

HOUSE BILL No. 2443

By Representative Claeys

1-6

1 AN ACT concerning economic development; relating to promotion of the
2 unmanned aircraft systems industry in Kansas and establishing a
3 director and office to develop and coordinate a plan for such
4 promotion; amending K.S.A. 2015 Supp. 74-4911f and repealing the
5 existing section.
6

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

8 New Section 1. As used in this act:

9 (a) "UAS" means unmanned aircraft systems or unmanned aerial
10 systems.

11 (b) "Director" means the director of UAS development.

12 (c) "Office" means the office of UAS development.

13 New Sec. 2. The legislature declares it necessary and to be the public
14 policy of this state to encourage the general economic welfare and
15 prosperity of the state through the promotion of industries with future
16 growth potential and finds the development of an unmanned aircraft
17 systems industry and related industries in Kansas should be encouraged,
18 facilitated and supported. The purpose of this act is to attain this goal, and
19 to coordinate and provide direction to the activities of groups, public and
20 private, which are engaged in these efforts.

21 New Sec. 3. (a) On and after July 1, 2016, in order to encourage,
22 facilitate and coordinate development of UAS industry in this state, there
23 is hereby established within the executive branch of government the office
24 of UAS development, which shall be administered under the direction and
25 supervision of the director of UAS development.

26 (b) The office of UAS development shall be located within the
27 department of transportation, which shall provide facilities and
28 administrative support.

29 (c) The director shall be appointed by the governor, subject to
30 confirmation by the senate as provided in K.S.A. 75-4315b, and
31 amendments thereto. Except as provided by K.S.A. 46-2601, and
32 amendments thereto, no person appointed as director shall exercise any
33 power, duty or function as director until confirmed by the senate. The
34 director shall be a member of the governor's cabinet and shall report to and
35 serve at the pleasure of the governor. The director shall be in the
36 unclassified service under the Kansas civil service act and shall receive an

1 annual salary to be fixed by the governor.

2 (d) (1) Subject to appropriations therefor, the director may employ
3 professional staff and employees as in the director's judgment are
4 necessary to properly carry out the provisions of this act. Except as
5 otherwise provided in this act or by K.S.A. 75-2935, and amendments
6 thereto, such employees shall be within the classified service or
7 unclassified service under the Kansas civil service act as such positions are
8 designated by the director. Employees shall be within the office of UAS
9 development and shall have such authority, powers, duties and functions as
10 are assigned or delegated to them by the director.

11 (2) The director may appoint one public information officer, one chief
12 attorney, one personal secretary and one technical assistant with expertise
13 in UAS who shall be in the unclassified service under the Kansas civil
14 service act and shall receive compensation fixed by the director and
15 approved by the governor.

16 (e) The director may adopt rules and regulations for the
17 administration of matters within the jurisdiction of the director.

18 (f) The provisions of the Kansas governmental operations
19 accountability law apply to the office and the office is subject to audit,
20 review and evaluation under such law.

21 New Sec. 4. (a) The duty of the director shall be to create, coordinate,
22 facilitate and provide direction for strategies to develop and support UAS
23 industry and employment in Kansas. The director shall pursue activities
24 toward that end including, but not limited to:

25 (1) Developing a strategic plan to focus efforts on sectors of or fields
26 within the UAS industry that best leverage Kansas assets and comparative
27 advantages and that will offer the best opportunities for industry and
28 employment growth, and providing coordination and direction for
29 implementation of the plan;

30 (2) developing, coordinating and providing direction for partnerships,
31 programs and activities with federal and Kansas state agencies, public and
32 private educational institutions in this state, the military and private sectors
33 and other appropriate public and private sector organizations so as to
34 maximize results;

35 (3) developing, coordinating and providing direction for partnerships
36 with agencies, appropriate authorities, boards, commissions or other public
37 or private organizations or public or private educational institutions of
38 other states where beneficial to development of the Kansas UAS industry;

39 (4) marketing the state to the private sector and the public so as to
40 develop interest and growth in the state UAS industry;

41 (5) facilitating and expediting use of UAS by law enforcement,
42 firefighters and other emergency responders in Kansas; and

43 (6) coordinating and facilitating access to all aspects of state support

1 for the UAS industry, including, but not limited to, financial incentives.

2 (b) In carrying out the purposes of this act, the director shall advise
3 and consult with the secretary of commerce, the secretary of labor and the
4 secretary of transportation. The secretary of commerce, secretary of labor
5 and secretary of transportation shall provide assistance and cooperate with
6 the director to facilitate the director's achievement of the purposes of this
7 act.

8 New Sec. 5. To carry out the purposes of this act and the duties of the
9 director, the director is authorized to:

10 (a) Prepare a state plan for the development of UAS industry in
11 Kansas.

12 (b) Enter into agreements and contracts as necessary.

13 (c) Make agreements with other states, their agencies or appropriate
14 state authorities, organizations or educational institutions and with the
15 federal government, its agencies or appropriate authorities.

16 (d) Accept funds from the federal government or its agencies or any
17 other source for research studies, investigation, planning, programs and
18 any other purposes related to the duties of the director. Any funds so
19 received shall be remitted to the state treasurer. Upon receipt of any such
20 remittance, the state treasurer shall deposit the entire amount in the state
21 treasury in accordance with the provisions of K.S.A. 75-4215, and
22 amendments thereto, to the credit of the office of UAS development fund
23 which is hereby created. The fund shall be administered by the director.
24 Expenditures from such fund may be made for any purpose in keeping
25 with the responsibilities, functions and authority of the director, upon
26 warrants of the director of accounts and reports issued pursuant to
27 vouchers approved by the director or director's designee.

28 (e) Establish an advisory committee or committees to provide advice
29 to the director on any matters determined by the director to be of aid in
30 carrying out the director's duties. Any such advisory committee shall have
31 no decision-making authority. Members shall be appointed in the sole
32 discretion of the director. Members of the advisory committee attending
33 meetings of the advisory committee or a subcommittee of the advisory
34 committee or other authorized meetings of the advisory committee shall
35 not be paid compensation but shall be paid amounts provided in K.S.A.
36 75-3223(e), and amendments thereto.

37 (f) Perform such other functions and duties as necessary to carry out
38 the provisions of this act.

39 New Sec. 6. (a) On or before January 9, 2017, the director shall
40 submit a report, including an outline of the plan for the development of
41 UAS industry in Kansas, and a list of any suggested changes in statutes or
42 rules and regulations to facilitate the plan to the president of the senate, the
43 speaker of the house of representatives, the house committee on

1 commerce, labor and economic development and the senate committee on
2 commerce.

3 (b) On or before January 8, 2018, and on or before the second
4 Monday in January of each year thereafter, the director shall submit a
5 report to the house committee on commerce, labor and economic
6 development and the senate committee on commerce which shall include:

7 (1) An analysis of progress regarding implementation of the plan and
8 any changes or proposed changes to the plan; and

9 (2) all incurred and proposed expenditures, including all revisions to
10 such expenditures, for the current fiscal year and for ensuing fiscal years.

11 Sec. 7. K.S.A. 2015 Supp. 74-4911f is hereby amended to read as
12 follows: 74-4911f. (a) Subject to procedures or limitations prescribed by
13 the governor, any person who is not an employee and who becomes a state
14 officer may elect to not become a member of the system. The election to
15 not become a member of the system must be filed within 90 days of
16 assuming the position of state officer. Such election shall be irrevocable. If
17 such election is not filed by such state officer, such state officer shall be a
18 member of the system.

19 (b) Any such state officer who is a member of the Kansas public
20 employees retirement system, on or after the effective date of this act, may
21 elect to not be a member by filing an election with the office of the
22 retirement system. The election to not become a member of the system
23 must be filed within 90 days of assuming the position of state officer. If
24 such election is not filed by such state officer, such state officer shall be a
25 member of the system.

26 (c) Subject to limitations prescribed by the board, the state agency
27 employing any employee who has filed an election as provided under
28 subsection (a) or (b) and who has entered into an employee participation
29 agreement, as provided in K.S.A. 2015 Supp. 74-49b10, and amendments
30 thereto, for deferred compensation pursuant to the Kansas public
31 employees deferred compensation plan shall contribute to such plan on
32 such employee's behalf an amount equal to 8% of the employee's salary, as
33 such salary has been approved pursuant to K.S.A. 75-2935b, and
34 amendments thereto, or as otherwise prescribed by law. With regard to a
35 state officer who is a member of the legislature who has retired pursuant to
36 the Kansas public employees retirement system and who files an election
37 as provided in this section, employee's salary means per diem
38 compensation as provided by law as a member of the legislature.

39 (d) As used in this section and K.S.A. 74-4927k, and amendments
40 thereto, "state officer" means the secretary of administration, secretary for
41 aging and disability services, secretary of commerce, secretary of
42 corrections, secretary of health and environment, secretary of labor,
43 secretary of revenue, secretary for children and families, secretary of

1 transportation, secretary of wildlife, parks and tourism, superintendent of
2 the Kansas highway patrol, secretary of agriculture, *director of UAS*
3 *development*, executive director of the Kansas lottery, executive director of
4 the Kansas racing commission, president of the Kansas development
5 finance authority, state fire marshal, state librarian, securities
6 commissioner, adjutant general, members and chief hearing officer of the
7 state board of tax appeals, members of the state corporation commission,
8 any unclassified employee on the staff of officers of both houses of the
9 legislature, any unclassified employee appointed to the governor's or
10 lieutenant governor's staff, any person employed by the legislative branch
11 of the state of Kansas, other than any such person receiving service
12 credited under the Kansas public employees retirement system or any
13 other retirement system of the state of Kansas therefor, who elected to be
14 covered by the provisions of this section as provided in K.S.A. 46-1302(e),
15 and amendments thereto, or who is first employed on or after July 1, 1996,
16 by the legislative branch of the state of Kansas and any member of the
17 legislature who has retired pursuant to the Kansas public employees
18 retirement system.

19 (e) The provisions of this section shall not apply to any state officer
20 who has elected to remain eligible for assistance by the state board of
21 regents as provided in K.S.A. 74-4925(a), and amendments thereto.

22 Sec. 8. K.S.A. 2015 Supp. 74-4911f is hereby repealed.

23 Sec. 9. This act shall take effect and be in force from and after its
24 publication in the statute book.