

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 8:15 a.m. on March 18, 2004 in Room 123-S of the Capitol.

All members were present except:

Senator Susan Wagle- excused

Committee staff present:

Kathie Sparks, Legislative Research  
Susan Kanarr, Legislative Research  
Helen Pedigo, Revisor of Statutes  
Nikki Kraus, Committee Secretary

Others attending:

See Attached List.

Chairperson Brownlee opened the meeting and asked the committee to consider:

**HB 2647--Creation of bioscience authority, center for entrepreneurship and downtown redevelopment act; providing tax credits for donation to the Kansas community entrepreneurship fund; IMPACT; rural business development tax credits.**

The committee was presented with an amendment to **HB 2647** proposing Kansas Inc. review. (Attachment 1)

Senator Barone moved to amend KS Inc. authority into the bill. Senator Emler seconded. The motion passed.

The committee was presented with proposed amendments to the bill concerning construction requirements. (Attachment 2)

Following discussion, Senator Barone moved to amend these requirements into the bill. Senator Emler seconded. The motion passed.

Senator James Barnett provided the committee with copies of proposed language for the bill regarding high school academics receiving grants from the non-profit entity. (Attachment 3)

Following discussion, Senator Emler moved the amendment. Senator Kerr seconded. The motion passed.

Senator Bunten moved to strike section 14 except for the last sentence. Senator Brungardt seconded. The motion passed.

Senator Jordan moved to create **Senate sub for HB 2647**. Senator Kerr seconded. The motion passed.

Senator Jordan moved to pass **Sen sub for HB 2647** favorable as amended. Senator Kerr seconded. The motion passed.

Chairperson Brownlee asked the committee to consider:

**HB 2539--Kansas development finance authority; authorizing bonds for research facilities; issuance of mortgage revenue bonds**

Chairperson Brownlee suggested a conceptual amend on p.6 to also post information on the K DFA website. Senator Jordan moved the conceptual amendment. Senator Emler seconded. The motion passed.

Senator Jordan moved the bill favorably as amended. Senator Emler seconded. The motion passed.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:30 a.m. on March 18, 2004 in Room 123-S of the Capitol.

Chairperson Brownlee opened the confirmation hearing for KDFFA Board Member appointee:

Timothy C. Schaller

The committee was provided with his Senate Confirmation Information Summary. (Attachment 4)

Senator Steineger moved to submit the confirmation to the Senate favorably. Senator Jordan seconded. The motion passed.

Chairperson Brownlee adjourned the meeting at 9:30 a.m. The next meeting will be at 8:30 a.m. on March 23, 2004 in Room 123-S of the Capitol.

# Senate Commerce Committee Guest List

Date: March 18, 2004

Julie Edge	Inside Edge Solutions
Michael Jansen	KTEC
Tom Slattery	AGC/KS
Scott Heidner	KS Consulting Engineers
Judy Brown	Am Inst of Arch
Mark Schweiber	Westar Energy
Tim C. Schaller	KDFA Prosp. Board Member
Olivia J. Schaller	SCHOOL PSYCHOLOGIST
Sandra Braden	Cure Council of Greater KC
<del>Anna Weber</del>	KFB.
Megan Chalfant	Burgess' Associates
Reggie Robinson	KBOR
Corey Peterson	AGCOF Kansas
Stephanie Buchanan	DOB
Bob Vancrum	Governer KC Chamber
Melina Gray	Gov Office - Appointments
Luke Thompson	Gov Office Appointments
Charles K/L	Hein Law Firm
Rebecca Floyd	KDFA
Juni Rose	KACCT
Jon Josseland	University of Kansas
JOHN DOUGHERTY	ESU
Pat Lehman	G K C C F

Substitute for HOUSE BILL No. 2647

By Committee on Economic Development

2-23

PROPOSED AMENDMENT  
KANSAS, INC. REVIEW  
March 18, 2004

Sen Commerce  
03/18/04  
Attach # 1

10 AN ACT concerning bioscience; creating a Kansas bioscience authority  
11 and providing for the powers and duties thereof, providing for bioscience  
12 development and funding, amending [K.S.A. 12-1771 and 12-  
13 1772 and] K.S.A. 2003 Supp. [12-1770a and] 74-5017 and 74-8005  
14 and repealing the existing sections

74-8004

15  
16 *Be it enacted by the Legislature of the State of Kansas:*

17 New Section 1. Sections 1 to 18, inclusive, and amendments thereto,  
18 shall be known and may be cited as the bioscience authority act.

19 New Sec. 2. (a) The legislature of the state of Kansas hereby finds  
20 and declares that:

21 (1) Biosciences develop uses of biochemistry, molecular biology, ge-  
22 netics, biotechnology, bioengineering and life sciences to promote and  
23 enhance health care, veterinary medicine, agriculture, forestry, energy,  
24 pharmacy, environment and other industries in the state of Kansas;

25 (2) High-paying jobs and innovative commercial products ensue from  
26 the biosciences, which requires an educated workforce with advanced  
27 technical skills;

28 (3) the universities, colleges, nonprofit institutions and private enter-  
29 prises in the state of Kansas will be able to further educate and train  
30 scientists, health care professionals and technicians to provide a suppor-  
31 tive environment for bioscience research, development, testing and prod-  
32 uct commercialization activities through increased targeted investments;

33 (4) manufacturing, licensing and commercialization of products de-  
34 rived from the biosciences will benefit the state's economy and will fa-  
35 cilitate the development of the bioscience industry and associated edu-  
36 cational institutions in the state of Kansas;

37 (5) the mission of the Kansas bioscience authority is to make Kansas  
38 the most desirable state in which to conduct, facilitate, support, fund and  
39 perform bioscience research, development and commercialization, to  
40 make Kansas a national leader in bioscience, to create new jobs, foster  
41 economic growth, advance scientific knowledge and improve the quality  
42 of life for the citizens of the state of Kansas;

43 (6) the needs of the citizens of the state of Kansas and the public and

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1 (k) During the five-year period after the effective date of this act, the  
 2 authority shall contract with KTEC at least once a year for KTEC to  
 3 submit a report to the board identifying all patents secured, licenses  
 4 granted, the number of eminent scholars and rising star scholars in the  
 5 state, a complete accounting of interests in technology sold, transferred,  
 6 licensed or otherwise disposed of, including, without limitation, the  
 7 names of buyers, the buyers' location, the date the technology was trans-  
 8 ferred, revenue generated by the transfer of such technology, and any  
 9 other information that the board deems appropriate. After the five-year  
 10 period from the effective date of this act, on at least an annual basis, the  
 11 authority shall conduct, either independently or through a contract with  
 12 a third party, including KTEC if chosen by the authority, a report of the  
 13 foregoing information to be submitted to the board.

14 (l) The authority shall prepare an annual report to the legislature and  
 15 the governor on all distributions from the ~~emerging industry investment~~  
 16 **[bioscience development and investment]** fund pursuant to the pro-  
 17 visions of the emerging industry investment act and income, investment  
 18 and income tax credits and exemptions pursuant to the bioscience tax  
 19 investment incentive act. The authority with assistance from the depart-  
 20 ment of revenue shall prepare an annual report summarizing the growth  
 21 of bioscience research and industry in Kansas.

22 New Sec. 10. (a) The Kansas development finance authority is  
 23 hereby authorized to issue bonds pursuant to the Kansas development  
 24 finance authority act, K.S.A. 74-8901 *et seq.*, and amendments thereto,  
 25 to finance: (1) Facilities, as defined in the Kansas development finance  
 26 authority act; for the conduct of bioscience programs, activities and re-  
 27 search of the authority, a bioscience company or a bioscience research  
 28 institute; (2) bioscience programs, activities and research of the authority,  
 29 a bioscience company or a bioscience research institute; and (3) to provide  
 30 sufficient funds to the authority necessary or convenient to carry out the  
 31 authority's purposes and powers under this act. No bonds may be issued  
 32 pursuant to this section unless the Kansas development finance authority  
 33 has received a resolution of the board of the authority requesting the  
 34 issuance of such bonds. Bonds issued pursuant to this section shall not  
 35 be subject to the notice requirements of K.S.A. 74-8905(c), and amend-  
 36 ments thereto.

37 (b) Any resolution by the board of the authority requesting bonds to  
 38 be issued by the Kansas development finance authority may (1) contain  
 39 such requirements, parameters and provisions as deemed appropriate by  
 40 the board for the purpose of carrying out the authority's purposes under  
 41 this act and (2) authorize such contracts or obligations of the authority  
 42 deemed appropriate by the board to secure the payment of such bonds,  
 43 including a pledge of all or any part of the revenues and assets of the

(m) The authority shall be subject to review by Kansas, inc. In the review, Kansas, inc. shall evaluate and report on the effectiveness of the activities of the bioscience authority in the manner provided in K.S.A. 74-8010, and amendments thereto.

1 vestment act, the bioscience development financing act, the  
2 bioscience research and development voucher program act, or the  
3 bioscience research matching funds act, shall repay such financial  
4 assistance to the authority, in the amount determined by the au-  
5 thority, if such bioscience company relocates operations outside  
6 Kansas within 10 years after receiving such financial assistance.  
7 Each such bioscience company shall enter into a repayment agree-  
8 ment with the authority specifying the terms of such repayment  
9 obligation.

10 (b) As used in this section, "bioscience company" has the  
11 meaning ascribed thereto by section 3, and amendments thereto,  
12 "bioscience development project" has the meaning ascribed  
13 thereto by section 25, and amendments thereto, and "authority"  
14 means the Kansas bioscience authority as created by section 4, and  
15 amendments thereto.]

16 Sec. ~~51~~ [52]. K.S.A. 12-1771 and 12-1772 and K.S.A. 2003 Supp. 12-  
17 1770, ~~and~~ 74-8017 and 74-8005 are hereby repealed.

18 Sec. ~~52~~ [53]. This act shall take effect and be in force from and after  
19 its publication in the statute book.

Insert K.S.A. 74-8004 amendment here

, 74-8004

RENUMBER REMAINING SECTIONS

Sec. 52. K.S.A. 2003 Supp. 74-8004 is hereby amended to read as follows: 74-8004. (a) In order to achieve its purpose as provided in this act, Kansas, Inc. shall:

(1) Serve in an advisory capacity to the governor, the Kansas department of commerce and the standing committee on commerce of the senate, the standing committee on new economy of the house of representatives and the joint committee on economic development.

(2) Assume central responsibility to develop, with the guidance of both the private and public sectors, all facets of a comprehensive long term economic development strategy.

(3) Coordinate the strategy development with all other state and local agencies and offices and state educational institutions which do research work, develop materials and programs, gather statistics, or which perform functions related to economic development; and such state and local agencies and offices and state educational institutions shall advise and cooperate with Kansas, Inc. in the planning and accomplishment of the strategy.

(4) Evaluate and analyze the state's economy to guide the direction of future public and private actions, and report and make recommendations to the governor, the department of commerce, and the standing committee on commerce of the senate, the standing committee on new economy of the house of representatives and the joint committee on economic development with respect to the state's economy. The report to the committee on commerce of the senate, the committee on new economy of the house of

representatives and the joint committee on economic development under this subsection shall be made by Kansas, Inc., either (A) by publishing such report on the internet and by notifying each member of the committees that the report is available and providing, as part of such notice, the uniform resource locator (URL) at which such report is available, or (B) by submitting copies of such report on CD-ROM or other electronically readable media to such committees.

(5) Oversee and evaluate the state's economic development activities on an ongoing basis through the establishment of goals, priorities performance standards and the periodic program audit of those goals, priorities and performance standards.

(6) Oversee the implementation of the state's economic development plan and monitor updates of that plan.

(7) Provide appropriate oversight to ensure the successful implementation of Kansas Venture Capital, Inc.

(8) Oversee the targeting of scarce state resources by size and sector of economic activity and by geographic location within the state in order to enhance the state's potential comparative economic advantages.

(9) Review and evaluate the annual reports of the department of commerce, Kansas technology enterprise corporation and Kansas Venture Capital, Inc. Kansas, Inc., shall transmit recommendations concerning the agencies' activities to the governor and the legislature no later than September 1 of each year.

(10) Evaluate and report on the effectiveness of the activities of the Kansas bioscience authority as provided in section 9.

(b) Kansas, Inc., shall seek advice from the general public and from professional associations, academic groups and institutions and individuals with knowledge of and interest in areas of economic development and planning.

(c) The department of commerce and all other interested state agencies shall cooperate with Kansas, Inc., in providing information and other assistance as may be requested for the performance of its duties with respect to the state's economic development plan.

Substitute for HOUSE BILL No. 2647

By Committee on Economic Development

2-23

PROPOSED AMENDMENT  
CONSTRUCTION REQUIREMENTS

March 18, 2004

Sen Commerce  
03/18/04  
Attach # 2

10 AN ACT concerning bioscience; creating a Kansas bioscience authority  
11 and providing for the powers and duties thereof; providing for biosci-  
12 ence development and funding; amending [K.S.A. 12-1771 and 12-  
13 1772 and] K.S.A. 2003 Supp. [12-1770a and] 74-5017 and 74-8905  
14 and repealing the existing sections.  
15

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

17 New Section 1. Sections 1 to 18, inclusive, and amendments thereto,  
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19 New Sec. 2. (a) The legislature of the state of Kansas hereby finds  
20 and declares that:

21 (1) Biosciences develop uses of biochemistry, molecular biology, ge-  
22 netics, biotechnology, bioengineering and life sciences to promote and  
23 enhance health care, veterinary medicine, agriculture, forestry, energy,  
24 pharmacy, environment and other industries in the state of Kansas;

25 (2) high-paying jobs and innovative commercial products ensue from  
26 the biosciences, which requires an educated workforce with advanced  
27 technical skills;

28 (3) the universities, colleges, nonprofit institutions and private enter-  
29 prises in the state of Kansas will be able to further educate and train  
30 scientists, health care professionals and technicians to provide a suppor-  
31 tive environment for bioscience research, development, testing and prod-  
32 uct commercialization activities through increased targeted investments;

33 (4) manufacturing, licensing and commercialization of products de-  
34 rived from the biosciences will benefit the state's economy and will fa-  
35 cilitate the development of the bioscience industry and associated edu-  
36 cational institutions in the state of Kansas;

37 (5) the mission of the Kansas bioscience authority is to make Kansas  
38 the most desirable state in which to conduct, facilitate, support, fund and  
39 perform bioscience research, development and commercialization, to  
40 make Kansas a national leader in bioscience, to create new jobs, foster  
41 economic growth, advance scientific knowledge and improve the quality  
42 of life for the citizens of the state of Kansas;

43 (6) the needs of the citizens of the state of Kansas and the public and

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1 authority's property for which payment of state and local taxes would oth-  
2 erwise be required.

3 New Sec. 13. Notwithstanding any other provision of law to the con-  
4 trary, the authority, its officers, directors, employees and agents shall be  
5 subject to and covered by the Kansas tort claims act K.S.A. 75-6101 *et*  
6 *seq.* and amendments thereto.

7 New Sec. 14. This act shall be liberally construed. Nothing contained  
8 herein is or shall be construed as a restriction or limitation upon any  
9 powers that the authority might otherwise have under other law of this  
10 state, and the provisions of this act are cumulative to such powers. The  
11 provisions hereof do and shall be construed to provide a complete, ad-  
12 ditional and alternative method for the doing of the things authorized and  
13 shall be regarded as supplemental and additional to any other laws. In-  
14 sofar as the provisions of this act are inconsistent with the provisions of  
15 any other law, general, specific or local, the provisions of this act shall be  
16 controlling.

17 ~~New Sec. 15. Nothing in this act should be construed as allowing the  
18 board to sell the authority or substantially all of the assets of the authority,  
19 or to merge the authority with another institution, without prior legislative  
20 authorization by statute.~~

21 ~~New Sec. 16. (a) Notwithstanding any state laws or regulations to the  
22 contrary, the authority shall not be subject to any further process or pro-  
23 cedure that requires the submission, review or approval to any capital  
24 project. The authority shall ensure that nationally recognized fire preven-  
25 tion code and life safety inspections under K.S.A. 31-132 *et seq.* and  
26 amendments thereto, of any capital project are conducted and that such  
27 projects are inspected by the state fire marshal, or the state fire marshal's  
28 designee, prior to certification for building occupancy.~~

29 ~~(b) The authority shall not be subject to any county and local building  
30 codes.~~

31 ~~New Sec. 17. The authority is exempt from the provisions of K.S.A.  
32 12-1675 through 12-1677, 45-401 through 45-413, 75-1250 through 75-  
33 1270, 75-2925 through 75-2975, 75-3701 through 75- 37,119, 75-4363,  
34 75-4701 through 75-4744, and 77-501 through 77-550 and K.S.A. 75-4362  
35 and amendments thereto.~~

36 ~~New Sec. 18. The authority may, at the election of the board, affiliate  
37 with the Kansas public employees retirement system with respect to any  
38 or all employees employed by the authority on or after the effective date  
39 of this act, in accordance with the provisions of K.S.A. 74-4910 and  
40 amendments thereto. The authority may, at the election of the board,  
41 adopt, in accordance with requirements of the federal internal revenue  
42 code, a retirement plan or plans sponsored by the authority with respect  
43 to employees employed by the authority on or after the effective date of~~

[INSERT SECTION ON PROCEDURES FOR CONSTRUCTION,  
ARCHITECTURAL, AND ENGINEERING HERE AS NEW SECTION 15  
AND RENUMBER REMAINING SECTIONS]

2-2

New Sec. 15. (a) As used in this section, unless the context expressly provides otherwise:

(1) "Ancillary technical services" include, but shall not be limited to, geology services and other soil or subsurface investigation and testing services, surveying, adjusting and balancing of air conditioning, ventilating, heating and other mechanical building systems, testing and consultant services that are determined by the bioscience authority to be required for a project;

(2) "architectural services" means those services described by subsection (e) of K.S.A. 74-7003, and amendments thereto;

(3) "construction services" means the work performed by a construction contractor to commence and complete a project;

(4) "construction management at-risk services" means the services provided by a firm which has entered into a contract with the bioscience authority to be the construction manager at risk for the value and schedule of the contract for a project, which is to hold the trade contracts and execute the work for a project in a manner similar to a general contractor and which is required to solicit competitive bids for the trade packages developed for a project and to enter into the trade contracts for a project with the lowest responsible bidder therefor, and may include, but are not limited to, such services as scheduling, value analysis, systems analysis, constructability reviews, progress document reviews, subcontractor involvement and prequalification, subcontractor bonding policy, budgeting and

price guarantees, and construction coordination;

(5) "division of facilities management" means the division of facilities management of the department of administration;

(6) "engineering services" means those services described by subsection (i) of K.S.A. 74-7003, and amendments thereto;

(7) "firm" means (A) with respect to architectural services, an individual, firm, partnership, corporation, association or other legal entity which is: (i) permitted by law to practice the profession of architecture; and (ii) maintaining an office in Kansas staffed by one or more architects who are licensed by the board of technical professions; or (iii) not maintaining an office in Kansas, but which is qualified to perform special architectural services that are required in special cases where in the judgment of the bioscience authority it is necessary to go outside the state to obtain such services; (B) with respect to engineering services or land surveying, an individual, firm, partnership, corporation, association or other legal entity permitted by law to practice the profession of engineering and provide engineering services or practice the profession of land surveying and provide land surveying services, respectively; (C) with respect to construction management at-risk services, a qualified individual, firm, partnership, corporation, association or other legal entity permitted by law to perform construction management at-risk services; (D) with respect to ancillary technical services or other services that are determined by the bioscience authority to be required for a project, a qualified

individual, firm, partnership, corporation, association or other legal entity permitted by law to practice the required profession or perform the other required services, as determined by the bioscience authority; and (E) with respect to construction services, a qualified individual, firm, partnership, corporation, association, or other legal entity permitted by law to perform construction services for a project;

(8) "land surveying" means those services described in subsection (j) of K.S.A. 74-7003, and amendments thereto;

(9) "negotiating committee" means the board of directors of the subsidiary corporation formed under K.S.A. 2003 Supp. 76-781, and amendments thereto;

(10) "project" means a project undertaken by the Kansas bioscience authority;

(11) "project services" means architectural services, engineering services, land surveying, construction management at-risk services, construction services, ancillary technical services or other construction-related services determined by the bioscience authority to be required for a project; and

(12) "state building advisory commission" means the state building advisory commission created by K.S.A. 75-3780, and amendments thereto.

(b) The bioscience authority, when acting under authority of this act, and each project authorized by the bioscience authority under this act are exempt from the provisions of K.S.A. 75-1269, 75-3738 through 75-3741b, 75-3742 through 75-3744, and 75-3783,

and amendments thereto, except as otherwise specifically provided by this act.

(c) Notwithstanding the provisions of K.S.A. 75-3738 through 75-3744, and amendments thereto, or the provisions of any other statute to the contrary, all contracts for any supplies, materials or equipment for a project authorized by the bioscience authority under this act, shall be entered into in accordance with procurement procedures determined by the bioscience authority, subject to the provisions of this section, except that, in the discretion of the bioscience authority, any such contract may be entered into in the manner provided in and subject to the provisions of any such statute otherwise applicable thereto. Notwithstanding the provisions of K.S.A. 75-3738 through 75-3744, and amendments thereto, if the bioscience authority does not obtain construction management at-risk services for a project, the construction services for such project shall be obtained pursuant to competitive bids and all contracts for construction services for such project shall be awarded to the lowest responsible bidder in accordance with procurement procedures determined and administered by the bioscience authority which shall be consistent with the provisions of K.S.A. 75-3738 through 75-3744, and amendments thereto.

(d) When it is necessary in the judgment of the bioscience authority to obtain project services for a particular project by conducting negotiations therefor, the bioscience authority shall

publish a notice of the commencement of negotiations for the required project services at least 15 days prior to the commencement of such negotiations in the Kansas register in accordance with K.S.A. 75-430a, and amendments thereto, and in such other appropriate manner as may be determined by the bioscience authority.

(e) (1) Notwithstanding the provisions of subsection (b) of K.S.A. 75-1251, and amendments thereto, or the provisions of any other statute to the contrary, as used in K.S.A. 75-1250 through 75-1270, and amendments thereto, with respect to the procurement of architectural services for a project authorized by the bioscience authority under this act, "negotiating committee" shall mean the board of directors of the subsidiary corporation formed under K.S.A. 2003 Supp. 76-781, and amendments thereto, and such board of directors shall negotiate a contract with a firm to provide any required architectural services for the project in accordance with the provisions of K.S.A. 75-1250 through 75-1270, and amendments thereto, except that no limitation on the fees for architectural services for the project shall apply to the fees negotiated by the board of directors for such architectural services.

(2) Notwithstanding the provisions of subsection (e) of K.S.A. 75-5802, and amendments thereto, or the provisions of any other statute to the contrary, as used in K.S.A. 75-5801 through 75-5807, and amendments thereto, with respect to the procurement of engineering services or land surveying services for a project



authorized by the bioscience authority under this act, "negotiating committee" shall mean the board of directors of the subsidiary corporation formed under K.S.A. 2003 Supp. 76-781, and amendments thereto, and such board of directors shall negotiate a contract with a firm to provide any required engineering services or land surveying services for the project in accordance with the provisions of K.S.A. 75-5801 through 75-5807, and amendments thereto.

(3) In any case of a conflict between the provisions of this section and the provisions of K.S.A. 75-1250 through 75-1270, or 75-5801 through 75-5807, and amendments thereto, with respect to a project authorized by the bioscience authority under this act, the provisions of this section shall govern.

(f) (1) For the procurement of construction management at-risk services for projects under this act, the secretary of administration shall encourage firms engaged in the performance of construction management at-risk services to submit annually to the secretary of administration and to the state building advisory commission a statement of qualifications and performance data. Each statement shall include data relating to (A) the firm's capacity and experience, including experience on similar or related projects, (B) the capabilities and other qualifications of the firm's personnel, and (C) performance data of all consultants the firm proposes to use.

(2) Whenever the bioscience authority determines that a construction manager at risk is required for a project under this

act, the bioscience authority shall notify the state building advisory commission and the state building advisory commission shall prepare a list of at least three and not more than five firms which are, in the opinion of the state building advisory commission, qualified to serve as construction manager at risk for the project. Such list shall be submitted to the negotiating committee, without any recommendation of preference or other recommendation. The negotiating committee shall have access to statements of qualifications of and performance data on the firms listed by the state building advisory commission and all information and evaluations regarding such firms gathered and developed by the secretary of administration under K.S.A. 75-3783, and amendments thereto.

(3) The negotiating committee shall conduct discussions with each of the firms so listed regarding the project. The negotiating committee shall determine which construction management at-risk services are desired and then shall proceed to negotiate with and attempt to enter into a contract with the firm considered to be most qualified to serve as construction manager at risk for the project. The negotiating committee shall proceed in accordance with the same process with which negotiations are undertaken to contract with a firm to be a project architect under K.S.A. 75-1257, and amendments thereto, to the extent that such provisions can be made to apply. Should the negotiating committee be unable to negotiate a satisfactory contract with the firm considered to be most qualified, negotiations with that firm

shall be terminated and shall undertake negotiations with the second most qualified firm, and so forth, in accordance with that statute.

(4) The contract to perform construction management at-risk services for a project shall be prepared by the division of facilities management and entered into by the bioscience authority with the firm contracting to perform such construction management at-risk services.

(g) (1) To assist in the procurement of construction services for projects under this act, the secretary of administration shall encourage firms engaged in the performance of construction services to submit annually to the secretary of administration and to the state building advisory commission a statement of qualifications and performance data. Each statement shall include data relating to (A) the firm's capacity and experience, including experience on similar or related projects, (B) the capabilities and other qualifications of the firm's personnel, (C) performance data of all subcontractors the firm proposes to use, and (D) such other information related to the qualifications and capability of the firm to perform construction services for projects as may be prescribed by the secretary of administration.

(2) The construction manager at risk shall publish a construction services bid notice in the Kansas register and in such other appropriate manner as may be determined by the bioscience authority. Each construction services bid notice shall

include the request for bids and other bidding information prepared by the construction manager at risk and the state bioscience authority with the assistance of the division of facilities management. The current statements of qualifications of and performance data on the firms submitting bid proposals shall be made available to the construction manager at risk and the bioscience authority by the state building advisory commission along with all information and evaluations developed regarding such firms by the secretary of administration under K.S.A. 75-3783, and amendments thereto. Each firm submitting a bid proposal shall be bonded in accordance with K.S.A. 60-1111, and amendments thereto, and shall present evidence of such bond to the construction manager at risk prior to submitting a bid proposal. If a firm submitting a bid proposal fails to present such evidence, such firm shall be deemed unqualified for selection under this subsection. At the time for opening the bids, the construction manager at risk shall evaluate the bids and shall determine the lowest responsible bidder. The construction manager at risk shall enter into contracts with each firm performing the construction services for the project and make a public announcement of each firm selected in accordance with this subsection.

(h) The division of facilities management shall provide such information and assistance as may be requested by the bioscience authority or the negotiating committee for a project, including all or part of any project services as requested by the

bioscience authority, and (1) shall prepare the request for proposals and publication information for each publication of notice under this section, subject to the provisions of this section, (2) shall prepare each contract for project services for a project, including each contract for construction services for a project, (3) shall conduct design development reviews for each project, (4) shall review and approve all construction documents for a project prior to soliciting bids or otherwise soliciting proposals from construction contractors or construction service providers for a project, (5) shall obtain and maintain copies of construction documents for each project, and (6) shall conduct periodic inspections of each project, including jointly conducting the final inspection of each project.

(i) Notwithstanding the provisions of any other statute, the bioscience authority shall enter into one or more contracts with the division of facilities management for each project for the services performed by the division of facilities management for the project as required by this section or at the request of the bioscience authority. The division of facilities management shall receive fees from the bioscience authority to recover the costs incurred to provide such services pursuant to such contracts.

(j) Design development reviews and construction document reviews conducted by the division of facilities management shall be limited to ensuring only that the construction documents do not change the project description and that the construction documents comply with the standards established under K.S.A.

75-3783, and amendments thereto, by the secretary of administration for the planning, design and construction of buildings and major repairs and improvements to buildings for state agencies, including applicable building and life safety codes and appropriate and practical energy conservation and efficiency standards.

(k) Each project for a state educational institution shall receive a final joint inspection by the division of facilities management and the bioscience authority. Each such project shall be officially accepted by the bioscience authority before such project is occupied or utilized by the state educational institution, unless otherwise agreed to in writing by the contractor and the bioscience authority as to the satisfactory completion of the work on part of the project that is to be occupied and utilized, including any corrections of the work thereon.

(1) (1) The bioscience authority shall issue monthly reports of progress on each project and shall advise and consult with the joint committee on state building construction regarding each project. Change orders and changes of plans for a project shall be authorized or approved by the bioscience authority.

(2) No change order or change of plans for a project involving either cost increases of \$75,000 or more or involving a change in the proposed use of a project shall be authorized or approved by the bioscience authority without having first advised and consulted with the joint committee on state building



construction.

(3) Change orders or changes in plans for a project involving a cost increase of less than \$75,000 and any change order involving a cost reduction, other than a change in the proposed use of the project, may be authorized or approved by the bioscience authority without prior consultation with the joint committee on state building construction. The bioscience authority shall report to the joint committee on state building construction all action relating to such change orders or changes in plans.

(4) If the bioscience authority determines that it is in the best interest of the state to authorize or approve a change order, a change in plans or a change in the proposed use of any project that the bioscience authority is required to first advise and consult with the joint committee on state building construction prior to issuing such approval and if no meeting of the joint committee is scheduled to take place within the next 10 business days, then the bioscience authority may use the procedure authorized by subsection (d) of K.S.A. 75-1264, and amendments thereto, in lieu of advising and consulting with the joint committee at a meeting. In any such case, the bioscience authority shall mail a summary description of the proposed change order, change in plans or change in the proposed use of any project to each member of the joint committee on state building construction and to the director of the legislative research department. If the bioscience authority provides notice and

information to the members of the joint committee and to such director in the manner required and subject to the same provisions and conditions that apply to the secretary of administration under such statute, and if less than two members of the joint committee contact the director of the legislative research department within seven business days of the date the summary description was mailed and request a presentation and review of any such proposed change order, change in plans or change in use at a meeting of the joint committee, then the bioscience authority shall be deemed to have advised and consulted with the joint committee about such proposed change order, change in plans or change in proposed use and may authorize or approve such proposed change order, change in plans or change in proposed use.

(m) The provisions of this section shall apply to each project authorized by the bioscience authority under this act and shall not apply to any other capital improvement project of the bioscience authority or of any state educational institution that is specifically authorized by any other statute.

**Substitute for HOUSE BILL No. 2647**

By Committee on Economic Development

2-23

PROPOSED AMENDMENT  
SENATOR BARNETT  
BIOSCIENCE ACADEMY/SCIENCE MATH MAJORS  
March 18, 2004

Sen Commerce  
03/18/04  
Attach #3

10 AN ACT concerning bioscience; creating a Kansas bioscience authority  
11 and providing for the powers and duties thereof; providing for biosci-  
12 ence development and funding; amending [K.S.A. 12-1771 and 12-  
13 1772 and] K.S.A. 2003 Supp. [12-1770a and] 74-8017 and 74-8005  
14 and repealing the existing sections.

15  
16 *Be it enacted by the Legislature of the State of Kansas:*  
17 Now Section 1. Sections 1 to 18, inclusive, and amendments thereto,  
18 shall be known and may be cited as the bioscience authority act.

19 Now Sec. 2. (a) The legislature of the state of Kansas hereby finds  
20 and declares that:

21 (1) Biosciences develop uses of biochemistry, molecular biology, ge-  
22 netics, biotechnology, bioengineering and life sciences to promote and  
23 enhance health care, veterinary medicine, agriculture, forestry, energy,  
24 pharmacy, environment and other industries in the state of Kansas;

25 (2) high-paying jobs and innovative commercial products ensue from  
26 the biosciences, which requires an educated workforce with advanced  
27 technical skills;

28 (3) the universities, colleges, nonprofit institutions and private enter-  
29 prises in the state of Kansas will be able to further educate and train  
30 scientists, health care professionals and technicians to provide a suppor-  
31 tive environment for bioscience research, development, testing and prod-  
32 uct commercialization activities through increased targeted investments;

33 (4) manufacturing, licensing and commercialization of products der-  
34 ived from the biosciences will benefit the state's economy and will fa-  
35 cilitate the development of the bioscience industry and associated edu-  
36 cational institutions in the state of Kansas;

37 (5) the mission of the Kansas bioscience authority is to make Kansas  
38 the most desirable state in which to conduct, facilitate, support, fund and  
39 perform bioscience research, development and commercialization, to  
40 make Kansas a national leader in bioscience, to create new jobs, foster  
41 economic growth, advance scientific knowledge and improve the quality  
42 of life for the citizens of the state of Kansas;

43 (6) the needs of the citizens of the state of Kansas and the public and

Senators  
03/18/04  
Attachments  
JCS

3-2

1 practices;

2 (19) solicit, study and assist in the preparation of business plans and  
3 proposals of new or established businesses to advance the biosciences in  
4 the state;

5 (20) own and possess patents, copyrights, trademarks and proprietary  
6 technology and to enter into contracts for the purposes of commercial-  
7 izing and establishing charges for the use of such patents, copyrights,  
8 trademarks and proprietary technology involving bioscience;

9 (21) contract for and to accept any gifts, grants and loans of funds,  
10 property or any other aid in any form from the federal government, the  
11 state, any state agency or any other source, or any combination thereof,  
12 and to comply with the provisions of the terms and conditions thereof;

13 (22) acquire space, equipment, services, supplies and insurance nec-  
14 essary to carry out the purposes of this act;

15 (23) deposit any moneys of the authority in any banking institution  
16 within or without the state or in any depository authorized to receive such  
17 deposits, one or more persons to act as custodians of the moneys of the  
18 authority;

19 (24) procure such insurance, participate in such insurance plans or  
20 provide such self-insurance or both as it deems necessary or convenient  
21 to carry out the purposes and provisions of this act; the purchase of in-  
22 surance, participation in an insurance plan or creation of a self-insurance  
23 fund by the authority shall not be deemed as a waiver or relinquishment  
24 of any sovereign immunity to which the authority or its officers, directors,  
25 employees or agents are otherwise entitled;

26 (25) appoint, supervise and set the salary and compensation of the  
27 president, who shall be appointed by and serve at the pleasure of the  
28 board;

29 (26) fix, revise, charge and collect rates, rentals, fees and other  
30 charges for the services or facilities furnished by or on behalf of the au-  
31 thority, and to establish policies and procedures regarding any such ser-  
32 vice rendered for the use, occupancy or operation of any such facility; such  
33 charges and policies and procedures not to be subject to supervision or  
34 regulation by any commission, board, bureau or agency of the state; and

35 ~~(27)~~ do any and all things necessary or convenient to carry out the  
36 authority's purposes and exercise the powers given in this act.

37 (b) The authority may create, own in whole or in part, or otherwise  
38 acquire or dispose of any entity organized for a purpose related to or in  
39 support of the mission of the authority.

40 (c) The authority may participate in joint ventures and collaborate  
41 with any taxpayer, governmental body or agency, insurer, university and  
42 college of the state, or any other entity to facilitate any activities or pro-  
43 grams consistent with the purpose and intent of this act.

(27) issue grants to high schools for the purpose of creating bioscience academies and to Kansas universities and colleges for the purpose of increasing the number of students majoring in bioscience, science education and math education. The authority shall set requirements for curricula, teaching credentials and any other items and procedures incidental to establishing the grant programs; and

3-2

**Senate Confirmation Information Summary**  
*Prepared and Submitted by the Office of Governor Kathleen Sebelius*

**Appointee:** Timothy C. Schaller

**Position:** Member, Kansas Development Finance Authority

**Appointment Date:** February 20, 2004

**Expiration Date:** January 15, 2007

**Term Length:** 4 years

---

**Statutory Authority:** K.S.A. 74-8903

**Party Affiliation:** Republican

⇒ Statutory geographic representation  
Requirements (*insert any that apply*)

Congressional District:

County:

Size requirement (*if any*):

Other, specify:

⇒ Statutory party affiliation requirement: Not less than three voting members shall be representative of the general public.

⇒ Statutory industry or occupation requirements:

**Salary:** N/A

**Predecessor:** Robert I. Guenther

---

**Board Composition Prior to Confirmation of New Appointee:**

*(SEE ATTACHED LIST)*

*Senate Commerce  
03/18/04  
Attach# 4*

GovAppts: 5

otalAppts: 5

Statute: KSA 74-8903

Party Ratio: 3:2

Confirmation: Y

\*\* Committee Approved; Subject to Full Senate Confirmation

Term Length: Four Years

Notes: No fewer than 3 from general public  
Governor designates Chair & Vice-Chair  
Meets monthly

Contact: Stephen R. Weatherford  
Kansas Development Finance Authority  
555 S. Kansas Avenue, Suite 202  
Topeka, Kansas 66603  
785/357-4445  
785/357-4478 fax

4.2

	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>
Guenthner Robert I. 2433 Cardinal Drive Wichita KS 67204 H: 316/838-1084 W: 316/262-2671 FAX:	Sedgwick	R	4	91	25	01/20/2000	01/15/2003
		<b>Position:</b> a member and Vice Chair <b>Seat #:</b> 004 <b>Succeeds:</b> himself -- reappointed <b>Appointed by:</b> Governor <b>Remarks:</b> Public Member					
Langworthy Audrey H. 6324 Ash Street Shawnee Mission KS 66208 H: 913/362-4067 W: 913/722-0100 FAX:	Johnson	R	3	25	7	10/27/2003	01/15/2005
		<b>Position:</b> a member <b>Seat #:</b> 002 <b>Succeeds:</b> Thomas A. Page, who resigned <b>Appointed by:</b> Governor <b>Remarks:</b> Public Member					
Montgomery John G. 222 W Sixth Street Junction City KS 66441 H: W: 785/762-5100 FAX: 785/762-4584	Geary	D	1	65	22	05/02/2001	01/15/2005
		<b>Position:</b> a member <b>Seat #:</b> 003 <b>Succeeds:</b> Daniel Snyder <b>Appointed by:</b> Governor <b>Remarks:</b> Public Member					

f



	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>
Reber Brett A. 320 S. Walnut Mc Pherson KS 67460 H: 620-241-7138 W: 620-241-0554 FAX: 620-241-3641	Mc Pherson	D	1	73	35	05/02/2003	01/15/2007
		<b>Position:</b> a member <b>Seat #:</b> 005 <b>Succeeds:</b> Bart Hildreth <b>Appointed by:</b> Governor <b>Remarks:</b> Public Member					

4-3

Watkins Daniel L. 643 Indiana Lawrence KS 66044 H: 785-842-8794 W: 785-843-0181 FAX: 785-749-5652	Douglas	D	3	44	2	05/02/2003	01/15/2005
		<b>Position:</b> a member and Chair <b>Seat #:</b> 001 <b>Succeeds:</b> Thomas C. Blackburn, who resigned <b>Appointed by:</b> Governor <b>Remarks:</b> Public Member					



Tim C. Schaller  
Architect

Tim C. Schaller  
Architect R.A.  
President of Schaller Construction Incorporated  
Larned Industrial Park P.O. BOX 197  
Larned, KS 67550  
Bus. 316-285-2950 FAX 620-285-2940 RES. 316-285-6855

**EDUCATION:**

Bachelor of Architecture Degree Kansas State University 1972.

**EXPERIENCE:**

Blanchard, Vanderweide, & Fillmore Architects, Garden City, KS 1972-1975 (Architectural Internship) Licensed 1976, Kansas # 1987, Licensed 1997 Colorado # 305155, Licensed 2002 Nebraska # A-3302

Schaller Construction Incorporated, Larned, KS (Started in 1979).

SCI is a design build firm with in house architectural services, estimating and a full line construction company. SCI specializes in the design-build area of new commercial, commercial renovation, new custom residential and design services.

**SPECIAL SKILLS:**

Designing, estimating, and constructing commercial structures within the budget. Estimating new construction prior to bid, as a tool in architectural budgeting. Being a contractor as well as an architect, our firm has the capacity to handle renovations and new design and construction services with a better grasp on feasible methods and techniques of construction to insure a more expeditious and complete contract, with the end result being a more satisfied clientele. In addition to doing the design and construction of commercial contracts, we work with associate architects, engineers, etc. to complete the team effort needed on some specific projects.

**ACTIVITIES & MEMBERSHIPS:**

- 1) Ten year member of the Larned, Pawnee County Planning Commission.
- 2) Eight year member of the Larned, Pawnee County Board of Zoning Appeals.
- 3) Sacred Heart School – Endowment Board – 8 years.
- 4) Sacred Heart Church – Finance Council – Chairman – 8 years
- 5) National Rifle Association.
- 6) Fort Larned Arms Association.
- 7) Kansas Bowhunters Association
- 8) Past Member – Governors Commission on Housing

**INTERESTS & HOBBIES:**

Hunting, Fishing, and sponsoring Hunts for Handicap and Terminal Ill Youngsters. Enjoying the blessings of 5 children with my wonderful wife.

Larned Industrial Park • P. O. Box 197 • Larned, Kansas 67550 • Telephone 620-285-2950  
FAX 620-285-2940 • email tim@kans.com

(for Appointments Office use only)

KBI Check:  NA  In Process  Complete

### KANSAS GOVERNOR SEBELIUS APPOINTMENT QUESTIONNAIRE

Position for which you are applying: Board Member KDFA

Full Name (please include title and middle name): Timothy Craig Schaller

Home Address: RR# 2 Box 6 A, Larned, Ks. 67550 Pawnee  
(City, State, Zip) (County)

Business Address: P.O. Box 197, Larned Industrial Park, Larned, Ks. 67550 Pawnee  
(City, State, Zip) (County)

Business Name: Schaller Construction Inc.

Position Title: President

Home Phone: 620-285-6855 Business Phone: 620-285-2950 Cell Phone: 620-285-5371

Facsimile No: 620-285-2940 E-Mail Address: tim@kans.com

Driver's License No: \_\_\_\_\_ Social Security No: \_\_\_\_\_

Date of Birth: 6/24/49 Place of Birth: Spearville, Ks. Kansas resident? Life

Registered Voter? Yes Party Affiliation: Republican

Congressional District: 1 Kansas Senate District: 37 Kansas Representative District: 114

Do you have the legal right to live and work in the United States? Yes

Education: Bachelors Degree in Architecture - KSU - 1972

Employment Experience: Self Employed Since 1977

Do you hold any professional licenses? If so, please provide numbers: Kansas - 1987 - Architecture.  
Nebraska - A - 3302 "  
Colorado - C - 5155 "

What special skills could you bring to this position? Design & Construction Experience  
with emphasis on Budget & Cost Control @ Quality Design.

Previous government appointments: Governors Commission on Housing. 2001-2002  
(Please provide dates)

**EXPERIENCE AND AFFILIATIONS (Note: All yes answers require a detailed response. Attach a separate sheet if necessary.)**

1. **Military Service:** List rank, date, and type of discharge from active service: N/A
2. **Government Experience:** List on a separate sheet any experience or association with local, state or federal government (exclusive of elective public office but including advisory, consulting, honorary, or other part-time service or positions), with dates of service:  
Governors Commission on Housing
3. **Elective Public Office:** List on a separate sheet all elective public offices sought and/or held with dates of service: N/A
4. **Honors and Awards.** List on a separate sheet all scholarships, fellowships, honorary degrees, honorary society memberships, and any other special recognitions for outstanding service or achievements: N/A
5. **Organization Affiliations.** List on a separate sheet all local, state, and national civic, cultural, educational, charitable, or work-related organizations you have been associated with in the past ten years. Include any position held in the organization and the dates of service.
6. **Organization Restrictions:** To your knowledge, is any organization listed above restricted on the basis of race, color, religion, sex, national origin, disability, marital status, or veteran status? If yes, please describe: No X Yes \_\_\_\_\_
7. **Issues.** Have you ever been publicly identified, in person or by organizational membership, with a particularly controversial national or local issue? If so, please describe. No X Yes \_\_\_\_\_
8. **Submission of views.** Have you ever submitted oral or written views to any governmental authority, whether executive or legislative, or to the news media on any particular controversial issue other than in an official governmental capacity? If yes, please describe. No \_\_\_\_\_ Yes X  
Letters to Editors, lack of economic development in our city.
9. **Associations.** Have you ever had any association with any person, group, or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for the position to which you seek to be appointed? If yes, please describe. No X Yes \_\_\_\_\_
10. **Opposition.** Do you know of any person or group who might take overt or covert steps to attack, even unfairly, your appointment? If yes, please identify and explain the basis for the potential attack on a separate sheet. No X Yes \_\_\_\_\_
11. **Miscellaneous.** List on a separate sheet any factors, other than the information provided above, which particularly qualify you or are relevant to the position to which you are seeking appointment? Include any special skills.

**CONFLICTS OF INTEREST: (Yes answers require a detailed response. If necessary, use a separate sheet.)**

12. **Relationship to governmental employees.** Are you or your spouse or other close family members related to any state governmental official or employee? If yes, please provide details. No  Yes \_\_\_\_\_
13. **Compensation.** During the past five years have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If yes, please explain. No  Yes \_\_\_\_\_
14. **Business relationships.** Describe on a separate sheet any business relationship, dealing, or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client, or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state. None
15. **Transactions with officials.** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If, yes, please explain on a separate sheet. No  Yes \_\_\_\_\_
16. **Spouse or other family members.** If the nature of employment for your spouse or other close family member is related in any way to the position to which you want to be appointed, please indicate the employer, the position, and the length of time it has been held. If it is not, please so state. NO
17. **Lobbying activities.** Describe briefly on a separate sheet any lobbying activity during the past ten years in which you have engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action. Describe briefly any lobbying activity during the last ten years in which your spouse has engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action that is related in any way to the position to which you are seeking appointment. (Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government, or any official of the legislative branch.) If none, please so state. None
18. **Regulated activities.** Describe on a separate sheet any interest that you, your spouse, or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership, or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state. None
19. **Other.** Please describe on a separate sheet any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you seek to be appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state. None

**ETHICAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)**

20. **Citations.** Have you ever been cited for a breach of ethics for unprofessional conduct by, or been named in a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If yes, please provide details.  
No  Yes \_\_\_\_\_
21. **Convictions.** Have you ever been convicted of or entered a plea of guilty or nolo contendere or forfeited collateral for any criminal violation other than a minor traffic offense? (Minor traffic offenses do not include the Kansas offenses of driving under the influence, operating while impaired, reckless driving, or the equivalent offenses in other states.) If yes, please explain.  
No  Yes \_\_\_\_\_
22. **U.S. Military convictions.** Have you ever been convicted by any military court? If yes, please provide details. No  Yes \_\_\_\_\_
23. **Imprisonment.** Have you ever been imprisoned, been on probation, or been on parole? If yes, please provide details. No  Yes \_\_\_\_\_
24. **Agency proceedings: Civil Litigation.** Are you presently, or have you ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If yes, please provide details.  
No  Yes \_\_\_\_\_
25. **Agency proceedings and civil litigation of affiliates and family.** Has any business in which you, your spouse, close family member or business associate are or were an officer, director or partner been a party to any administrative agency proceeding or civil litigation relevant to the position to which you are seeking appointment? If yes, please provide details. (With respect to this question, you need only consider proceedings and litigation that occurred while you, your spouse, close family member, or business associate were an officer of that business.)  
No  Yes \_\_\_\_\_
26. **Other litigation.** Other than the litigation described above, have you or any business in which you are or were an officer, director, or partner been a plaintiff or a defendant in a civil lawsuit? If yes, please describe. Is anyone currently threatening to sue you or any business in which you are an officer, director, or partner? If yes, please describe. No  Yes \_\_\_\_\_
27. **Drivers license.** Has your drivers license ever been suspended or revoked? If yes, please describe. No \_\_\_\_\_ Yes  *When I was 14 years old, I had an accident and my license was suspended. It was a farm driving permit.*
28. **Parking tickets.** Do you have outstanding parking tickets from any jurisdiction in Kansas that have remained unpaid for more than 60 days? If yes, please explain. No  Yes \_\_\_\_\_
29. **Security clearance denial.** Have you ever been denied a military or other governmental clearance? If yes, please explain. No  Yes \_\_\_\_\_



30. **Firings.** During the past ten years, have you been fired from a job for any reason? Did you quit after being told that you would be fired, or did you leave by mutual agreement because of specific problems? If yes, please provide details. No  Yes \_\_\_
31. **Alimony and child support.** Are you now, or have you ever been delinquent in the payment of alimony or child support? If yes, please provide details. No  Yes \_\_\_
32. **Consumption of alcohol.** Are you currently abusing alcohol? No  Yes \_\_\_
33. **Controlled substances.** Are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If yes, please describe. No  Yes \_\_\_
34. **Physical examination.** If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test? No \_\_\_ Yes
35. **Other.** Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment.

**FINANCIAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)**

36. **Delinquencies.** Are you delinquent on any federal, state, or local debt? (Include delinquencies for income, property, or other taxes; governmental loans; overpayment of benefits; required payments into or under governmental programs; and other debts or required payments to the government; plus any defaults on or under loans which are or were guaranteed, insured, or subsidized by any unit of government.) If yes, please provide details on a separate sheet of paper. No  Yes \_\_\_

**REFERENCES/SIGNIFICANT SUPPORTERS (elected officials, community leaders, friends, etc.)**

Name: Bruce Gatterman Relationship to you: Judge

Telephone: 620-285-2247

Name: Kent Moffett Relationship to you: Banker

Telephone: 620-285-3177

Name: Jerry Larson Relationship to you: Attorney (City)

Telephone: 620-285-3157

Name: Gene Dikeman Relationship to you: Banker


Telephone: 620-285-6931



**CERTIFICATION:**

Application are true and complete. False statements, answers, or omissions on this application are sufficient cause for nonconsideration or for dismissal after appointment or employment. I also certify that this application is based on receipt of satisfactory information from former employers and references, and that I will perform the essential elements, with or without reasonable accommodations, for the position I am applying. I herein authorize investigation, without liability, of the information supplied by me for employment or appointment including academic, occupational, health, law enforcement, and criminal records. I also authorize listed employers and references, without liability, to make full response to any inquiry in connection with this application for appointment or employment. I understand and agree that the terms, conditions, compensation, benefits, hours, schedule, and duration of my appointment or employment may be determined, changed, or modified from time to time at the will of the appointing authority or designee. I understand the limitation or condition. I FURTHER CERTIFY THAT I HAVE READ THE FOREGOING STATEMENT AND KNOWINGLY MAKE THIS AUTHORIZATION BY SETTING FORTH MY SIGNATURE.

I understand that if I am required to be registered, licensed, or certified by federal or state law or regulation for the position I seek, I will notify the appointing authority immediately if any investigation, limitation, or cancellation of my registration, licensure, or certification occurs. If any investigation, probation, limitation, or cancellation occurs, I understand that my failure to notify my appointing authority as described above will result in the termination of my appointment or employment.

Signature  Date 1/9/04

**Please attach a copy of your resume if you have not previously provided one to the Appointments office.**



## 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

Last Name

First Name

MI

Schaller

Timothy

C.

Spouse's Name

Doris

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

RR # 2, Box 6 A

City, State, Zip Code

Larned, Kansas

620-285-2950

Home Phone Number (include area code)

620-285-6855

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)

KDFA

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.

\*

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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. Schaller Const. Inc P.O. Box 197, Larned Ind. Park Larned, Ks. 67550	Construction/ Architecture		100%	Joint
2. Land (Farmland/Pasture) Garfield Township, Santa Fe Township	Farmland/ Pasture		100%	Joint
4. IRA - Tim Schaller	Retirement Account		100%	Self
5. IRA - Doris Schaller	"		100%	Self
6. KPERS - Doris Schaller Topeka, Kansas	Retirement Account		100%	Self
7. Investment Center of Kansas Appleton, WI.	Mutual Funds		100%	Joint
8. Bear Stearns Fund Providence, Rhode Island	Mutual Funds.		100%	Joint
9.				
10.				

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.		

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.

- 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.	Schaller Const. Inc. (Tim)	Larned, KS. 67550	Const. / Architecture
2.	Tri-County Services (Doris)	Larned, KS. 67550	School Psychologist

- 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.	Tri-County Services (Doris)	Larned, Kansas 67550	School Psychologist
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.			
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.

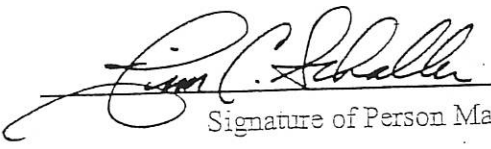
If you have nothing to report in Section "G", check here .

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

H. DECLARATION:

I, Tim C. Schaller, 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.

1/9/04  
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.