|--|------------|---|---|---|--|----|--|--|--|---|--|--|--|--|
| P | a | y | n | e | | | | | | J | o | h | n | | | | | | B | | | | |
| Last Name | | | | | | | | | | First Name | | | | | MI | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | |
|---------------|---|---|---|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| N | a | n | c | y | | | | | | | | | | | | | | | |
| Spouse's Name | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|--|--|--|
| 1 | 2 | 1 | 1 | 6 | W | e | n | o | n | g | a | R | o | a | d | | | | | |
| Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | |
|-----------------------|---|---|---|---|---|---|---|---|---|---|---|---|--|--|--|--|--|
| L | e | a | w | o | o | K | S | 6 | 6 | 2 | 0 | 9 | | | | | |
| City, State, Zip Code | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | |
|---------------------------------------|---|---|---|---|---|---|---|---|---|---|---|
| 9 | 1 | 3 | - | 3 | 3 | 8 | - | 1 | 6 | 3 | 3 |
| Home Phone Number (include area code) | | | | | | | | | | | |

| | | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|---|---|---|
| 9 | 1 | 3 | - | 2 | 6 | 8 | - | 2 | 7 | 5 | 0 |
| Business Phone Number (include a code) | | | | | | | | | | | |

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:*(check one or more of the following)*

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.

University of Kansas Hospital Authority
 List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Board Member
 Division if applicable (May use acronyms) Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

| | | | |
|---|---|---|---|
| 9 | 6 | 3 | 8 |
|---|---|---|---|

C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here ____.

| | BUSINESS NAME AND ADDRESS | TYPE OF BUSINESS | DESCRIPTION OF INTERESTS HELD | HELD BY WHOM | PERCENT OF OWNERSHIP INTERESTS |
|-----|-----------------------------------|------------------|-------------------------------|--|--|
| 1. | Vanguard Funds Valley Forge PA | Mutual Fund | Stockholder | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 2. | Bayer Retirement Pittsburgh PA | Retirement Fund | Retirement Account | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 3. | The Hartford Hartford, CT | Mutual Fund | Stockholder | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 4. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 5. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 6. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 7. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 8. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 9. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |
| 10. | | | | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly | <input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly |

D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here None

| | NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED | ADDRESS | RECEIVED BY: |
|----|--|---------|--------------|
| 1. | | | |
| 2. | | | |
| 3. | | | |

E. RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE .
If you have nothing to report in Section "E"1, check here ____.

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|------------------|--|------------------|
| 1. | Bayer Corp. | P.O. Box 370 Sialinec Mission, KS 66209 | Pharmaceutical |
| 2. | | | |

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here .

| | NAME OF BUSINESS | ADDRESS | TYPE OF BUSINESS |
|----|------------------|---------|------------------|
| 1. | | | |
| 2. | | | |

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

| | BUSINESS NAME AND ADDRESS | POSITION HELD | HELD BY WHOM |
|----|--|--|--------------|
| 1. | Animal Health Institute 1325 E Street, Washington, D.C. | Chairman, Exec. Board of Directors | John Payne |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| 6. | | | |
| 7. | | | |
| 8. | | | |

G. RECEIPT OF FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here .

| | NAME OF CLIENT / CUSTOMER | ADDRESS | RECEIVED BY |
|-----|---------------------------|---------|-------------|
| 1. | | | |
| 2. | | | |
| 3. | | | |
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| 11. | | | |
| 12. | | | |
| 13. | | | |

H. DECLARATION:

I, John B. Payne, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

07-17-02

Date

John B. Payne
Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

APPOINTMENTS QUESTIONNAIRE

Office of Governor Bill Graves

Please complete and return this form to the Governor's Appointments Office. Attach additional sheets if necessary.

Name: John B. Payne

Home Address: 12116 Wenonga Road

City, State, Zip: Leawood, KS 66209

Business Address: 12707 Shawnee Mission Parkway

City, State, Zip: Shawnee Mission, KS 66201

Home Phone: 913-338-1633 Business Phone: 913-268-2750

Date of Birth: 12-15-47 Place of Birth: Philadelphia, PA

Party Affiliation: Republican KBI Check: NA In Process Complete

BACKGROUND

1. List high school, college, or other education institutions attended along with the date attended and degree conferred.

| <i>Education Institution</i> | <i>Dates</i> | <i>Degree</i> |
|------------------------------|----------------|-----------------------------------|
| <u>Rockhurst Univ.</u> | <u>1985-86</u> | <u>MBA</u> |
| <u>Saint Bernard College</u> | <u>1965-69</u> | <u>B.A. - Secondary Education</u> |
| <u>Monsignor Bonner H.S.</u> | <u>1961-65</u> | |

2. List memberships in business, trade and professional organizations for the past 10 years.

| <i>Organization</i> | <i>Dates</i> |
|------------------------------------|-----------------------------|
| <u>Animal Health Institute</u> | <u>April 2000 - Present</u> |
| <u>KE Crime Commission</u> | <u>Oct. 2000 - Present</u> |
| <u>Shawnee Chamber of Commerce</u> | <u>Jan. 2000 - Present</u> |

3. List any public offices you have been elected or appointed to, along with the dates of service.

| <i>Office Held</i> | <i>Dates</i> |
|--------------------|--------------|
| <u>N/A</u> | |
| <u>/</u> | |
| | |

4. List any positions held with a foreign, federal or local government entity along with the dates of service.

| <i>Position</i> | <i>Government Entity</i> | <i>Dates</i> |
|-----------------|--------------------------|--------------|
| N/A | | |

5. List any lobbying activities you have been involved in during the past five years. This includes activities as a registered lobbyist activities for which you were compensated.

| <i>Group</i> | <i>Compensation (yes/no)</i> | <i>Dates</i> |
|--------------|------------------------------|--------------|
| N/A | | |

6. List experience or interest which qualify you for the position to which you have been appointed.

| |
|---------|
| See # 7 |
|---------|

7. Summarize business and professional experience.

| |
|--|
| Senior Vice President, Bayer Corp (Pharmaceutical business) |
|--|

8. List any service in the United State military. Include dates of service, branch, date and type of discharge.

| <i>Branch</i> | <i>Discharge</i> | <i>Dates</i> |
|---------------|------------------|--------------|
| N/A | | |

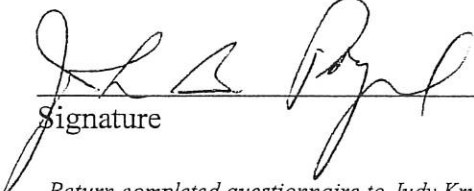
9. Provide details of any arrest, charge or questioning by a federal, state or other law enforcement authority for violation of any federal, state, county or municipal law, regulation or ordinance (excluding traffic violations for which a fine of \$100 or less was imposed).

Traffic violation ticket issued by Missouri
Highway Patrol - driving over speed limit in
Bolivar, MO (Polk County) - Fine: \$225.⁰⁰

10. List and provide details of any interests that may present a conflict of interest for this position.

None

I, John B. Payne, declare that this questionnaire is true, correct and complete to the best of my knowledge.


Signature

07-17-02
Date

*Return completed questionnaire to Judy Krueger, Secretary of Appointments, State Capitol, Rm 226-S, Topeka, Kansas 66612.
If you have questions, please call 913/296-4052.*

JOHN B. PAYNE
Senior Vice President
Bayer Corporation, Animal Health Division

John B. Payne is Senior Vice President Bayer Corporation. Bayer Corporation, Animal Health Division with 2000 sales of \$10.1 billion, is the U.S. subsidiary of Bayer Group of Germany, a \$29 billion international life sciences, polymers, and specialty chemicals group. Bayer continues to strengthen its North American presence through capital investments and R&D expenditures totaling \$15 billion from 1995 through 2004.

As Senior Vice President, Mr. Payne is responsible for management and strategic direction of the company's North American animal health business. He is also a member of the worldwide group's management committee. Bayer's Animal Health business group is a leader in the manufacturing and marketing of parasite control products and prescription pharmaceuticals for dogs, cats, horses, cattle, swine, and poultry.

Mr. Payne joined Bayer's Animal Health Business Group in 1990 as Manager of Marketing. He was promoted to Director of Marketing three years later. In 1997 he became Vice President for the group's companion animal business, a position in which he launched Bayer's successful Advantage flea control product. He was named Vice President for Marketing and Sales in 1998 and assumed his current position as Senior Vice President and head of the North American animal health business in June 2000.

Mr. Payne serves on the Boards of Directors of the Kansas City Starlight Theatre, the Kansas City Crime Commission, Shawnee Chamber of Commerce, FBI Citizen's Academy, American Royal Rodeo Organization, Peanut Foundation Medical Advisory Board, Johnson Community College Foundation and the American Royal. Mr. Payne is on the Board of the Animal Health Institute where he also serves as Executive Committee Chairman.

He holds a Masters of Business Administration degree from Rockhurst University and earned dual Bachelor of Arts degrees in Biology and Secondary Education from St. Bernard College.

Mr. Payne and his wife, Nancy, have two daughters and two grandchildren.

January 2002