

**House Substitute for SENATE BILL No. 313**

By Committee on Federal and State Affairs

3-20

1 AN ACT concerning abortion; relating to restrictions on late term  
2 abortions; relating to the woman's-right-to-know act; creating the no  
3 taxpayer funding for abortion act; amending K.S.A. 60-1901 and  
4 K.S.A. 2011 Supp. 40-2246, 65-6701, 65-6703, 65-6709, 65-6710, 76-  
5 3308, 79-32,117, 79-32,138, 79-32,182b, 79-32,195, 79-32,261 and 79-  
6 3606 and repealing the existing sections; also repealing K.S.A. 2011  
7 Supp. 79-3606g.

8  
9 *Be it enacted by the Legislature of the State of Kansas:*

10 New Section 1. (a) Sections 1 through 6, and amendments thereto,  
11 shall be known and may be cited as the no taxpayer funding for abortion  
12 act.

13 (b) As used in this act:

14 (1) "Abortion" has the same meaning as such term is defined in  
15 K.S.A. 65-6701, and amendments thereto.

16 (2) "Health benefit plan" means any hospital or medical expense  
17 policy, health, hospital or medical services corporation contract, and a plan  
18 provided by a municipal group-funded pool, or a health maintenance  
19 organization contract offered by any employer or any certificate issued  
20 under any such policy, contract or plan.

21 (3) "Health care entity" means an individual physician or other health  
22 care professional, a hospital, a provider-sponsored organization, a health  
23 maintenance organization or any other health care facility or organization.

24 (4) "State agency" has the same meaning as such term is defined in  
25 K.S.A. 75-3701, and amendments thereto.

26 New Sec. 2. Except to the extent required by federal law:

27 (a) No moneys appropriated from the state general fund or from any  
28 special revenue fund shall be expended for any abortion;

29 (b) no tax credit shall be allowed against any income tax, premium or  
30 privilege tax liability and no exemption shall be granted from sales or  
31 compensating use tax for that portion of such amounts paid or incurred for  
32 an abortion, or that portion of such amounts paid or incurred for a health  
33 benefit plan, including premium assistance, for the purchase of an optional  
34 rider for coverage of abortion in accordance with K.S.A. 2011 Supp. 40-  
35 2,190, and amendments thereto;

36 (c) in the case of any tax-preferred trust or account, the purpose of

1 which is to pay medical expenses of the account beneficiary, any amount  
2 paid or distributed from such an account for an abortion shall be included  
3 in the gross income of such beneficiary; and

4 (d) no health care services provided by any state agency, or any  
5 employee of a state agency while acting within the scope of such  
6 employee's employment, shall include abortion. Nothing in this subsection  
7 shall be construed to prevent a physician enrolled in a residency program  
8 and employed by the university of Kansas medical center from receiving  
9 experience with induced abortions{,} conducted at facilities other than  
10 those owned, leased or operated by the university of Kansas hospital  
11 authority or any other state entity; **Provided however, that** for purposes  
12 of this ~~act~~ {subsection} only, such physicians shall be considered as acting  
13 outside the scope of ~~their~~ {such physician's} official employment in such  
14 actions. This provision regarding physicians enrolled in a residency  
15 program shall remain in effect through June 30, 2013.

16 New Sec. 3. Nothing in sections 1 through 6, and amendments  
17 thereto, shall repeal, amend or have any effect on any other state law to the  
18 extent such law imposes any limitation on the use of funds for abortion,  
19 more restrictive than the limitations set forth in sections 1 through 6, and  
20 amendments thereto.

21 New Sec. 4. Nothing in sections 1 through 6, and amendments  
22 thereto, shall be construed:

23 (a) To require any state agency or municipality to provide or pay for  
24 any abortion; or

25 (b) as creating or recognizing a right to an abortion.

26 New Sec. 5. No state agency shall discriminate against any individual  
27 or institutional health care entity on the basis that such health care entity  
28 does not provide, pay for or refer for abortions.

29 New Sec. 6. The limitations set forth in sections 1 through 6, and  
30 amendments thereto, shall not apply to an abortion which is necessary to  
31 preserve the life of the pregnant woman.

32 New Sec. 7. (a) No person shall perform an abortion with knowledge  
33 that the pregnant woman is seeking the abortion solely on account of the  
34 sex of the unborn child.

35 (b) (1) A woman upon whom an abortion is performed or induced, or  
36 upon whom there is an attempt to perform or induce an abortion, in  
37 violation of this section, the father, if married to the woman at the time of  
38 the abortion, and the parents or custodial guardian of the woman, if the  
39 woman has not attained the age of 18 years at the time of the abortion,  
40 may in a civil action obtain appropriate relief, unless, in a case where the  
41 plaintiff is not the woman upon whom the abortion was performed, the  
42 pregnancy resulted from the plaintiff's criminal conduct.

43 (2) Such relief shall include:

1 (A) Money damages for all injuries, psychological and physical,  
2 occasioned by the violation of this section;

3 (B) statutory damages equal to three times the cost of the abortion;  
4 and

5 (C) reasonable attorney fees.

6 (c) A woman upon whom an abortion is performed shall not be  
7 prosecuted under this section for a conspiracy to violate this section  
8 pursuant to K.S.A. 2011 Supp. 21-5302, and amendments thereto.

9 (d) Nothing in this section shall be construed to create a right to an  
10 abortion. Notwithstanding any provision of this section, a person shall not  
11 perform an abortion that is prohibited by law.

12 (e) Upon a first conviction of a violation of this section, a person  
13 shall be guilty of a class A person misdemeanor. Upon a second or  
14 subsequent conviction of a violation of this section, a person shall be  
15 guilty of a severity level 10, person felony.

16 (f) If any provision of this section is held to be invalid or  
17 unconstitutional, it shall be conclusively presumed that the legislature  
18 would have enacted the remainder of this section without such invalid or  
19 unconstitutional provision.

20 New Sec. 8. (a) No school district, employee or volunteer thereof, or  
21 educational service provider contracting with such school district shall  
22 provide abortion services. No school district shall permit any person or  
23 entity to offer, sponsor or otherwise furnish in any manner any course  
24 materials or instruction relating to human sexuality or sexually transmitted  
25 diseases if such person or entity is an abortion services provider.

26 (b) For the purposes of this section, the term "abortion" shall have the  
27 same meaning as such term is defined in K.S.A. 65-6701, and amendments  
28 thereto.

29 New Sec. 9. (a) No civil action may be commenced in any court for a  
30 claim of wrongful life or wrongful birth, and no damages may be  
31 recovered in any civil action for any physical condition of a minor that  
32 existed at the time of such minor's birth if the damages sought arise out of  
33 a claim that a person's action, or omission, contributed to such minor's  
34 mother not obtaining an abortion.

35 (b) Nothing in this section shall be deemed to create any new cause of  
36 action, nor preclude any otherwise proper cause of action based on a claim  
37 that, but for a person's wrongful action, or omission, the death or injury of  
38 the mother would not have occurred, or the handicap, disease or disability  
39 of an individual prior to birth would have been prevented, cured or  
40 ameliorated in a manner that preserved the health and life of such  
41 individual.

42 (c) As used in this section:

43 (1) "Abortion" has the same meaning as such term is defined in

1 K.S.A. 65-6701, and amendments thereto.

2 (2) "Claim of wrongful birth" means a cause of action brought by a  
3 parent, legal guardian or other individual legally required to provide for  
4 the support of a minor, which seeks damages, whether economic or  
5 noneconomic, as a result of a physical condition of such minor that existed  
6 at the time of such minor's birth, and which is based on a claim that a  
7 person's action, or omission, contributed to such minor's mother not  
8 obtaining an abortion.

9 (3) "Claim of wrongful life" means a cause of action brought by, or  
10 on behalf of, a minor, which seeks damages, whether economic or  
11 noneconomic, for such minor as a result of a physical condition of such  
12 minor that existed at the time of such minor's birth, and which is based on  
13 a claim that a person's action, or omission, contributed to such minor's  
14 mother not obtaining an abortion.

15 Sec. 10. K.S.A. 2011 Supp. 40-2246 is hereby amended to read as  
16 follows: 40-2246. (a) A credit against the taxes otherwise due under the  
17 Kansas income tax act shall be allowed to an employer for amounts paid  
18 during the taxable year for purposes of this act on behalf of an eligible  
19 employee as defined in K.S.A. 40-2239, and amendments thereto, to  
20 provide health insurance or care and amounts contributed to health savings  
21 accounts of eligible covered employees, *except that for taxable years*  
22 *commencing after December 31, 2012, no credit shall be allowed pursuant*  
23 *to this section for that portion of any amounts paid by an employer for*  
24 *healthcare, a health benefit plan, as defined in section 1, and amendments*  
25 *thereto, or amounts contributed to health savings accounts for the*  
26 *purchase of an optional rider for coverage of abortion in accordance with*  
27 *K.S.A. 2011 Supp. 40-2,190, and amendments thereto.*

28 (b) (1) For employers that have established a small employer health  
29 benefit plan after December 31, 1999, but prior to January 1, 2005, the  
30 amount of the credit allowed by subsection (a) shall be \$35 per month per  
31 eligible covered employee or 50% of the total amount paid by the  
32 employer during the taxable year, whichever is less, for the first two years  
33 of participation. In the third year, the credit shall be equal to 75% of the  
34 lesser of \$35 per month per employee or 50% of the total amount paid by  
35 the employer during the taxable year. In the fourth year, the credit shall  
36 be equal to 50% of the lesser of \$35 per month per employee or 50% of the  
37 total amount paid by the employer during the taxable year. In the fifth year,  
38 the credit shall be equal to 25% of the lesser of \$35 per month per  
39 employee or 50% of the total amount paid by the employer during the  
40 taxable year. For the sixth and subsequent years, no credit shall be  
41 allowed.

42 (2) For employers that have established a small employer health  
43 benefit plan or made contributions to a health savings account of an

1 eligible covered employee after December 31, 2004, the amount of credit  
2 allowed by subsection (a) shall be \$70 per month per eligible covered  
3 employee for the first 12 months of participation, \$50 per month per  
4 eligible covered employee for the next 12 months of participation and \$35  
5 per eligible covered employee for the next 12 months of participation.  
6 After 36 months of participation, no credit shall be allowed.

7 (c) If the credit allowed by this section is claimed, the amount of any  
8 deduction allowable under the Kansas income tax act for expenses  
9 described in this section shall be reduced by the dollar amount of the  
10 credit. The election to claim the credit shall be made at the time of filing  
11 the tax return in accordance with law. If the credit allowed by this section  
12 exceeds the taxes imposed under the Kansas income tax act for the taxable  
13 year, that portion of the credit which exceeds those taxes shall be refunded  
14 to the taxpayer.

15 (d) Any amount of expenses paid by an employer under this act shall  
16 not be included as income to the employee for purposes of the Kansas  
17 income tax act. If such expenses have been included in federal taxable  
18 income of the employee, the amount included shall be subtracted in  
19 arriving at state taxable income under the Kansas income tax act.

20 (e) The secretary of revenue shall promulgate rules and regulations to  
21 carry out the provisions of this section.

22 (f) This section shall apply to all taxable years commencing after  
23 December 31, 1999.

24 Sec. 11. K.S.A. 60-1901 is hereby amended to read as follows: 60-  
25 1901. (a) If the death of a person is caused by the wrongful act or  
26 omission of another, an action may be maintained for the damages  
27 resulting therefrom if the former might have maintained the action had ~~he~~  
28 ~~or she~~ *such person* lived, in accordance with the provisions of this article,  
29 against the wrongdoer, or ~~his or her~~ *such wrongdoer's* personal  
30 representative if ~~he or she~~ *such wrongdoer* is deceased.

31 (b) *As used in article 19 of chapter 60 of the Kansas Statutes*  
32 *Annotated, and amendments thereto, a person also means an unborn child.*

33 (c) *As used in this section, "unborn child" means a living individual*  
34 *organism of the species homo sapiens, in utero, at any stage of gestation*  
35 *from fertilization to birth.*

36 (d) *This section shall not apply to a wrongful death action if the*  
37 *death is of an unborn child by means of:*

38 (1) *Any act committed by the mother of the unborn child;*

39 (2) *any medical procedure, including abortion, performed by a*  
40 *physician or other licensed medical professional at the request of the*  
41 *pregnant woman or her legal guardian; or*

42 (3) *the lawful dispensation or administration of lawfully prescribed*  
43 *medication.*

1 Sec. 12. K.S.A. 2011 Supp. 65-6701 is hereby amended to read as  
2 follows: 65-6701. As used in ~~this act~~ *K.S.A. 65-6701 through 65-6721 and*  
3 *section 7, and amendments thereto:*

4 (a) "Abortion" means the use or prescription of any instrument,  
5 medicine, drug or any other substance or device to terminate the  
6 pregnancy of a woman known to be pregnant with an intention other than  
7 to increase the probability of a live birth, to preserve the life or health of  
8 the child after live birth, or to remove a dead unborn child who died as the  
9 result of natural causes in utero, accidental trauma or a criminal assault on  
10 the pregnant woman or her unborn child, and which causes the premature  
11 termination of the pregnancy.

12 (b) *"Bodily function" means physical functions only. The term "bodily*  
13 *function" does not include mental or emotional functions.*

14 ~~(b)(c)~~ "Counselor" means a person who is: (1) Licensed to practice  
15 medicine and surgery; (2) ~~licensed to practice psychology; (3) licensed to~~  
16 ~~practice professional or practical nursing; (4) registered to practice~~  
17 ~~professional counseling; (5) licensed as a social worker; (6) the holder of a~~  
18 ~~master's or doctor's degree from an accredited graduate school of social~~  
19 ~~work; (7) registered to practice marriage and family therapy; (8) licensed~~  
20 ~~to practice professional or practical nursing; (3) the following persons~~  
21 ~~licensed to practice behavioral sciences: Licensed psychologists, licensed~~  
22 ~~master's level psychologists, licensed clinical psychotherapists, licensed~~  
23 ~~social workers, licensed specialist clinical social workers, licensed~~  
24 ~~marriage and family therapists, licensed clinical marriage and family~~  
25 ~~therapists, licensed professional counselors, licensed clinical professional~~  
26 ~~counselors; (4) a licensed physician assistant; or (9)(5) a currently~~  
27 ~~ordained member of the clergy or religious authority of any religious~~  
28 ~~denomination or society. Counselor does not include the physician who~~  
29 ~~performs or induces the abortion or a physician or other person who assists~~  
30 ~~in performing or inducing the abortion.~~

31 ~~(e)(d)~~ "Department" means the department of health and  
32 environment.

33 ~~(d)(e)~~ "Gestational age" means the time that has elapsed since the  
34 first day of the woman's last menstrual period.

35 ~~(e)(f)~~ "Medical emergency" means ~~that a condition which, on the~~  
36 ~~basis of the physician's good faith clinical judgment, that, in reasonable~~  
37 ~~medical judgment, so complicates the medical condition of a the pregnant~~  
38 ~~woman as to necessitate the immediate abortion of her pregnancy without~~  
39 ~~first determining gestational age to avert her death or for which a delay~~  
40 ~~necessary to determine gestational age will create serious risk of~~  
41 ~~substantial and irreversible physical impairment of a major bodily~~  
42 ~~function. No condition shall be deemed a medical emergency if based on a~~  
43 ~~claim or diagnosis that the woman will engage in conduct which would~~

1 *result in her death or in substantial and irreversible physical impairment*  
2 *of a major bodily function.*

3 ~~(f)~~(g) "Minor" means a person less than 18 years of age.

4 ~~(g)~~(h) "Physician" means a person licensed to practice medicine and  
5 surgery in this state.

6 ~~(h)~~(i) "Pregnant" or "pregnancy" means that female reproductive  
7 condition of having an unborn child in the mother's body.

8 ~~(i)~~(j) "Qualified person" means an agent of the physician who is a  
9 psychologist, licensed social worker, ~~registered~~ *licensed* professional  
10 counselor, *licensed marriage and family therapist, licensed master's level*  
11 *psychologist, licensed clinical psychotherapist*, registered nurse or  
12 physician.

13 ~~(j)~~(k) "Unemancipated minor" means any minor who has never been:  
14 (1) Married; or (2) freed, by court order or otherwise, from the care,  
15 custody and control of the minor's parents.

16 ~~(k)~~(l) "Viable" means that stage of fetal development when it is the  
17 physician's judgment according to accepted obstetrical or neonatal  
18 standards of care and practice applied by physicians in the same or similar  
19 circumstances that there is a reasonable probability that the life of the child  
20 can be continued indefinitely outside the mother's womb with natural or  
21 artificial life-supportive measures.

22 Sec. 13. K.S.A. 2011 Supp. 65-6703 is hereby amended to read as  
23 follows: 65-6703. (a) No person shall perform or induce, *or attempt to*  
24 *perform or induce* an abortion when the unborn child is viable unless such  
25 person is a physician and has a documented referral from another  
26 physician not legally or financially affiliated with the physician  
27 performing or inducing, *or attempting to perform or induce* the abortion  
28 and both physicians provide a written determination, based upon a medical  
29 judgment arrived at using and exercising that degree of care, skill and  
30 proficiency commonly exercised by the ordinary skillful, careful and  
31 prudent physician in the same or similar circumstances and that would be  
32 made by a reasonably prudent physician, knowledgeable in the field, and  
33 knowledgeable about the case and the treatment possibilities with respect  
34 to the conditions involved, that: (1) The abortion is necessary to preserve  
35 the life of the pregnant woman; or (2) a continuation of the pregnancy will  
36 cause a substantial and irreversible *physical* impairment of a major bodily  
37 function of the pregnant woman. *No condition shall be deemed to exist if it*  
38 *is based on a claim or diagnosis that the woman will engage in conduct*  
39 *that would result in her death or in substantial and irreversible physical*  
40 *impairment of a major bodily function.*

41 (b) Except in the case of a medical emergency, a copy of the written  
42 documented referral and of the abortion-performing physician's written  
43 determination shall be provided to the pregnant woman no less than 30

1 minutes prior to the initiation of the abortion. The written determination  
2 shall be time-stamped at the time it is delivered to the pregnant woman.  
3 The medical basis for the determination shall also be reported by the  
4 physician as part of the written report made by the physician to the  
5 secretary of health and environment under K.S.A. 65-445, and  
6 amendments thereto. Such determination shall specify:

7 (1) If the unborn child was determined to be nonviable and the  
8 medical basis of such determination;

9 (2) if the abortion is necessary to preserve the life of the pregnant  
10 woman and the medical basis of such determination, including the specific  
11 medical condition the physician believes would cause the death of the  
12 pregnant woman; or

13 (3) if a continuation of the pregnancy will cause a substantial and  
14 irreversible *physical* impairment of a major bodily function of the pregnant  
15 woman and the medical basis of such determination, including the specific  
16 medical condition the physician believes would constitute a substantial and  
17 irreversible *physical* impairment of a major bodily function of the pregnant  
18 woman.

19 (c) (1) Except in the case of a medical emergency, prior to performing  
20 *or inducing, or attempting to perform or induce* an abortion upon a  
21 woman, the physician shall determine the gestational age of the unborn  
22 child according to accepted obstetrical and neonatal practice and standards  
23 applied by physicians in the same or similar circumstances. If the  
24 physician determines the gestational age is less than 22 weeks, the  
25 physician shall document as part of the medical records of the woman the  
26 basis for the determination. The medical basis for the determination of the  
27 gestational age of the unborn child shall also be reported by the physician  
28 as part of the written report made by the physician to the secretary of  
29 health and environment under K.S.A. 65-445, and amendments thereto.

30 (2) If the physician determines the gestational age of the unborn child  
31 is 22 or more weeks, prior to performing *or inducing, or attempting to*  
32 *perform or induce* an abortion upon the woman the physician shall  
33 determine if the unborn child is viable by using and exercising that degree  
34 of care, skill and proficiency commonly exercised by the ordinary skillful,  
35 careful and prudent physician in the same or similar circumstances. In  
36 making this determination of viability, the physician shall perform or cause  
37 to be performed such medical examinations and tests as are necessary to  
38 make a finding of the gestational age of the unborn child and shall enter  
39 such findings and determinations of viability in the medical record of the  
40 woman.

41 (3) If the physician determines the gestational age of an unborn child  
42 is 22 or more weeks, and determines that the unborn child is not viable and  
43 performs an abortion on the woman, the physician shall report such



1 determinations, the medical basis and the reasons for such determinations  
2 in writing to the medical care facility in which the abortion is performed  
3 for inclusion in the report of the medical care facility to the secretary of  
4 health and environment under K.S.A. 65-445, and amendments thereto, or  
5 if the abortion is not performed in a medical care facility, the physician  
6 shall report such determinations, the medical basis and the reasons for  
7 such determinations in writing to the secretary of health and environment  
8 as part of the written report made by the physician to the secretary of  
9 health and environment under K.S.A. 65-445, and amendments thereto.

10 (4) If the physician who is to perform the abortion determines the  
11 gestational age of an unborn child is 22 or more weeks, and determines  
12 that the unborn child is viable, both physicians under subsection (a)  
13 determine in accordance with the provisions of subsection (a) that an  
14 abortion is necessary to preserve the life of the pregnant woman or that a  
15 continuation of the pregnancy will cause a substantial and irreversible  
16 *physical* impairment of a major bodily function of the pregnant woman  
17 and the physician performs an abortion on the woman, the physician who  
18 performs the abortion shall report such determinations, the medical basis  
19 and the reasons for such determinations, including the specific medical  
20 diagnosis for the determination that an abortion is necessary to preserve  
21 the life of the pregnant woman or that a continuation of the pregnancy will  
22 cause a substantial and irreversible *physical* impairment of a major bodily  
23 function of the pregnant woman and the name of the referring physician  
24 required by subsection (a) in writing to the medical care facility in which  
25 the abortion is performed for inclusion in the report of the medical care  
26 facility to the secretary of health and environment under K.S.A. 65-445,  
27 and amendments thereto, or if the abortion is not performed in a medical  
28 care facility, the physician who performs the abortion shall report such  
29 determinations, the medical basis and the reasons for such determinations,  
30 including the specific medical diagnosis for the determination that an  
31 abortion is necessary to preserve the life of the pregnant woman or that a  
32 continuation of the pregnancy will cause a substantial and irreversible  
33 *physical* impairment of a major bodily function of the pregnant woman  
34 and the name of the referring physician required by subsection (a) in  
35 writing to the secretary of health and environment as part of the written  
36 report made by the physician to the secretary of health and environment  
37 under K.S.A. 65-445, and amendments thereto.

38 (5) The physician shall retain the medical records required to be kept  
39 under paragraphs (1) and (2) of this subsection (c) for not less than 10  
40 years and shall retain a copy of the written reports required under  
41 paragraphs (3) and (4) of this subsection (c) for not less than 10 years.

42 (d) The secretary of health and environment shall adopt rules and  
43 regulations to administer this section. Such rules and regulations shall

1 include:

2 (1) A detailed list of the information that must be kept by a physician  
3 under paragraphs (1) and (2) of subsection (c);

4 (2) the contents of the written reports required under paragraphs (3)  
5 and (4) of subsection (c); and

6 (3) detailed specifications regarding information that must be  
7 provided by a physician in order to comply with the obligation to disclose  
8 the medical basis and specific medical diagnosis relied upon in  
9 determining that an abortion is necessary to preserve the life of the  
10 pregnant woman or that a continuation of the pregnancy will cause a  
11 substantial and irreversible *physical* impairment of a major bodily function  
12 of the pregnant woman.

13 (e) A woman upon whom an abortion is performed shall not be  
14 prosecuted under this section for a conspiracy to violate this section  
15 pursuant to K.S.A. 2011 Supp. 21-5302, and amendments thereto.

16 (f) Nothing in this section shall be construed to create a right to an  
17 abortion. Notwithstanding any provision of this section, a person shall not  
18 perform an abortion that is prohibited by law.

19 (g) (1) A woman upon whom an abortion is performed in violation of  
20 this section, the father, if married to the woman at the time of the abortion,  
21 and the parents or custodial guardian of the woman, if the woman has not  
22 attained the age of 18 years at the time of the abortion, may in a civil  
23 action obtain appropriate relief, unless, in a case where the plaintiff is not  
24 the woman upon whom the abortion was performed, the pregnancy  
25 resulted from the plaintiff's criminal conduct.

26 (2) Such relief shall include:

27 (A) Money damages for all injuries, psychological and physical,  
28 occasioned by the violation of this section;

29 (B) statutory damages equal to three times the cost of the abortion;  
30 and

31 (C) reasonable attorney fees.

32 (h) The prosecution of violations of this section may be brought by  
33 the attorney general or by the district attorney or county attorney for the  
34 county where any violation of this section is alleged to have occurred.

35 (i) Nothing in this section shall be construed to restrict the authority  
36 of the board of healing arts to engage in a disciplinary action.

37 (j) If any provision of this section is held to be invalid or  
38 unconstitutional, it shall be conclusively presumed that the legislature  
39 would have enacted the remainder of this section without such invalid or  
40 unconstitutional provision.

41 (k) Upon a first conviction of a violation of this section, a person  
42 shall be guilty of a class A nonperson misdemeanor. Upon a second or  
43 subsequent conviction of a violation of this section, a person shall be

1 guilty of a severity level 10, nonperson felony.

2 Sec. 14. K.S.A. 2011 Supp. 65-6709 is hereby amended to read as  
3 follows: 65-6709. No abortion shall be performed or induced without the  
4 voluntary and informed consent of the woman upon whom the abortion is  
5 to be performed or induced. Except in the case of a medical emergency,  
6 consent to an abortion is voluntary and informed only if:

7 (a) At least 24 hours before the abortion the physician who is to  
8 perform the abortion or the referring physician has informed the woman in  
9 writing of:

10 (1) The name of the physician who will perform the abortion;

11 (2) a description of the proposed abortion method;

12 (3) a description of risks related to the proposed abortion method,  
13 including *risk of premature birth in future pregnancies, risk of breast*  
14 *cancer and risks to the woman's reproductive health and alternatives to the*  
15 *abortion that a reasonable patient would consider material to the decision*  
16 *of whether or not to undergo the abortion;*

17 (4) the probable gestational age of the unborn child at the time the  
18 abortion is to be performed and that Kansas law requires the following:  
19 "No person shall perform or induce an abortion when the unborn child is  
20 viable unless such person is a physician and has a documented referral  
21 from another physician not financially associated with the physician  
22 performing or inducing the abortion and both physicians determine that:  
23 (1) The abortion is necessary to preserve the life of the pregnant woman;  
24 or (2) a continuation of the pregnancy will cause a substantial and  
25 irreversible *physical* impairment of a major bodily function of the pregnant  
26 woman." If the child is born alive, the attending physician has the legal  
27 obligation to take all reasonable steps necessary to maintain the life and  
28 health of the child;

29 (5) the probable anatomical and physiological characteristics of the  
30 unborn child at the time the abortion is to be performed;

31 (6) the contact information for ~~free~~—counseling assistance for  
32 medically challenging pregnancies and the contact information for ~~free~~  
33 perinatal hospice services, *including information regarding which entities*  
34 *provide such services free of charge;*

35 (7) the medical risks associated with carrying an unborn child to  
36 term; and

37 (8) any need for anti-Rh immune globulin therapy, if she is Rh  
38 negative, the likely consequences of refusing such therapy and the cost of  
39 the therapy.

40 (b) At least 24 hours before the abortion, the physician who is to  
41 perform the abortion, the referring physician or a qualified person has  
42 informed the woman in writing that:

43 (1) Medical assistance benefits may be available for prenatal care,

1 childbirth and neonatal care, and that more detailed information on the  
2 availability of such assistance is contained in the printed materials given to  
3 her and described in K.S.A. 65-6710, and amendments thereto;

4 (2) the informational materials in K.S.A. 65-6710, and amendments  
5 thereto, are available in printed form and online, and describe the unborn  
6 child, list agencies which offer alternatives to abortion with a special  
7 section listing adoption services and list providers of free ultrasound  
8 services;

9 (3) the father of the unborn child is liable to assist in the support of  
10 her child, even in instances where he has offered to pay for the abortion  
11 except that in the case of rape this information may be omitted;

12 (4) the woman is free to withhold or withdraw her consent to the  
13 abortion at any time prior to invasion of the uterus without affecting her  
14 right to future care or treatment and without the loss of any state or  
15 federally-funded benefits to which she might otherwise be entitled; ~~and~~

16 (5) the abortion will terminate the life of a whole, separate, unique,  
17 living human being; *and*

18 (6) *by no later than 20 weeks from fertilization, the unborn child has*  
19 *the physical structures necessary to experience pain. There is evidence*  
20 *that by 20 weeks from fertilization unborn children seek to evade certain*  
21 *stimuli in a manner that in an infant or an adult would be interpreted to be*  
22 *a response to pain. Anesthesia is routinely administered to unborn*  
23 *children who are 20 weeks from fertilization or older who undergo*  
24 *prenatal surgery.*

25 (c) At least 30 minutes prior to the abortion procedure, prior to  
26 physical preparation for the abortion and prior to the administration of  
27 medication for the abortion, the woman shall meet privately with the  
28 physician who is to perform the abortion and such person's staff to ensure  
29 that she has an adequate opportunity to ask questions of and obtain  
30 information from the physician concerning the abortion.

31 (d) At least 24 hours before the abortion, the woman is given a copy  
32 of the informational materials described in K.S.A. 65-6710, and  
33 amendments thereto. If the woman asks questions concerning any of the  
34 information or materials, answers shall be provided to her in her own  
35 language.

36 (e) The woman certifies in writing on a form provided by the  
37 department, prior to the abortion, that the information required to be  
38 provided under subsections (a), (b) and (d) has been provided and that she  
39 has met with the physician who is to perform the abortion on an individual  
40 basis as provided under subsection (c). All physicians who perform  
41 abortions shall report the total number of certifications received monthly  
42 to the department. *The total number of certifications shall be reported by*  
43 *the physician as part of the written report made by the physician to the*

1 *secretary of health and environment under K.S.A. 65-445, and*  
2 *amendments thereto.* The department shall make the number of  
3 certifications received ~~and the number of women who decided not to have~~  
4 ~~an abortion after hearing the heartbeat of the unborn child~~ available on an  
5 annual basis.

6 (f) Prior to the performance of the abortion, the physician who is to  
7 perform the abortion or the physician's agent receives a copy of the written  
8 certification prescribed by subsection (e) of this section.

9 (g) The woman is not required to pay any amount for the abortion  
10 procedure until the 24-hour waiting period has expired.

11 (h) A physician who will use ultrasound equipment preparatory to or  
12 in the performance of the abortion, at least 30 minutes prior to the  
13 performance of the abortion:

14 (1) Informs the woman that she has the right to view the ultrasound  
15 image of her unborn child, at no additional expense to her;

16 (2) informs the woman that she has the right to receive a physical  
17 picture of the ultrasound image, at no additional expense to her;

18 (3) offers the woman the opportunity to view the ultrasound image  
19 and receive a physical picture of the ultrasound image;

20 (4) certifies in writing that the woman was offered the opportunity to  
21 view the ultrasound image and receive a physical picture of the ultrasound  
22 image at least 30 minutes prior to the performance of the abortion; and

23 (5) obtains the woman's signed acceptance or rejection of the  
24 opportunity to view the ultrasound image and receive a physical picture of  
25 the ultrasound image.

26 If the woman accepts the offer and requests to view the ultrasound  
27 image, receive a physical picture of the ultrasound image or both, her  
28 request shall be granted by the physician at no additional expense to the  
29 woman. The physician's certification shall be time-stamped at the time the  
30 opportunity to view the ultrasound image and receive a physical picture of  
31 the ultrasound image was offered.

32 (i) A physician who will use heart monitor equipment preparatory to  
33 or in the performance of the abortion, at least 30 minutes prior to the  
34 performance of the abortion:

35 (1) Informs the woman that she has the right to listen to the heartbeat  
36 of her unborn child, at no additional expense to her;

37 (2) offers the woman the opportunity to listen to the heartbeat of her  
38 unborn child;

39 (3) certifies in writing that the woman was offered the opportunity to  
40 listen to the heartbeat of her unborn child at least 30 minutes prior to the  
41 performance of the abortion; and

42 (4) obtains the woman's signed acceptance or rejection of the  
43 opportunity to listen to the heartbeat of her unborn child.

1 If the woman accepts the offer and requests to listen to the heartbeat of  
2 her unborn child, her request shall be granted by the physician at no  
3 additional expense to the woman. The physician's certification shall be  
4 time-stamped at the time the opportunity to listen to the heartbeat of her  
5 unborn child was offered.

6 (j) The physician's certification required by subsections (h) and (i)  
7 together with the pregnant woman's signed acceptance or rejection of such  
8 offer shall be placed in the woman's medical file in the physician's office  
9 and kept for 10 years. However, in the case of a minor, the physician shall  
10 keep a copy of the certification and the signed acceptance or rejection in  
11 the minor's medical file for five years past the minor's majority, but in no  
12 event less than 10 years.

13 (k) Any private office, freestanding surgical outpatient clinic or other  
14 facility or clinic in which abortions are performed shall conspicuously post  
15 a sign in a location so as to be clearly visible to patients. The sign required  
16 pursuant to this subsection shall be printed with lettering that is legible and  
17 shall be at least three quarters of an inch boldfaced type ~~which reads~~. *The*  
18 *sign shall include the address for the pregnancy resources website*  
19 *published and maintained by the department of health and environment,*  
20 *and the following text:*

21 Notice: It is against the law for anyone, regardless of their relationship  
22 to you, to force you to have an abortion. By law, we cannot perform an  
23 abortion on you unless we have your freely given and voluntary consent. It  
24 is against the law to perform an abortion on you against your will. You  
25 have the right to contact any local or state law enforcement agency to  
26 receive protection from any actual or threatened physical abuse or  
27 violence. You have the right to change your mind at any time prior to the  
28 actual abortion and request that the abortion procedure cease. *It is*  
29 *unlawful for anyone to make you have an abortion against your will, even*  
30 *if you are a minor. The father of your child must provide support for the*  
31 *child, even if he has offered to pay for an abortion. If you decide not to*  
32 *have an abortion you may qualify for financial help for pregnancy, child*  
33 *birth and newborn care. If you qualify, medicaid will pay or help pay the*  
34 *cost of doctor, clinic hospital and other related medical expenses,*  
35 *including child birth delivery services and care for your newborn baby.*  
36 *Many agencies are willing to provide assistance so that you may carry*  
37 *your child to term, and to assist after your child's birth.*

38 The provisions of this subsection shall not apply to any private office,  
39 freestanding surgical outpatient clinic or other facility or clinic which  
40 performs abortions only when necessary to prevent the death of the  
41 pregnant woman.

42 (l) For purposes of this section:

43 (1) The term "human being" means an individual living member of

1 the species of homo sapiens, including the unborn human being during the  
2 entire embryonic and fetal ages from fertilization to full gestation.

3 (2) The term "medically challenging pregnancy" means a pregnancy  
4 where the unborn child is diagnosed as having: (A) A severe anomaly; or  
5 (B) an illness, disease or defect which is invariably fatal.

6 Sec. 15. K.S.A. 2011 Supp. 65-6710 is hereby amended to read as  
7 follows: 65-6710. (a) The department shall cause to be published and  
8 distributed widely, within 30 days after the effective date of this act, and  
9 shall update on an annual basis, the following easily comprehensible  
10 informational materials:

11 (1) Geographically indexed printed materials designed to inform the  
12 woman of public and private agencies and services available to assist a  
13 woman through pregnancy, upon childbirth and while her child is  
14 dependent, including but not limited to, a list of providers of free  
15 ultrasound services and adoption agencies. The materials shall include a  
16 comprehensive list of the agencies, a description of the services they offer  
17 and the telephone numbers and addresses of the agencies; and inform the  
18 woman about available medical assistance benefits for prenatal care,  
19 childbirth and neonatal care and about the support obligations of the father  
20 of a child who is born alive. The department shall ensure that the materials  
21 described in this section are comprehensive and do not directly or  
22 indirectly promote, exclude or discourage the use of any agency or service  
23 described in this section. The materials shall also contain a toll-free 24-  
24 hour-a-day telephone number which may be called to obtain, orally, such a  
25 list and description of agencies in the locality of the caller and of the  
26 services they offer. The materials shall state that it is unlawful for any  
27 individual to coerce a woman to undergo an abortion, *and* that any  
28 physician who performs an abortion upon a woman without her informed  
29 consent may be liable to her for damages. Kansas law permits adoptive  
30 parents to pay costs of prenatal care, childbirth and neonatal care. The  
31 materials shall include the following statement:

32 "Many public and private agencies exist to provide counseling and  
33 information on available services. You are strongly urged to seek their  
34 assistance to obtain guidance during your pregnancy. In addition, you are  
35 encouraged to seek information on ~~abortion services~~, alternatives to  
36 abortion, including adoption, and resources available to post-partum  
37 mothers. The law requires that your physician or the physician's agent  
38 provide the enclosed information."

39 (2) Printed materials that inform the pregnant woman of the probable  
40 anatomical and physiological characteristics of the unborn child at two-  
41 week gestational increments from fertilization to full term, including  
42 pictures or drawings representing the development of an unborn child at  
43 two-week gestational increments, and any relevant information on the

1 possibility of the unborn child's survival. Any such pictures or drawings  
2 shall contain the dimensions of the unborn child and shall be realistic. The  
3 material shall include the ~~statement~~ *the following statements: (A) That by*  
4 *no later than 20 weeks from fertilization, the unborn child has the physical*  
5 *structures necessary to experience pain; (B) that there is evidence that by*  
6 *20 weeks from fertilization unborn children seek to evade certain stimuli*  
7 *in a manner that in an infant or an adult would be interpreted to be a*  
8 *response to pain; (C) that anesthesia is routinely administered to unborn*  
9 *children who are 20 weeks from fertilization or older who undergo*  
10 *prenatal surgery; (D) that less than 5% of all natural pregnancies end in*  
11 *spontaneous miscarriage after detection of cardiac activity, and a fetal*  
12 *heartbeat is, therefore, a key medical indicator that an unborn child is*  
13 *likely to achieve the capacity for live birth; and (E) that abortion*  
14 *terminates the life of a whole, separate, unique, living human being. The*  
15 *materials shall be objective, nonjudgmental and designed to convey only*  
16 *accurate scientific information about the unborn child at the various*  
17 *gestational ages. The material shall also contain objective information*  
18 *describing the methods of abortion procedures commonly employed, the*  
19 *medical risks commonly associated with each such procedure, including*  
20 *risk of premature birth in future pregnancies, risk of breast cancer, risks to*  
21 *the woman's reproductive health and the medical risks associated with*  
22 *carrying an unborn child to term.*

23 (3) *The printed materials shall, at a minimum, contain the following*  
24 *text:*

25 *Your doctor is required to tell you about the nature of the physical and*  
26 *emotional risks of both the abortion procedure and carrying a child to*  
27 *term. The doctor must tell you how long you have been pregnant and must*  
28 *give you a chance to ask questions and discuss your decision about the*  
29 *pregnancy carefully and privately in your own language.*

30 *In order to determine the gestational age of the unborn child the doctor*  
31 *must use ultrasound equipment preparatory to the performance of an*  
32 *abortion. You have the right to view the ultrasound image of the unborn*  
33 *child at no additional expense, and you have the right to receive a picture*  
34 *of the unborn child.*

35 *A directory of services is also available. By calling or visiting the*  
36 *agencies and offices in the directory you can find out about alternatives to*  
37 *abortion, assistance to make an adoption plan for your baby or locate*  
38 *public and private agencies that offer medical and financial help during*  
39 *pregnancy, during childbirth and while you are raising your child.*

40 *Furthermore, you should know that: (A) It is unlawful for any*  
41 *individual to coerce you to undergo an abortion. Coercion is the use of*  
42 *express or implied threats of violence or intimidation to compel a person*  
43 *to act against such person's will; (B) abortion terminates the life of a*



1 whole, separate, unique, living human being; (C) any physician who fails  
2 to provide informed consent prior to performing an abortion may be guilty  
3 of unprofessional conduct and liable for damages; (D) you are not  
4 required to pay any amount for the abortion procedure until the 24-hour  
5 waiting period has expired; (E) the father of your child is legally  
6 responsible to assist in the support of the child, even in instances where  
7 the father has offered to pay for an abortion; and (F) the law permits  
8 adoptive parents to pay the costs of prenatal care, childbirth and neonatal  
9 care.

10 Many public and private agencies exist to provide counseling and  
11 information on available services. You are strongly urged to seek  
12 assistance from such agencies in order to obtain guidance during your  
13 pregnancy. In addition, you are encouraged to seek information on  
14 ~~abortion services~~, alternatives to abortion, including adoption, and  
15 resources available to postpartum mothers. The law requires that your  
16 physician, or the physician's agent, provide this information.

17 Pregnancy begins at conception with the union of a man's sperm and a  
18 woman's egg to form a single-cell embryo. This brand new being contains  
19 the original copy of a new individual's complete genetic code. Gender, eye  
20 color and other traits are determined at conception.

21 Most significant developmental milestones occur long before birth  
22 during the first eight weeks following conception when most body parts  
23 and all body systems appear and begin to function. The main divisions of  
24 the body, such as the head, chest, abdomen, pelvis, arms and legs are  
25 established by about four weeks after conception. Eight weeks after  
26 conception, except for the small size, the developing human's overall  
27 appearance and many internal structures closely resemble the newborn.

28 Pregnancy is not just a time for growing all the parts of the body. It is  
29 also a time of preparation for survival after birth. Starting more than 30  
30 weeks before birth, many common daily activities seen in children and  
31 adults begin in the womb. These activities include, but are not limited to,  
32 hiccups, touching the face, breathing motions, urination, right- or left-  
33 handedness, thumb-sucking, swallowing, yawning, jaw movement,  
34 reflexes, REM sleep, hearing, taste and sensation.

35 Unless otherwise noted, all prenatal ages in the rest of this handbook  
36 are referenced from the start of the last normal menstrual period. This age  
37 is two weeks greater than the age since conception.

38 By five weeks, development of the brain, the spinal cord and the heart  
39 is well underway. The heart begins beating at five weeks and one day, and  
40 is visible by ultrasound almost immediately. By six weeks the heart is  
41 pumping the unborn child's own blood to such unborn child's brain and  
42 body. All four chambers of the heart are present, and more than one  
43 million heartbeats have occurred. The head, chest and abdominal cavities

1 *have formed and the beginnings of the arms and legs are easily seen. At*  
2 *6½ weeks rapid brain development continues with the appearance of the*  
3 *cerebral hemispheres. At 7½ weeks the unborn child reflexively turns away*  
4 *in response to light touch on the face. The fingers also begin to form on*  
5 *the hand.*

6 *By 8½ weeks the bones of the jaw and collarbone begin to harden.*  
7 *Brainwaves have been measured and recorded by this point in gestation.*  
8 *By nine weeks the hands move, the neck turns and hiccups begin. Girls*  
9 *also now have ovaries and boys have testes. The unborn child's heart in*  
10 *nearly fully formed, and the heart rate peaks at about 170 beats per*  
11 *minute and will gradually slow down until birth. Electrical recordings of*  
12 *the heart at 9½ weeks are very similar to the EKG tracing of the unborn*  
13 *child.*

14 *By 10 weeks intermittent breathing motions begin, and the kidneys*  
15 *begin to produce and release urine. All the fingers and toes are free and*  
16 *fully formed, and several hundred muscles are now present. The hands and*  
17 *feet move frequently, and most unborn children show the first signs of*  
18 *right- or left-handedness. Pain receptors in the skin, the sensory nerves*  
19 *connecting them to the spinal cord, and the nerve tracts in the spinal cord*  
20 *that will carry pain impulses to the brain are all present by this time.*  
21 *Experts estimate the 10-week unborn child possesses approximately 90%*  
22 *of the 4,500 body parts found in adults. This means approximately 4,000*  
23 *permanent body parts are present just eight weeks after conception.*

24 *By 11 weeks the head moves forward and back, the jaw actively opens*  
25 *and closes and the unborn child periodically sighs and stretches. The face,*  
26 *palms of the hands and soles of the feet are sensitive to light touch. The*  
27 *unborn child begins thumb-sucking and swallowing amniotic fluid. The*  
28 *uterus is now present, and girls' ovaries now contain reproductive cells*  
29 *that will give rise to eggs later in life.*

30 *At 12 weeks fingerprints start forming, while fingernails and toenails*  
31 *begin to grow. The bones are hardening in many locations. The heartbeat*  
32 *can be detected with a hand-held doppler fetal monitor, or external heart*  
33 *rate monitor. By 13 weeks the lips and nose are fully formed and the*  
34 *unborn child can make complex facial expressions.*

35 *At 14 weeks taste buds are present all over the mouth and tongue. The*  
36 *unborn child now produces a wide variety of hormones. Also, the arms*  
37 *reach final proportion to body size. By 15 weeks the entire unborn child,*  
38 *except for parts of the scalp, responds to light touch, and tooth*  
39 *development is underway.*

40 *At 16 weeks a pregnant woman may begin to feel the unborn child*  
41 *move. The unborn child also begins making several digestive enzymes.*  
42 *Around 17 weeks blood cell formation moves to its permanent location*  
43 *inside the bone marrow, and the unborn child begins storing energy in the*

1 *form of body fat.*

2 *By 18 weeks the formation of the breathing passages, called the*  
3 *bronchial tree, is complete. The unborn child will release stress hormones*  
4 *in response to being poked with a needle. By 19 weeks the unborn child's*  
5 *heart has beaten more than 20 million times.*

6 *By 20 weeks nearly all organs and structures of the unborn child have*  
7 *been formed. The larynx, or voice box, moves in a way similar to*  
8 *movement seen during crying after birth. The skin has developed sweat*  
9 *glands and is covered by a greasy white substance called vernix, which*  
10 *protects the skin from the long exposure to amniotic fluid. At 21 weeks*  
11 *breathing patterns, body movements and the heart rate begin to follow*  
12 *daily cycles called circadian rhythms.*

13 *By 22 weeks the cochlea, the organ of hearing, reaches adult size, and*  
14 *the unborn child begins hearing and responding to various sounds. All the*  
15 *skin layers and structures are now complete. The unborn child reacts to*  
16 *stimuli that would be recognized as painful if applied to an adult human.*  
17 *By 22 weeks some infants can live outside the womb with specialized*  
18 *medical care, and survival rates have been reported as high as 40% in*  
19 *some medical centers. Between 20 and 23 weeks rapid eye movements*  
20 *begin, which are similar to the REM sleep pattern seen when children and*  
21 *adults have dreams.*

22 *By 24 weeks more than 30 million heartbeats have been performed.*  
23 *Survival rates for infants born at 24 weeks have been reported as high as*  
24 *81%. By 25 weeks breathing motions may occur up to 44 times per minute.*

25 *By 26 weeks sudden, loud noises trigger a blink-startle response in the*  
26 *unborn child, and may increase body movement, the heart rate and*  
27 *swallowing. The lungs begin to produce a substance necessary for*  
28 *breathing after birth. The survival rate of infants born at 26 weeks has*  
29 *been reported as high as 95%.*

30 *By 28 weeks the sense of smell is functioning and the eyes produce*  
31 *tears. Nearly all infants born between this point and full term survive. By*  
32 *29 weeks pupils of the eyes react to light. By 31 weeks the heart has beat*  
33 *more than 40 million times, and wrinkles in the skin disappear as more fat*  
34 *deposits are formed.*

35 *By 32 weeks breathing movements occur up to 40% of the time. By 34*  
36 *weeks true alveoli, or air "pocket" cells, begin developing in the lungs. At*  
37 *36 weeks scalp hair is silky and lies against the head. By 37 weeks the*  
38 *unborn child has a firm hand grip, and the heart has beat more than 50*  
39 *million times. The unborn child initiates labor, ideally around 40 weeks,*  
40 *leading to childbirth.*

41 *By state law, no person shall perform or induce an abortion when the*  
42 *unborn child is viable or pain-capable unless such person is a physician*  
43 *and has a documented referral. The physician who performs or induces an*

1 *abortion when the unborn child is viable must have a documented referral*  
2 *from another physician not legally or financially affiliated with the*  
3 *physician performing or inducing the abortion. Both physicians must*  
4 *determine that the abortion is necessary to preserve the life of the*  
5 *pregnant woman or that a continuation of the pregnancy will cause a*  
6 *substantial and irreversible impairment of a major physical bodily*  
7 *function of the pregnant woman. If the child is born alive, the attending*  
8 *physician has the legal obligation to take all reasonable steps necessary to*  
9 *maintain the life and health of the child.*

10 *What about adoption? Women or couples facing an untimely pregnancy*  
11 *who choose not to take on the full responsibilities of parenthood have*  
12 *another option, which is adoption. Counseling and support services are a*  
13 *key part of adoption and are available from a variety of adoption agencies*  
14 *and parent support groups across the state. A list of adoption agencies is*  
15 *available. There are several ways to make a plan for adoption, including*  
16 *through a child placement agency or through a private attorney. Although*  
17 *fully anonymous adoptions are available, some degree of openness in*  
18 *adoption is more common, such as permitting the birth mother to choose*  
19 *the adoptive parents. A father only has the right to consent to an adoption*  
20 *or refuse consent and raise the child if he provides support for the mother*  
21 *during the last six months of the pregnancy.*

22 *The father of a child has a legal responsibility to provide for the*  
23 *support, educational, medical and other needs of the child. In Kansas that*  
24 *responsibility includes child support payments to the child's mother or*  
25 *legal guardian. A child has rights of inheritance from the father and may*  
26 *be eligible through him for benefits such as life insurance, social security,*  
27 *pension, veteran's or disability benefits. Further, the child benefits from*  
28 *knowing the father's medical history and any potential health problems*  
29 *that can be passed genetically. A father's and mother's rights are equal*  
30 *regarding access, care and custody.*

31 *Paternity can be established in Kansas by two methods: (A) The father*  
32 *and mother, at the time of birth, can sign forms provided by the hospital*  
33 *acknowledging paternity and the father's name is added to the birth*  
34 *certificate; or (B) a legal action can be brought in a court of law to*  
35 *determine paternity and establish a child support order. Issues of paternity*  
36 *affect your legal rights and the rights of the child.*

37 *The decision regarding your pregnancy is one of the most important*  
38 *decisions you will ever make. There are lists of state, county and local*  
39 *health and social service agencies and organizations available to assist*  
40 *you. You are encouraged to contact these groups if you need more*  
41 *information so you can make an informed decision.*

42 *(3)(4) A certification form to be used by physicians or their agents*  
43 *under subsection (e) of K.S.A. 65-6709, and amendments thereto, which*

1 will list all the items of information which are to be given to women by  
2 physicians or their agents under the woman's-right-to-know act.

3 (4)(5) A standardized video containing all of the information  
4 described in paragraphs (1) and (2). In addition, the video shall show  
5 ultrasound images, using the best available ultrasound technology, of an  
6 unborn child at two-week gestational increments.

7 (b) The print materials required under this section shall be printed in a  
8 typeface large enough to be clearly legible. The informational video ~~shall~~  
9 *may* be published in digital video disc format *or in the latest video*  
10 *technology available*. All materials required to be published under this  
11 section shall also be published online on the department's website. All  
12 materials shall be made available in both English and Spanish language  
13 versions.

14 (c) The materials required under this section shall be available at no  
15 cost from the department upon request and in appropriate number to any  
16 person, facility or hospital.

17 Sec. 16. K.S.A. 2011 Supp. 79-32,117 is hereby amended to read as  
18 follows: 79-32,117. (a) The Kansas adjusted gross income of an individual  
19 means such individual's federal adjusted gross income for the taxable year,  
20 with the modifications specified in this section.

21 (b) There shall be added to federal adjusted gross income:

22 (i) Interest income less any related expenses directly incurred in the  
23 purchase of state or political subdivision obligations, to the extent that the  
24 same is not included in federal adjusted gross income, on obligations of  
25 any state or political subdivision thereof, but to the extent that interest  
26 income on obligations of this state or a political subdivision thereof issued  
27 prior to January 1, 1988, is specifically exempt from income tax under the  
28 laws of this state authorizing the issuance of such obligations, it shall be  
29 excluded from computation of Kansas adjusted gross income whether or  
30 not included in federal adjusted gross income. Interest income on  
31 obligations of this state or a political subdivision thereof issued after  
32 December 31, 1987, shall be excluded from computation of Kansas  
33 adjusted gross income whether or not included in federal adjusted gross  
34 income.

35 (ii) Taxes on or measured by income or fees or payments in lieu of  
36 income taxes imposed by this state or any other taxing jurisdiction to the  
37 extent deductible in determining federal adjusted gross income and not  
38 credited against federal income tax. This paragraph shall not apply to taxes  
39 imposed under the provisions of K.S.A. 79-1107 or 79-1108, and  
40 amendments thereto, for privilege tax year 1995, and all such years  
41 thereafter.

42 (iii) The federal net operating loss deduction.

43 (iv) Federal income tax refunds received by the taxpayer if the

1 deduction of the taxes being refunded resulted in a tax benefit for Kansas  
2 income tax purposes during a prior taxable year. Such refunds shall be  
3 included in income in the year actually received regardless of the method  
4 of accounting used by the taxpayer. For purposes hereof, a tax benefit shall  
5 be deemed to have resulted if the amount of the tax had been deducted in  
6 determining income subject to a Kansas income tax for a prior year  
7 regardless of the rate of taxation applied in such prior year to the Kansas  
8 taxable income, but only that portion of the refund shall be included as  
9 bears the same proportion to the total refund received as the federal taxes  
10 deducted in the year to which such refund is attributable bears to the total  
11 federal income taxes paid for such year. For purposes of the foregoing  
12 sentence, federal taxes shall be considered to have been deducted only to  
13 the extent such deduction does not reduce Kansas taxable income below  
14 zero.

15 (v) The amount of any depreciation deduction or business expense  
16 deduction claimed on the taxpayer's federal income tax return for any  
17 capital expenditure in making any building or facility accessible to the  
18 handicapped, for which expenditure the taxpayer claimed the credit  
19 allowed by K.S.A. 79-32,177, and amendments thereto.

20 (vi) Any amount of designated employee contributions picked up by  
21 an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965,  
22 and amendments to such sections.

23 (vii) The amount of any charitable contribution made to the extent the  
24 same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-  
25 32,196, and amendments thereto.

26 (viii) The amount of any costs incurred for improvements to a swine  
27 facility, claimed for deduction in determining federal adjusted gross  
28 income, to the extent the same is claimed as the basis for any credit  
29 allowed pursuant to K.S.A. 2011 Supp. 79-32,204, and amendments  
30 thereto.

31 (ix) The amount of any ad valorem taxes and assessments paid and  
32 the amount of any costs incurred for habitat management or construction  
33 and maintenance of improvements on real property, claimed for deduction  
34 in determining federal adjusted gross income, to the extent the same is  
35 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203,  
36 and amendments thereto.

37 (x) Amounts received as nonqualified withdrawals, as defined by  
38 K.S.A. 2011 Supp. 75-643, and amendments thereto, if, at the time of  
39 contribution to a family postsecondary education savings account, such  
40 amounts were subtracted from the federal adjusted gross income pursuant  
41 to paragraph (xv) of subsection (c) of K.S.A. 79-32,117, and amendments  
42 thereto, or if such amounts are not already included in the federal adjusted  
43 gross income.

1 (xi) The amount of any contribution made to the same extent the  
2 same is claimed as the basis for the credit allowed pursuant to K.S.A. 2011  
3 Supp. 74-50,154, and amendments thereto.

4 (xii) For taxable years commencing after December 31, 2004,  
5 amounts received as withdrawals not in accordance with the provisions of  
6 K.S.A. 2011 Supp. 74-50,204, and amendments thereto, if, at the time of  
7 contribution to an individual development account, such amounts were  
8 subtracted from the federal adjusted gross income pursuant to paragraph  
9 (xiii) of subsection (c), or if such amounts are not already included in the  
10 federal adjusted gross income.

11 (xiii) The amount of any expenditures claimed for deduction in  
12 determining federal adjusted gross income, to the extent the same is  
13 claimed as the basis for any credit allowed pursuant to K.S.A. 2011 Supp.  
14 79-32,217 through 79-32,220 or 79-32,222, and amendments thereto.

15 (xiv) The amount of any amortization deduction claimed in  
16 determining federal adjusted gross income to the extent the same is  
17 claimed for deduction pursuant to K.S.A. 2011 Supp. 79-32,221, and  
18 amendments thereto.

19 (xv) The amount of any expenditures claimed for deduction in  
20 determining federal adjusted gross income, to the extent the same is  
21 claimed as the basis for any credit allowed pursuant to K.S.A. 2011 Supp.  
22 79-32,223 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233  
23 through 79-32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-  
24 32,248 or 79-32,251 through 79-32,254, and amendments thereto.

25 (xvi) The amount of any amortization deduction claimed in  
26 determining federal adjusted gross income to the extent the same is  
27 claimed for deduction pursuant to K.S.A. 2011 Supp. 79-32,227, 79-  
28 32,232, 79-32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments  
29 thereto.

30 (xvii) The amount of any amortization deduction claimed in  
31 determining federal adjusted gross income to the extent the same is  
32 claimed for deduction pursuant to K.S.A. 2011 Supp. 79-32,256, and  
33 amendments thereto.

34 (xviii) For taxable years commencing after December 31, 2006, the  
35 amount of any ad valorem or property taxes and assessments paid to a state  
36 other than Kansas or local government located in a state other than Kansas  
37 by a taxpayer who resides in a state other than Kansas, when the law of  
38 such state does not allow a resident of Kansas who earns income in such  
39 other state to claim a deduction for ad valorem or property taxes or  
40 assessments paid to a political subdivision of the state of Kansas in  
41 determining taxable income for income tax purposes in such other state, to  
42 the extent that such taxes and assessments are claimed as an itemized  
43 deduction for federal income tax purposes.

1       (xix) *For taxable years commencing after December 31, 2012, that*  
2 *portion of the amount of any expenditure deduction claimed in*  
3 *determining federal adjusted gross income for expenses paid for medical*  
4 *care of the taxpayer or the taxpayer's spouse or dependents when such*  
5 *expenses were paid or incurred for an abortion, or for a health benefit*  
6 *plan, as defined by section 1, and amendments thereto, for the purchase of*  
7 *an optional rider for coverage of abortion in accordance with K.S.A. 2011*  
8 *Supp. 40-2,190, and amendments thereto.*

9       (xx) *For taxable years commencing after December 31, 2012, that*  
10 *portion of the amount of any expenditure deduction claimed in*  
11 *determining federal adjusted gross income for expenses paid by a*  
12 *taxpayer for health care, a health benefit plan, as defined by section 1,*  
13 *and amendments thereto, or amounts contributed to health savings*  
14 *accounts of such taxpayer's employees for the purchase of an optional*  
15 *rider for coverage of abortion in accordance with K.S.A. 40-2,190, and*  
16 *amendments thereto.*

17       (c) There shall be subtracted from federal adjusted gross income:

18       (i) Interest or dividend income on obligations or securities of any  
19 authority, commission or instrumentality of the United States and its  
20 possessions less any related expenses directly incurred in the purchase of  
21 such obligations or securities, to the extent included in federal adjusted  
22 gross income but exempt from state income taxes under the laws of the  
23 United States.

24       (ii) Any amounts received which are included in federal adjusted  
25 gross income but which are specifically exempt from Kansas income  
26 taxation under the laws of the state of Kansas.

27       (iii) The portion of any gain or loss from the sale or other disposition  
28 of property having a higher adjusted basis for Kansas income tax purposes  
29 than for federal income tax purposes on the date such property was sold or  
30 disposed of in a transaction in which gain or loss was recognized for  
31 purposes of federal income tax that does not exceed such difference in  
32 basis, but if a gain is considered a long-term capital gain for federal  
33 income tax purposes, the modification shall be limited to that portion of  
34 such gain which is included in federal adjusted gross income.

35       (iv) The amount necessary to prevent the taxation under this act of  
36 any annuity or other amount of income or gain which was properly  
37 included in income or gain and was taxed under the laws of this state for a  
38 taxable year prior to the effective date of this act, as amended, to the  
39 taxpayer, or to a decedent by reason of whose death the taxpayer acquired  
40 the right to receive the income or gain, or to a trust or estate from which  
41 the taxpayer received the income or gain.

42       (v) The amount of any refund or credit for overpayment of taxes on  
43 or measured by income or fees or payments in lieu of income taxes



1 imposed by this state, or any taxing jurisdiction, to the extent included in  
2 gross income for federal income tax purposes.

3 (vi) Accumulation distributions received by a taxpayer as a  
4 beneficiary of a trust to the extent that the same are included in federal  
5 adjusted gross income.

6 (vii) Amounts received as annuities under the federal civil service  
7 retirement system from the civil service retirement and disability fund and  
8 other amounts received as retirement benefits in whatever form which  
9 were earned for being employed by the federal government or for service  
10 in the armed forces of the United States.

11 (viii) Amounts received by retired railroad employees as a  
12 supplemental annuity under the provisions of 45 U.S.C. §§ 228b (a) and  
13 228c (a)(1) et seq.

14 (ix) Amounts received by retired employees of a city and by retired  
15 employees of any board of such city as retirement allowances pursuant to  
16 K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter  
17 ordinance exempting a city from the provisions of K.S.A. 13-14,106, and  
18 amendments thereto.

19 (x) For taxable years beginning after December 31, 1976, the amount  
20 of the federal tentative jobs tax credit disallowance under the provisions of  
21 26 U.S.C. § 280 C. For taxable years ending after December 31, 1978, the  
22 amount of the targeted jobs tax credit and work incentive credit  
23 disallowances under 26 U.S.C. § 280 C.

24 (xi) For taxable years beginning after December 31, 1986, dividend  
25 income on stock issued by Kansas Venture Capital, Inc.

26 (xii) For taxable years beginning after December 31, 1989, amounts  
27 received by retired employees of a board of public utilities as pension and  
28 retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249,  
29 and amendments thereto.

30 (xiii) For taxable years beginning after December 31, 2004, amounts  
31 contributed to and the amount of income earned on contributions deposited  
32 to an individual development account under K.S.A. 2011 Supp. 74-50,201;  
33 et seq., and amendments thereto.

34 (xiv) For all taxable years commencing after December 31, 1996, that  
35 portion of any income of a bank organized under the laws of this state or  
36 any other state, a national banking association organized under the laws of  
37 the United States, an association organized under the savings and loan  
38 code of this state or any other state, or a federal savings association  
39 organized under the laws of the United States, for which an election as an  
40 S corporation under subchapter S of the federal internal revenue code is in  
41 effect, which accrues to the taxpayer who is a stockholder of such  
42 corporation and which is not distributed to the stockholders as dividends of  
43 the corporation.

1 (xv) For all taxable years beginning after December 31, 2006,  
2 amounts not exceeding \$3,000, or \$6,000 for a married couple filing a  
3 joint return, for each designated beneficiary which are contributed to a  
4 family postsecondary education savings account established under the  
5 Kansas postsecondary education savings program or a qualified tuition  
6 program established and maintained by another state or agency or  
7 instrumentality thereof pursuant to section 529 of the internal revenue  
8 code of 1986, as amended, for the purpose of paying the qualified higher  
9 education expenses of a designated beneficiary at an institution of  
10 postsecondary education. The terms and phrases used in this paragraph  
11 shall have the meaning respectively ascribed thereto by the provisions of  
12 K.S.A. 2011 Supp. 75-643, and amendments thereto, and the provisions of  
13 such section are hereby incorporated by reference for all purposes thereof.

14 (xvi) For the tax year beginning after December 31, 2004, an amount  
15 not exceeding \$500; for the tax year beginning after December 31, 2005,  
16 an amount not exceeding \$600; for the tax year beginning after December  
17 31, 2006, an amount not exceeding \$700; for the tax year beginning after  
18 December 31, 2007, an amount not exceeding \$800; for the tax year  
19 beginning December 31, 2008, an amount not exceeding \$900; and for all  
20 taxable years commencing after December 31, 2009, an amount not  
21 exceeding \$1,000 of the premium costs for qualified long-term care  
22 insurance contracts, as defined by subsection (b) of section 7702B of  
23 public law 104-191.

24 (xvii) For all taxable years beginning after December 31, 2004,  
25 amounts received by taxpayers who are or were members of the armed  
26 forces of the United States, including service in the Kansas army and air  
27 national guard, as a recruitment, sign up or retention bonus received by  
28 such taxpayer as an incentive to join, enlist or remain in the armed services  
29 of the United States, including service in the Kansas army and air national  
30 guard, and amounts received for repayment of educational or student loans  
31 incurred by or obligated to such taxpayer and received by such taxpayer as  
32 a result of such taxpayer's service in the armed forces of the United States,  
33 including service in the Kansas army and air national guard.

34 (xviii) For all taxable years beginning after December 31, 2004,  
35 amounts received by taxpayers who are eligible members of the Kansas  
36 army and air national guard as a reimbursement pursuant to K.S.A. 48-  
37 281, and amendments thereto, and amounts received for death benefits  
38 pursuant to K.S.A. 48-282, and amendments thereto, or pursuant to section  
39 1 or section 2 of chapter 207 of the 2005 session laws of Kansas, and  
40 amendments thereto, to the extent that such death benefits are included in  
41 federal adjusted gross income of the taxpayer.

42 (xix) For the taxable year beginning after December 31, 2006,  
43 amounts received as benefits under the federal social security act which

1 are included in federal adjusted gross income of a taxpayer with federal  
2 adjusted gross income of \$50,000 or less, whether such taxpayer's filing  
3 status is single, head of household, married filing separate or married filing  
4 jointly; and for all taxable years beginning after December 31, 2007,  
5 amounts received as benefits under the federal social security act which  
6 are included in federal adjusted gross income of a taxpayer with federal  
7 adjusted gross income of \$75,000 or less, whether such taxpayer's filing  
8 status is single, head of household, married filing separate or married filing  
9 jointly.

10 (xx) Amounts received by retired employees of Washburn university  
11 as retirement and pension benefits under the university's retirement plan.

12 (d) There shall be added to or subtracted from federal adjusted gross  
13 income the taxpayer's share, as beneficiary of an estate or trust, of the  
14 Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and  
15 amendments thereto.

16 (e) The amount of modifications required to be made under this  
17 section by a partner which relates to items of income, gain, loss, deduction  
18 or credit of a partnership shall be determined under K.S.A. 79-32,131, and  
19 amendments thereto, to the extent that such items affect federal adjusted  
20 gross income of the partner.

21 Sec. 17. K.S.A. 2011 Supp. 79-32,138 is hereby amended to read as  
22 follows: 79-32,138. (a) Kansas taxable income of a corporation taxable  
23 under this act shall be the corporation's federal taxable income for the  
24 taxable year with the modifications specified in this section.

25 (b) There shall be added to federal taxable income: (i) The same  
26 modifications as are set forth in subsection (b) of K.S.A. 79-32,117, and  
27 amendments thereto, with respect to resident individuals.

28 (ii) The amount of all depreciation deductions claimed for any  
29 property upon which the deduction allowed by K.S.A. 2011 Supp. 79-  
30 32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-  
31 32,255 or 79-32,256, and amendments thereto, is claimed.

32 (iii) The amount of any charitable contribution deduction claimed for  
33 any contribution or gift to or for the use of any racially segregated  
34 educational institution.

35 (iv) *For taxable years commencing after December 31, 2011, that*  
36 *portion of the amount of any expenditure deduction claimed in*  
37 *determining federal adjusted gross income for expenses paid by a*  
38 *taxpayer for health care, a health benefit plan, as defined by section 1,*  
39 *and amendments thereto, or amounts contributed to health savings*  
40 *accounts of such taxpayer's employees for the purchase of an optional*  
41 *rider for coverage of abortion in accordance with K.S.A. 2011 Supp. 40-*  
42 *2,190, and amendments thereto.*

43 (c) There shall be subtracted from federal taxable income: (i) The

1 same modifications as are set forth in subsection (c) of K.S.A. 79-32,117,  
2 and amendments thereto, with respect to resident individuals.

3 (ii) The federal income tax liability for any taxable year commencing  
4 prior to December 31, 1971, for which a Kansas return was filed after  
5 reduction for all credits thereon, except credits for payments on estimates  
6 of federal income tax, credits for gasoline and lubricating oil tax, and for  
7 foreign tax credits if, on the Kansas income tax return for such prior year,  
8 the federal income tax deduction was computed on the basis of the federal  
9 income tax paid in such prior year, rather than as accrued. Notwithstanding  
10 the foregoing, the deduction for federal income tax liability for any year  
11 shall not exceed that portion of the total federal income tax liability for  
12 such year which bears the same ratio to the total federal income tax  
13 liability for such year as the Kansas taxable income, as computed before  
14 any deductions for federal income taxes and after application of  
15 subsections (d) and (e) of this section as existing for such year, bears to the  
16 federal taxable income for the same year.

17 (iii) An amount for the amortization deduction allowed pursuant to  
18 K.S.A. 2011 Supp. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-  
19 32,249, 79-32,250, 79-32,255 or 79-32,256, and amendments thereto.

20 (iv) For all taxable years commencing after December 31, 1987, the  
21 amount included in federal taxable income pursuant to the provisions of  
22 section 78 of the internal revenue code.

23 (v) For all taxable years commencing after December 31, 1987, 80%  
24 of dividends from corporations incorporated outside of the United States  
25 or the District of Columbia which are included in federal taxable income.

26 (d) If any corporation derives all of its income from sources within  
27 Kansas in any taxable year commencing after December 31, 1979, its  
28 Kansas taxable income shall be the sum resulting after application of  
29 subsections (a) through (c) hereof. Otherwise, such corporation's Kansas  
30 taxable income in any such taxable year, after excluding any refunds of  
31 federal income tax and before the deduction of federal income taxes  
32 provided by subsection (c)(ii) shall be allocated as provided in K.S.A. 79-  
33 3271 to K.S.A. 79-3293, inclusive, and amendments thereto, plus any  
34 refund of federal income tax as determined under paragraph (iv) of  
35 subsection (b) of K.S.A. 79-32,117, and amendments thereto, and minus  
36 the deduction for federal income taxes as provided by subsection (c)(ii)  
37 shall be such corporation's Kansas taxable income.

38 (e) A corporation may make an election with respect to its first  
39 taxable year commencing after December 31, 1982, whereby no addition  
40 modifications as provided for in subsection (b)(ii) of K.S.A. 79-32,138,  
41 *and amendments thereto*, and subtraction modifications as provided for in  
42 subsection (c)(iii) of K.S.A. 79-32,138, *and amendments thereto*, as those  
43 subsections existed prior to their amendment by this act, shall be required

1 to be made for such taxable year.

2 Sec. 18. K.S.A. 2011 Supp. 79-32,182b is hereby amended to read as  
3 follows: 79-32,182b. (a) For all taxable years commencing after December  
4 31, 2000, a credit shall be allowed against the tax imposed by the Kansas  
5 income tax act on the Kansas taxable income of a taxpayer for  
6 expenditures in research and development activities conducted within this  
7 state in an amount equal to 6<sup>1</sup>/<sub>2</sub>% of the amount by which the amount  
8 expended for such activities in the taxable year of the taxpayer exceeds the  
9 taxpayer's average of the actual expenditures for such purposes made in  
10 such taxable year and the next preceding two taxable years.

11 (b) In any one taxable year, the amount of such credit allowable for  
12 deduction from the taxpayer's tax liability shall not exceed 25% of the total  
13 amount of such credit plus any applicable carry forward amount. The  
14 amount by which that portion of the credit allowed by subsections (a) and  
15 (b) to be claimed in any one taxable year exceeds the taxpayer's tax  
16 liability in such year may be carried forward until the total amount of the  
17 credit is used.

18 (c) As used in this section, the term "expenditures in research and  
19 development activities" means expenditures made for such purposes, other  
20 than expenditures of moneys made available to the taxpayer pursuant to  
21 federal or state law, which are treated as expenses allowable for deduction  
22 under the provisions of the federal internal revenue code of 1986, ~~and~~  
23 ~~amendments thereto~~ *as amended, except that for taxable years*  
24 *commencing after December 31, 2012, expenditures in research and*  
25 *development activities shall not include any expenditures for the*  
26 *performance of any abortion, as defined in section 1, and amendments*  
27 *thereto.*

28 Sec. 19. K.S.A. 2011 Supp. 79-32,195 is hereby amended to read as  
29 follows: 79-32,195. As used in this act, the following words and phrases  
30 shall have the meanings ascribed to them herein: (a) "Business firm"  
31 means any business entity authorized to do business in the state of Kansas  
32 which is subject to the state income tax imposed by the provisions of the  
33 Kansas income tax act, any individual subject to the state income tax  
34 imposed by the provisions of the Kansas income tax act, any national  
35 banking association, state bank, trust company or savings and loan  
36 association paying an annual tax on its net income pursuant to article 11 of  
37 chapter 79 of the Kansas Statutes Annotated, or any insurance company  
38 paying the premium tax and privilege fees imposed pursuant to K.S.A. 40-  
39 252, and amendments thereto;

40 (b) "Community services" means:

41 (1) The conduct of activities which meet a demonstrated community  
42 need and which are designed to achieve improved educational and social  
43 services for Kansas children and their families, and which are coordinated

1 with communities including, but not limited to, social and human services  
2 organizations that address the causes of poverty through programs and  
3 services that assist low income persons in the areas of employment, food,  
4 housing, emergency assistance and health care;

5 (2) crime prevention; and

6 (3) health care services.

7 (c) "Crime prevention" means any nongovernmental activity which  
8 aids in the prevention of crime.

9 (d) "Community service organization" means any organization  
10 performing community services in Kansas and which:

11 (1) Has obtained a ruling from the internal revenue service of the  
12 United States department of the treasury that such organization is exempt  
13 from income taxation under the provisions of section 501(c)(3) of the  
14 federal internal revenue code; or

15 (2) is incorporated in the state of Kansas or another state as a  
16 nonstock, nonprofit corporation; or

17 (3) has been designated as a community development corporation by  
18 the United States government under the provisions of title VII of the  
19 economic opportunity act of 1964; or

20 (4) is chartered by the United States congress.

21 (e) "Contributions" shall mean and include the donation of cash,  
22 services or property other than used clothing in an amount or value of  
23 \$250 or more. Stocks and bonds contributed shall be valued at the stock  
24 market price on the date of transfer. Services contributed shall be valued at  
25 the standard billing rate for not-for-profit clients. Personal property items  
26 contributed shall be valued at the lesser of its fair market value or cost to  
27 the donor and may be inclusive of costs incurred in making the  
28 contribution, but shall not include sales tax. Contributions of real estate are  
29 allowable for credit only when title thereto is in fee simple absolute and is  
30 clear of any encumbrances. The amount of credit allowable shall be based  
31 upon the lesser of two current independent appraisals conducted by state  
32 licensed appraisers.

33 (f) "Health care services" shall include, but not be limited to, the  
34 following: Services provided by local health departments, city, county or  
35 district hospitals, city or county nursing homes, or other residential  
36 institutions, preventive health care services offered by a community  
37 service organization including immunizations, prenatal care, the  
38 postponement of entry into nursing homes by home health care services,  
39 and community-based services for persons with a disability, mental health  
40 services, indigent health care, physician or health care worker recruitment,  
41 health education, emergency medical services, services provided by rural  
42 health clinics, integration of health care services, home health services and  
43 services provided by rural health networks, *except that for taxable years*

1 *commencing after December 31, 2011, health care services shall not*  
2 *include any service involving the performance of any abortion, as defined*  
3 *in section 1, and amendments thereto.*

4 (g) "Rural community" means any city having a population of fewer  
5 than 15,000 located in a county that is not part of a standard metropolitan  
6 statistical area as defined by the United States department of commerce or  
7 its successor agency. However, any such city located in a county defined  
8 as a standard metropolitan statistical area shall be deemed a rural  
9 community if a substantial number of persons in such county derive their  
10 income from agriculture and, in any county where there is only one city  
11 within the county which has a population of more than 15,000 and which  
12 classifies as a standard metropolitan statistical area, all other cities in that  
13 county having a population of less than 15,000 shall be deemed a rural  
14 community.

15 Sec. 20. K.S.A. 2011 Supp. 79-32,261 is hereby amended to read as  
16 follows: 79-32,261. (a) On and after July 1, 2008, any taxpayer who  
17 contributes in the manner prescribed by this section to a community  
18 college located in Kansas for capital improvements, to a technical college  
19 for deferred maintenance or the purchase of technology or equipment or to  
20 a postsecondary educational institution located in Kansas for deferred  
21 maintenance, shall be allowed a credit against the tax imposed by the  
22 Kansas income tax act, the premium tax or privilege fees imposed  
23 pursuant to K.S.A. 40-252, and amendments thereto, or the privilege tax as  
24 measured by net income of financial institutions imposed pursuant to  
25 article 11 of chapter 79 of the Kansas Statutes Annotated. The tax credit  
26 allowed by this section is applicable for the tax year 2008 for any  
27 contributions made on and after July 1, 2008, and for the tax years 2009,  
28 2010, 2011 and 2012 for any contributions made during the entire tax year.  
29 The amount of the credit allowed by this section shall not exceed 60% of  
30 the total amount contributed during the taxable year by the taxpayer to a  
31 community college or a technical college located in Kansas for such  
32 purposes. The amount of the credit allowed by this section shall not exceed  
33 50% of the total amount contributed during the taxable year by the  
34 taxpayer to a postsecondary educational institution for such purposes. If  
35 the amount of the credit allowed by this section for a taxpayer who  
36 contributes to a community college or a technical college exceeds the  
37 taxpayer's income tax liability imposed by the Kansas income tax act, such  
38 excess amount shall be refunded to the taxpayer. If the amount of the tax  
39 credit for a taxpayer who contributes to a postsecondary educational  
40 institution exceeds the taxpayer's income tax liability for the taxable year,  
41 the amount which exceeds the tax liability may be carried over for  
42 deduction from the taxpayer's income tax liability in the next succeeding  
43 taxable year or years until the total amount of the tax credit has been

1 deducted from tax liability, except that no such tax credit shall be carried  
2 over for deduction after the third taxable year succeeding the taxable year  
3 in which the contribution is made. Prior to the issuance of any tax credits  
4 pursuant to this section, the structure of the process in which contributions  
5 received by a community college, a technical college or a postsecondary  
6 educational institution qualify as tax credits allowed and issued pursuant to  
7 this section shall be developed by a community college, a technical college  
8 and a postsecondary educational institution in consultation with the  
9 secretary of revenue and the foundation or endowment association of any  
10 such community college, technical college or postsecondary educational  
11 institution in a manner that complies with requirements specified in the  
12 federal internal revenue code of 1986, as amended, so that contributions  
13 qualify as charitable contributions allowable as deductions from federal  
14 adjusted gross income.

15 (b) (1) Upon receipt of any such contributions to a community  
16 college made pursuant to the provisions of this section, the treasurer of the  
17 community college shall deposit such contributions to the credit of the  
18 capital outlay fund of such community college established as provided by  
19 K.S.A. 71-501a, and amendments thereto. Expenditures from such fund  
20 shall be made for the purposes described in subsection (a) of K.S.A. 71-  
21 501, and amendments thereto, except that expenditures shall not be made  
22 from such fund for new construction or the acquisition of real property for  
23 use as building sites or for educational programs.

24 (2) Upon receipt of any such contributions to a technical college  
25 made pursuant to the provisions of this section, such contributions shall be  
26 deposited to the credit of a deferred maintenance fund or a technology and  
27 equipment fund established by the technical college which received the  
28 contribution. Expenditures from such fund shall be made only for the  
29 purpose as provided in this subsection.

30 (3) Upon receipt of any such contributions to a postsecondary  
31 educational institution made pursuant to the provisions of this section,  
32 such contributions shall be deposited to the credit of the appropriate  
33 deferred maintenance support fund of the postsecondary educational  
34 institution which received the contribution. Expenditures from such fund  
35 shall be made only for the purposes designated for such fund pursuant to  
36 law.

37 (c) (1) In no event shall the total amount of credits allowed under this  
38 section for taxpayers who contribute to any one such community college  
39 or technical college exceed the following amounts: For the tax year 2008,  
40 an amount not to exceed \$78,125; for the tax year 2009, an amount not to  
41 exceed \$156,250; and for the tax years 2010, 2011 and 2012, an amount  
42 not to exceed \$208,233.33.

43 (2) In no event shall the total of credits allowed under this section for



1 taxpayers who contribute to postsecondary educational institutions exceed  
2 the following amounts: For the tax year 2008, an amount not to exceed  
3 \$5,625,000; for the tax year 2009, an amount not to exceed \$11,250,000;  
4 and for the tax years 2010, 2011 and 2012, an amount not to exceed  
5 \$15,000,000. Except as otherwise provided, the allocation of such tax  
6 credits for each individual state educational institution shall be determined  
7 by the state board of regents in consultation with the secretary of revenue  
8 and the university foundation or endowment association of each  
9 postsecondary educational institution, and such determination shall be  
10 completed prior to the issuance of any tax credits pursuant to this section.  
11 Not more than 40% of the total of credits allowed under this section shall  
12 be allocated to any one postsecondary educational institution unless all  
13 such postsecondary educational institutions approve an allocation to any  
14 one such postsecondary educational institution which exceeds 40% of the  
15 total of such credits allowed under this section.

16 (d) As used in this section: (1) "Community college" means a  
17 community college established under the provisions of the community  
18 college act;

19 (2) "deferred maintenance" means the maintenance, repair,  
20 reconstruction or rehabilitation of a building located at a technical college  
21 or a postsecondary educational institution which has been deferred, any  
22 utility systems relating to such building, any life-safety upgrades to such  
23 building and any improvements necessary to be made to such building in  
24 order to comply with the requirements of the Americans with disabilities  
25 act or other federal or state law, *except that for taxable years commencing*  
26 *after December 31, 2012, deferred maintenance shall not include any*  
27 *maintenance, repair, reconstruction or rehabilitation of any building in*  
28 *which any abortion, as defined in section 1, and amendments thereto, is*  
29 *performed;*

30 (3) "postsecondary educational institution" means the university of  
31 Kansas, Kansas state university of agriculture and applied science, Wichita  
32 state university, Emporia state university, Pittsburg state university, Fort  
33 Hays state university and Washburn university of Topeka; and

34 (4) "technical college" means a technical college as designated  
35 pursuant to K.S.A. 72-4472, 72-4473, 72-4474, 72-4475 and 72-4477, and  
36 amendments thereto.

37 (e) Any taxpayer not subject to Kansas income, privilege or  
38 premiums tax who contributes to a community college, technical college  
39 or postsecondary educational institution, hereinafter designated the  
40 transferor, may sell, assign, convey or otherwise transfer tax credits  
41 allowed and earned pursuant to this section. The sale price of a tax credit  
42 shall be at least 50% of the full value of the credit. Such credit shall be  
43 deemed to be allowed and earned by any such taxpayer which is only

1 disqualified therefrom by reason of not being subject to such Kansas taxes.  
2 The taxpayer acquiring earned credits, hereinafter designated the  
3 transferee, may use the amount of the acquired credits to offset up to 100%  
4 of the taxpayer's income, privilege or premiums tax liability for the taxable  
5 year in which such acquisition was made. Such credits may be sold or  
6 transferred only one time and, if sold or transferred, shall be transferred in  
7 the tax year such credit is earned or the two successive tax years. A  
8 transferred credit shall be claimed in the year purchased. The transferor  
9 shall enter into a written agreement with the transferee establishing the  
10 terms and conditions of the sale or transfer and shall perfect such transfer  
11 by notifying the secretary of revenue in writing within 30 calendar days  
12 following the effective date of the transfer, subject to the review and  
13 approval or denial of such transfer by the secretary of revenue. The  
14 transferor and transferee shall provide any information pertaining to the  
15 sale or transfer as may be required by the secretary of revenue to  
16 administer and carry out the provisions of this section. The amount  
17 received by the transferor of such tax credit shall be taxable as income of  
18 the transferor, and the excess of the value of such credit over the amount  
19 paid by the transferee for such credit shall be taxable as income of the  
20 transferee.

21 (f) The secretary of revenue shall submit an annual report to the  
22 legislature to assist the legislature in the evaluation of the utilization of any  
23 credits claimed pursuant to this act, including information specific as to  
24 each community college, technical college or postsecondary educational  
25 institution. Such report shall be due on or before the first day of the  
26 legislative session following the tax year in which the credits were  
27 claimed.

28 (g) The secretary of revenue shall adopt rules and regulations  
29 necessary to administer the provisions of this section.

30 Sec. 21. K.S.A. 2011 Supp. 79-3606 is hereby amended to read as  
31 follows: 79-3606. The following shall be exempt from the tax imposed by  
32 this act:

33 (a) All sales of motor-vehicle fuel or other articles upon which a sales  
34 or excise tax has been paid, not subject to refund, under the laws of this  
35 state except cigarettes as defined by K.S.A. 79-3301, and amendments  
36 thereto, cereal malt beverages and malt products as defined by K.S.A. 79-  
37 3817, and amendments thereto, including wort, liquid malt, malt syrup and  
38 malt extract, which is not subject to taxation under the provisions of  
39 K.S.A. 79-41a02, and amendments thereto, motor vehicles taxed pursuant  
40 to K.S.A. 79-5117, and amendments thereto, tires taxed pursuant to K.S.A.  
41 65-3424d, and amendments thereto, drycleaning and laundry services  
42 taxed pursuant to K.S.A. 65-34,150, and amendments thereto, and gross  
43 receipts from regulated sports contests taxed pursuant to the Kansas

1 professional regulated sports act, and amendments thereto;

2 (b) all sales of tangible personal property or service, including the  
3 renting and leasing of tangible personal property, purchased directly by the  
4 state of Kansas, a political subdivision thereof, other than a school or  
5 educational institution, or purchased by a public or private nonprofit  
6 hospital or public hospital authority or nonprofit blood, tissue or organ  
7 bank and used exclusively for state, political subdivision, hospital or  
8 public hospital authority or nonprofit blood, tissue or organ bank purposes,  
9 except when: (1) Such state, hospital or public hospital authority is  
10 engaged or proposes to engage in any business specifically taxable under  
11 the provisions of this act and such items of tangible personal property or  
12 service are used or proposed to be used in such business; or (2) such  
13 political subdivision is engaged or proposes to engage in the business of  
14 furnishing gas, electricity or heat to others and such items of personal  
15 property or service are used or proposed to be used in such business;

16 (c) all sales of tangible personal property or services, including the  
17 renting and leasing of tangible personal property, purchased directly by a  
18 public or private elementary or secondary school or public or private  
19 nonprofit educational institution and used primarily by such school or  
20 institution for nonsectarian programs and activities provided or sponsored  
21 by such school or institution or in the erection, repair or enlargement of  
22 buildings to be used for such purposes. The exemption herein provided  
23 shall not apply to erection, construction, repair, enlargement or equipment  
24 of buildings used primarily for human habitation;

25 (d) all sales of tangible personal property or services purchased by a  
26 contractor for the purpose of constructing, equipping, reconstructing,  
27 maintaining, repairing, enlarging, furnishing or remodeling facilities for  
28 any public or private nonprofit hospital or public hospital authority, public  
29 or private elementary or secondary school, a public or private nonprofit  
30 educational institution, state correctional institution including a privately  
31 constructed correctional institution contracted for state use and ownership,  
32 which would be exempt from taxation under the provisions of this act if  
33 purchased directly by such hospital or public hospital authority, school,  
34 educational institution or a state correctional institution; and all sales of  
35 tangible personal property or services purchased by a contractor for the  
36 purpose of constructing, equipping, reconstructing, maintaining, repairing,  
37 enlarging, furnishing or remodeling facilities for any political subdivision  
38 of the state or district described in subsection (s), the total cost of which is  
39 paid from funds of such political subdivision or district and which would  
40 be exempt from taxation under the provisions of this act if purchased  
41 directly by such political subdivision or district. Nothing in this subsection  
42 or in the provisions of K.S.A. 12-3418, and amendments thereto, shall be  
43 deemed to exempt the purchase of any construction machinery, equipment

1 or tools used in the constructing, equipping, reconstructing, maintaining,  
2 repairing, enlarging, furnishing or remodeling facilities for any political  
3 subdivision of the state or any such district. As used in this subsection,  
4 K.S.A. 12-3418 and 79-3640, and amendments thereto, "funds of a  
5 political subdivision" shall mean general tax revenues, the proceeds of any  
6 bonds and gifts or grants-in-aid. Gifts shall not mean funds used for the  
7 purpose of constructing, equipping, reconstructing, repairing, enlarging,  
8 furnishing or remodeling facilities which are to be leased to the donor.  
9 When any political subdivision of the state, district described in subsection  
10 (s), public or private nonprofit hospital or public hospital authority, public  
11 or private elementary or secondary school, public or private nonprofit  
12 educational institution, state correctional institution including a privately  
13 constructed correctional institution contracted for state use and ownership  
14 shall contract for the purpose of constructing, equipping, reconstructing,  
15 maintaining, repairing, enlarging, furnishing or remodeling facilities, it  
16 shall obtain from the state and furnish to the contractor an exemption  
17 certificate for the project involved, and the contractor may purchase  
18 materials for incorporation in such project. The contractor shall furnish the  
19 number of such certificate to all suppliers from whom such purchases are  
20 made, and such suppliers shall execute invoices covering the same bearing  
21 the number of such certificate. Upon completion of the project the  
22 contractor shall furnish to the political subdivision, district described in  
23 subsection (s), hospital or public hospital authority, school, educational  
24 institution or department of corrections concerned a sworn statement, on a  
25 form to be provided by the director of taxation, that all purchases so made  
26 were entitled to exemption under this subsection. As an alternative to the  
27 foregoing procedure, any such contracting entity may apply to the  
28 secretary of revenue for agent status for the sole purpose of issuing and  
29 furnishing project exemption certificates to contractors pursuant to rules  
30 and regulations adopted by the secretary establishing conditions and  
31 standards for the granting and maintaining of such status. All invoices  
32 shall be held by the contractor for a period of five years and shall be  
33 subject to audit by the director of taxation. If any materials purchased  
34 under such a certificate are found not to have been incorporated in the  
35 building or other project or not to have been returned for credit or the sales  
36 or compensating tax otherwise imposed upon such materials which will  
37 not be so incorporated in the building or other project reported and paid by  
38 such contractor to the director of taxation not later than the 20th day of the  
39 month following the close of the month in which it shall be determined  
40 that such materials will not be used for the purpose for which such  
41 certificate was issued, the political subdivision, district described in  
42 subsection (s), hospital or public hospital authority, school, educational  
43 institution or the contractor contracting with the department of corrections

1 for a correctional institution concerned shall be liable for tax on all  
2 materials purchased for the project, and upon payment thereof it may  
3 recover the same from the contractor together with reasonable attorney  
4 fees. Any contractor or any agent, employee or subcontractor thereof, who  
5 shall use or otherwise dispose of any materials purchased under such a  
6 certificate for any purpose other than that for which such a certificate is  
7 issued without the payment of the sales or compensating tax otherwise  
8 imposed upon such materials, shall be guilty of a misdemeanor and, upon  
9 conviction therefor, shall be subject to the penalties provided for in  
10 subsection (g) of K.S.A. 79-3615, and amendments thereto;

11 (e) all sales of tangible personal property or services purchased by a  
12 contractor for the erection, repair or enlargement of buildings or other  
13 projects for the government of the United States, its agencies or  
14 instrumentalities, which would be exempt from taxation if purchased  
15 directly by the government of the United States, its agencies or  
16 instrumentalities. When the government of the United States, its agencies  
17 or instrumentalities shall contract for the erection, repair, or enlargement  
18 of any building or other project, it shall obtain from the state and furnish to  
19 the contractor an exemption certificate for the project involved, and the  
20 contractor may purchase materials for incorporation in such project. The  
21 contractor shall furnish the number of such certificates to all suppliers  
22 from whom such purchases are made, and such suppliers shall execute  
23 invoices covering the same bearing the number of such certificate. Upon  
24 completion of the project the contractor shall furnish to the government of  
25 the United States, its agencies or instrumentalities concerned a sworn  
26 statement, on a form to be provided by the director of taxation, that all  
27 purchases so made were entitled to exemption under this subsection. As an  
28 alternative to the foregoing procedure, any such contracting entity may  
29 apply to the secretary of revenue for agent status for the sole purpose of  
30 issuing and furnishing project exemption certificates to contractors  
31 pursuant to rules and regulations adopted by the secretary establishing  
32 conditions and standards for the granting and maintaining of such status.  
33 All invoices shall be held by the contractor for a period of five years and  
34 shall be subject to audit by the director of taxation. Any contractor or any  
35 agent, employee or subcontractor thereof, who shall use or otherwise  
36 dispose of any materials purchased under such a certificate for any purpose  
37 other than that for which such a certificate is issued without the payment  
38 of the sales or compensating tax otherwise imposed upon such materials,  
39 shall be guilty of a misdemeanor and, upon conviction therefor, shall be  
40 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,  
41 and amendments thereto;

42 (f) tangible personal property purchased by a railroad or public utility  
43 for consumption or movement directly and immediately in interstate

1 commerce;

2 (g) sales of aircraft including remanufactured and modified aircraft  
3 sold to persons using directly or through an authorized agent such aircraft  
4 as certified or licensed carriers of persons or property in interstate or  
5 foreign commerce under authority of the laws of the United States or any  
6 foreign government or sold to any foreign government or agency or  
7 instrumentality of such foreign government and all sales of aircraft for use  
8 outside of the United States and sales of aircraft repair, modification and  
9 replacement parts and sales of services employed in the remanufacture,  
10 modification and repair of aircraft;

11 (h) all rentals of nonsectarian textbooks by public or private  
12 elementary or secondary schools;

13 (i) the lease or rental of all films, records, tapes, or any type of sound  
14 or picture transcriptions used by motion picture exhibitors;

15 (j) meals served without charge or food used in the preparation of  
16 such meals to employees of any restaurant, eating house, dining car, hotel,  
17 drugstore or other place where meals or drinks are regularly sold to the  
18 public if such employees' duties are related to the furnishing or sale of  
19 such meals or drinks;

20 (k) any motor vehicle, semitrailer or pole trailer, as such terms are  
21 defined by K.S.A. 8-126, and amendments thereto, or aircraft sold and  
22 delivered in this state to a bona fide resident of another state, which motor  
23 vehicle, semitrailer, pole trailer or aircraft is not to be registered or based  
24 in this state and which vehicle, semitrailer, pole trailer or aircraft will not  
25 remain in this state more than 10 days;

26 (l) all isolated or occasional sales of tangible personal property,  
27 services, substances or things, except isolated or occasional sale of motor  
28 vehicles specifically taxed under the provisions of subsection (o) of K.S.A.  
29 79-3603, and amendments thereto;

30 (m) all sales of tangible personal property which become an  
31 ingredient or component part of tangible personal property or services  
32 produced, manufactured or compounded for ultimate sale at retail within  
33 or without the state of Kansas; and any such producer, manufacturer or  
34 compounder may obtain from the director of taxation and furnish to the  
35 supplier an exemption certificate number for tangible personal property for  
36 use as an ingredient or component part of the property or services  
37 produced, manufactured or compounded;

38 (n) all sales of tangible personal property which is consumed in the  
39 production, manufacture, processing, mining, drilling, refining or  
40 compounding of tangible personal property, the treating of by-products or  
41 wastes derived from any such production process, the providing of  
42 services or the irrigation of crops for ultimate sale at retail within or  
43 without the state of Kansas; and any purchaser of such property may

1 obtain from the director of taxation and furnish to the supplier an  
2 exemption certificate number for tangible personal property for  
3 consumption in such production, manufacture, processing, mining,  
4 drilling, refining, compounding, treating, irrigation and in providing such  
5 services;

6 (o) all sales of animals, fowl and aquatic plants and animals, the  
7 primary purpose of which is use in agriculture or aquaculture, as defined in  
8 K.S.A. 47-1901, and amendments thereto, the production of food for  
9 human consumption, the production of animal, dairy, poultry or aquatic  
10 plant and animal products, fiber or fur, or the production of offspring for  
11 use for any such purpose or purposes;

12 (p) all sales of drugs dispensed pursuant to a prescription order by a  
13 licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-  
14 1626, and amendments thereto. As used in this subsection, "drug" means a  
15 compound, substance or preparation and any component of a compound,  
16 substance or preparation, other than food and food ingredients, dietary  
17 supplements or alcoholic beverages, recognized in the official United  
18 States pharmacopoeia, official homeopathic pharmacopoeia of the United  
19 States or official national formulary, and supplement to any of them,  
20 intended for use in the diagnosis, cure, mitigation, treatment or prevention  
21 of disease or intended to affect the structure or any function of the body,  
22 *except that for taxable years commencing after December 31, 2012, this*  
23 *subsection shall not apply to any sales of drugs used in the performance*  
24 *or induction of an abortion, as defined in section 1, and amendments*  
25 *thereto;*

26 (q) all sales of insulin dispensed by a person licensed by the state  
27 board of pharmacy to a person for treatment of diabetes at the direction of  
28 a person licensed to practice medicine by the board of healing arts;

29 (r) all sales of oxygen delivery equipment, kidney dialysis equipment,  
30 enteral feeding systems, prosthetic devices and mobility enhancing  
31 equipment prescribed in writing by a person licensed to practice the  
32 healing arts, dentistry or optometry, and in addition to such sales, all sales  
33 of hearing aids, as defined by subsection (c) of K.S.A. 74-5807, and  
34 amendments thereto, and repair and replacement parts therefor, including  
35 batteries, by a person licensed in the practice of dispensing and fitting  
36 hearing aids pursuant to the provisions of K.S.A. 74-5808, and  
37 amendments thereto. For the purposes of this subsection: (1) "Mobility  
38 enhancing equipment" means equipment including repair and replacement  
39 parts to same, but does not include durable medical equipment, which is  
40 primarily and customarily used to provide or increase the ability to move  
41 from one place to another and which is appropriate for use either in a  
42 home or a motor vehicle; is not generally used by persons with normal  
43 mobility; and does not include any motor vehicle or equipment on a motor

1 vehicle normally provided by a motor vehicle manufacturer; and (2)  
2 "prosthetic device" means a replacement, corrective or supportive device  
3 including repair and replacement parts for same worn on or in the body to  
4 artificially replace a missing portion of the body, prevent or correct  
5 physical deformity or malfunction or support a weak or deformed portion  
6 of the body;

7 (s) except as provided in K.S.A. 2011 Supp. 82a-2101, and  
8 amendments thereto, all sales of tangible personal property or services  
9 purchased directly or indirectly by a groundwater management district  
10 organized or operating under the authority of K.S.A. 82a-1020 et seq., and  
11 amendments thereto, by a rural water district organized or operating under  
12 the authority of K.S.A. 82a-612, and amendments thereto, or by a water  
13 supply district organized or operating under the authority of K.S.A. 19-  
14 3501 et seq., 19-3522 et seq. or 19-3545, and amendments thereto, which  
15 property or services are used in the construction activities, operation or  
16 maintenance of the district;

17 (t) all sales of farm machinery and equipment or aquaculture  
18 machinery and equipment, repair and replacement parts therefor and  
19 services performed in the repair and maintenance of such machinery and  
20 equipment. For the purposes of this subsection the term "farm machinery  
21 and equipment or aquaculture machinery and equipment" shall include a  
22 work-site utility vehicle, as defined in K.S.A. 8-126, and amendments  
23 thereto, and is equipped with a bed or cargo box for hauling materials, and  
24 shall also include machinery and equipment used in the operation of  
25 Christmas tree farming but shall not include any passenger vehicle, truck,  
26 truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as  
27 such terms are defined by K.S.A. 8-126, and amendments thereto. "Farm  
28 machinery and equipment" includes precision farming equipment that is  
29 portable or is installed or purchased to be installed on farm machinery and  
30 equipment. "Precision farming equipment" includes the following items  
31 used only in computer-assisted farming, ranching or aquaculture  
32 production operations: Soil testing sensors, yield monitors, computers,  
33 monitors, software, global positioning and mapping systems, guiding  
34 systems, modems, data communications equipment and any necessary  
35 mounting hardware, wiring and antennas. Each purchaser of farm  
36 machinery and equipment or aquaculture machinery and equipment  
37 exempted herein must certify in writing on the copy of the invoice or sales  
38 ticket to be retained by the seller that the farm machinery and equipment  
39 or aquaculture machinery and equipment purchased will be used only in  
40 farming, ranching or aquaculture production. Farming or ranching shall  
41 include the operation of a feedlot and farm and ranch work for hire and the  
42 operation of a nursery;

43 (u) all leases or rentals of tangible personal property used as a



1 dwelling if such tangible personal property is leased or rented for a period  
2 of more than 28 consecutive days;

3 (v) all sales of tangible personal property to any contractor for use in  
4 preparing meals for delivery to homebound elderly persons over 60 years  
5 of age and to homebound disabled persons or to be served at a group-  
6 sitting at a location outside of the home to otherwise homebound elderly  
7 persons over 60 years of age and to otherwise homebound disabled  
8 persons, as all or part of any food service project funded in whole or in  
9 part by government or as part of a private nonprofit food service project  
10 available to all such elderly or disabled persons residing within an area of  
11 service designated by the private nonprofit organization, and all sales of  
12 tangible personal property for use in preparing meals for consumption by  
13 indigent or homeless individuals whether or not such meals are consumed  
14 at a place designated for such purpose, and all sales of food products by or  
15 on behalf of any such contractor or organization for any such purpose;

16 (w) all sales of natural gas, electricity, heat and water delivered  
17 through mains, lines or pipes: (1) To residential premises for  
18 noncommercial use by the occupant of such premises; (2) for agricultural  
19 use and also, for such use, all sales of propane gas; (3) for use in the  
20 severing of oil; and (4) to any property which is exempt from property  
21 taxation pursuant to K.S.A. 79-201b Second through Sixth. As used in this  
22 paragraph, "severing" shall have the meaning ascribed thereto by  
23 subsection (k) of K.S.A. 79-4216, and amendments thereto. For all sales of  
24 natural gas, electricity and heat delivered through mains, lines or pipes  
25 pursuant to the provisions of subsection (w)(1) and (w)(2), the provisions  
26 of this subsection shall expire on December 31, 2005;

27 (x) all sales of propane gas, LP-gas, coal, wood and other fuel sources  
28 for the production of heat or lighting for noncommercial use of an  
29 occupant of residential premises occurring prior to January 1, 2006;

30 (y) all sales of materials and services used in the repairing, servicing,  
31 altering, maintaining, manufacturing, remanufacturing, or modification of  
32 railroad rolling stock for use in interstate or foreign commerce under  
33 authority of the laws of the United States;

34 (z) all sales of tangible personal property and services purchased  
35 directly by a port authority or by a contractor therefor as provided by the  
36 provisions of K.S.A. 12-3418, and amendments thereto;

37 (aa) all sales of materials and services applied to equipment which is  
38 transported into the state from without the state for repair, service,  
39 alteration, maintenance, remanufacture or modification and which is  
40 subsequently transported outside the state for use in the transmission of  
41 liquids or natural gas by means of pipeline in interstate or foreign  
42 commerce under authority of the laws of the United States;

43 (bb) all sales of used mobile homes or manufactured homes. As used

1 in this subsection: (1) "Mobile homes" and "manufactured homes" shall  
2 have the meanings ascribed thereto by K.S.A. 58-4202, and amendments  
3 thereto; and (2) "sales of used mobile homes or manufactured homes"  
4 means sales other than the original retail sale thereof;

5 (cc) all sales of tangible personal property or services purchased prior  
6 to January 1, 2012, except as otherwise provided, for the purpose of and in  
7 conjunction with constructing, reconstructing, enlarging or remodeling a  
8 business or retail business which meets the requirements established in  
9 K.S.A. 74-50,115, and amendments thereto, and the sale and installation of  
10 machinery and equipment purchased for installation at any such business  
11 or retail business, and all sales of tangible personal property or services  
12 purchased on or after January 1, 2012, for the purpose of and in  
13 conjunction with constructing, reconstructing, enlarging or remodeling a  
14 business which meets the requirements established in K.S.A. 74-50,115(e),  
15 and amendments thereto, and the sale and installation of machinery and  
16 equipment purchased for installation at any such business. When a person  
17 shall contract for the construction, reconstruction, enlargement or  
18 remodeling of any such business or retail business, such person shall  
19 obtain from the state and furnish to the contractor an exemption certificate  
20 for the project involved, and the contractor may purchase materials,  
21 machinery and equipment for incorporation in such project. The contractor  
22 shall furnish the number of such certificates to all suppliers from whom  
23 such purchases are made, and such suppliers shall execute invoices  
24 covering the same bearing the number of such certificate. Upon  
25 completion of the project the contractor shall furnish to the owner of the  
26 business or retail business a sworn statement, on a form to be provided by  
27 the director of taxation, that all purchases so made were entitled to  
28 exemption under this subsection. All invoices shall be held by the  
29 contractor for a period of five years and shall be subject to audit by the  
30 director of taxation. Any contractor or any agent, employee or  
31 subcontractor thereof, who shall use or otherwise dispose of any materials,  
32 machinery or equipment purchased under such a certificate for any  
33 purpose other than that for which such a certificate is issued without the  
34 payment of the sales or compensating tax otherwise imposed thereon, shall  
35 be guilty of a misdemeanor and, upon conviction therefor, shall be subject  
36 to the penalties provided for in subsection (g) of K.S.A. 79-3615, and  
37 amendments thereto. As used in this subsection, "business" and "retail  
38 business" have the meanings respectively ascribed thereto by K.S.A. 74-  
39 50,114, and amendments thereto. Project exemption certificates that have  
40 been previously issued under this subsection by the department of revenue  
41 pursuant to K.S.A. 74-50,115, and amendments thereto, but not including  
42 K.S.A. 74-50,115(e), and amendments thereto, prior to January 1, 2012,  
43 and have not expired will be effective for the term of the project or two

1 years from the effective date of the certificate, whichever occurs earlier.  
2 Project exemption certificates that are submitted to the department of  
3 revenue prior to January 1, 2012, and are found to qualify will be issued a  
4 project exemption certificate that will be effective for a two-year period or  
5 for the term of the project, whichever occurs earlier;

6 (dd) all sales of tangible personal property purchased with food  
7 stamps issued by the United States department of agriculture;

8 (ee) all sales of lottery tickets and shares made as part of a lottery  
9 operated by the state of Kansas;

10 (ff) on and after July 1, 1988, all sales of new mobile homes or  
11 manufactured homes to the extent of 40% of the gross receipts, determined  
12 without regard to any trade-in allowance, received from such sale. As used  
13 in this subsection, "mobile homes" and "manufactured homes" shall have  
14 the meanings ascribed thereto by K.S.A. 58-4202, and amendments  
15 thereto;

16 (gg) all sales of tangible personal property purchased in accordance  
17 with vouchers issued pursuant to the federal special supplemental food  
18 program for women, infants and children;

19 (hh) all sales of medical supplies and equipment, including durable  
20 medical equipment, purchased directly by a nonprofit skilled nursing home  
21 or nonprofit intermediate nursing care home, as defined by K.S.A. 39-923,  
22 and amendments thereto, for the purpose of providing medical services to  
23 residents thereof. This exemption shall not apply to tangible personal  
24 property customarily used for human habitation purposes. As used in this  
25 subsection, "durable medical equipment" means equipment including  
26 repair and replacement parts for such equipment, which can withstand  
27 repeated use, is primarily and customarily used to serve a medical purpose,  
28 generally is not useful to a person in the absence of illness or injury and is  
29 not worn in or on the body, but does not include mobility enhancing  
30 equipment as defined in subsection (r), oxygen delivery equipment, kidney  
31 dialysis equipment or enteral feeding systems;

32 (ii) all sales of tangible personal property purchased directly by a  
33 nonprofit organization for nonsectarian comprehensive multidiscipline  
34 youth development programs and activities provided or sponsored by such  
35 organization, and all sales of tangible personal property by or on behalf of  
36 any such organization. This exemption shall not apply to tangible personal  
37 property customarily used for human habitation purposes;

38 (jj) all sales of tangible personal property or services, including the  
39 renting and leasing of tangible personal property, purchased directly on  
40 behalf of a community-based mental retardation facility or mental health  
41 center organized pursuant to K.S.A. 19-4001 et seq., and amendments  
42 thereto, and licensed in accordance with the provisions of K.S.A. 75-  
43 3307b, and amendments thereto, and all sales of tangible personal property

1 or services purchased by contractors during the time period from July,  
2 2003, through June, 2006, for the purpose of constructing, equipping,  
3 maintaining or furnishing a new facility for a community-based mental  
4 retardation facility or mental health center located in Riverton, Cherokee  
5 County, Kansas, which would have been eligible for sales tax exemption  
6 pursuant to this subsection if purchased directly by such facility or center.  
7 This exemption shall not apply to tangible personal property customarily  
8 used for human habitation purposes;

9 (kk) (1) (A) all sales of machinery and equipment which are used in  
10 this state as an integral or essential part of an integrated production  
11 operation by a manufacturing or processing plant or facility;

12 (B) all sales of installation, repair and maintenance services  
13 performed on such machinery and equipment; and

14 (C) all sales of repair and replacement parts and accessories  
15 purchased for such machinery and equipment.

16 (2) For purposes of this subsection:

17 (A) "Integrated production operation" means an integrated series of  
18 operations engaged in at a manufacturing or processing plant or facility to  
19 process, transform or convert tangible personal property by physical,  
20 chemical or other means into a different form, composition or character  
21 from that in which it originally existed. Integrated production operations  
22 shall include: (i) Production line operations, including packaging  
23 operations; (ii) preproduction operations to handle, store and treat raw  
24 materials; (iii) post production handling, storage, warehousing and  
25 distribution operations; and (iv) waste, pollution and environmental  
26 control operations, if any;

27 (B) "production line" means the assemblage of machinery and  
28 equipment at a manufacturing or processing plant or facility where the  
29 actual transformation or processing of tangible personal property occurs;

30 (C) "manufacturing or processing plant or facility" means a single,  
31 fixed location owned or controlled by a manufacturing or processing  
32 business that consists of one or more structures or buildings in a  
33 contiguous area where integrated production operations are conducted to  
34 manufacture or process tangible personal property to be ultimately sold at  
35 retail. Such term shall not include any facility primarily operated for the  
36 purpose of conveying or assisting in the conveyance of natural gas,  
37 electricity, oil or water. A business may operate one or more manufacturing  
38 or processing plants or facilities at different locations to manufacture or  
39 process a single product of tangible personal property to be ultimately sold  
40 at retail;

41 (D) "manufacturing or processing business" means a business that  
42 utilizes an integrated production operation to manufacture, process,  
43 fabricate, finish, or assemble items for wholesale and retail distribution as

1 part of what is commonly regarded by the general public as an industrial  
2 manufacturing or processing operation or an agricultural commodity  
3 processing operation. (i) Industrial manufacturing or processing operations  
4 include, by way of illustration but not of limitation, the fabrication of  
5 automobiles, airplanes, machinery or transportation equipment, the  
6 fabrication of metal, plastic, wood, or paper products, electricity power  
7 generation, water treatment, petroleum refining, chemical production,  
8 wholesale bottling, newspaper printing, ready mixed concrete production,  
9 and the remanufacturing of used parts for wholesale or retail sale. Such  
10 processing operations shall include operations at an oil well, gas well,  
11 mine or other excavation site where the oil, gas, minerals, coal, clay, stone,  
12 sand or gravel that has been extracted from the earth is cleaned, separated,  
13 crushed, ground, milled, screened, washed, or otherwise treated or  
14 prepared before its transmission to a refinery or before any other wholesale  
15 or retail distribution. (ii) Agricultural commodity processing operations  
16 include, by way of illustration but not of limitation, meat packing, poultry  
17 slaughtering and dressing, processing and packaging farm and dairy  
18 products in sealed containers for wholesale and retail distribution, feed  
19 grinding, grain milling, frozen food processing, and grain handling,  
20 cleaning, blending, fumigation, drying and aeration operations engaged in  
21 by grain elevators or other grain storage facilities. (iii) Manufacturing or  
22 processing businesses do not include, by way of illustration but not of  
23 limitation, nonindustrial businesses whose operations are primarily retail  
24 and that produce or process tangible personal property as an incidental part  
25 of conducting the retail business, such as retailers who bake, cook or  
26 prepare food products in the regular course of their retail trade, grocery  
27 stores, meat lockers and meat markets that butcher or dress livestock or  
28 poultry in the regular course of their retail trade, contractors who alter,  
29 service, repair or improve real property, and retail businesses that clean,  
30 service or refurbish and repair tangible personal property for its owner;

31 (E) "repair and replacement parts and accessories" means all parts  
32 and accessories for exempt machinery and equipment, including, but not  
33 limited to, dies, jigs, molds, patterns and safety devices that are attached to  
34 exempt machinery or that are otherwise used in production, and parts and  
35 accessories that require periodic replacement such as belts, drill bits,  
36 grinding wheels, grinding balls, cutting bars, saws, refractory brick and  
37 other refractory items for exempt kiln equipment used in production  
38 operations;

39 (F) "primary" or "primarily" mean more than 50% of the time.

40 (3) For purposes of this subsection, machinery and equipment shall  
41 be deemed to be used as an integral or essential part of an integrated  
42 production operation when used:

43 (A) To receive, transport, convey, handle, treat or store raw materials

1 in preparation of its placement on the production line;

2 (B) to transport, convey, handle or store the property undergoing  
3 manufacturing or processing at any point from the beginning of the  
4 production line through any warehousing or distribution operation of the  
5 final product that occurs at the plant or facility;

6 (C) to act upon, effect, promote or otherwise facilitate a physical  
7 change to the property undergoing manufacturing or processing;

8 (D) to guide, control or direct the movement of property undergoing  
9 manufacturing or processing;

10 (E) to test or measure raw materials, the property undergoing  
11 manufacturing or processing or the finished product, as a necessary part of  
12 the manufacturer's integrated production operations;

13 (F) to plan, manage, control or record the receipt and flow of  
14 inventories of raw materials, consumables and component parts, the flow  
15 of the property undergoing manufacturing or processing and the  
16 management of inventories of the finished product;

17 (G) to produce energy for, lubricate, control the operating of or  
18 otherwise enable the functioning of other production machinery and  
19 equipment and the continuation of production operations;

20 (H) to package the property being manufactured or processed in a  
21 container or wrapping in which such property is normally sold or  
22 transported;

23 (I) to transmit or transport electricity, coke, gas, water, steam or  
24 similar substances used in production operations from the point of  
25 generation, if produced by the manufacturer or processor at the plant site,  
26 to that manufacturer's production operation; or, if purchased or delivered  
27 from offsite, from the point where the substance enters the site of the plant  
28 or facility to that manufacturer's production operations;

29 (J) to cool, heat, filter, refine or otherwise treat water, steam, acid, oil,  
30 solvents or other substances that are used in production operations;

31 (K) to provide and control an environment required to maintain  
32 certain levels of air quality, humidity or temperature in special and limited  
33 areas of the plant or facility, where such regulation of temperature or  
34 humidity is part of and essential to the production process;

35 (L) to treat, transport or store waste or other byproducts of production  
36 operations at the plant or facility; or

37 (M) to control pollution at the plant or facility where the pollution is  
38 produced by the manufacturing or processing operation.

39 (4) The following machinery, equipment and materials shall be  
40 deemed to be exempt even though it may not otherwise qualify as  
41 machinery and equipment used as an integral or essential part of an  
42 integrated production operation: (A) Computers and related peripheral  
43 equipment that are utilized by a manufacturing or processing business for

1 engineering of the finished product or for research and development or  
2 product design; (B) machinery and equipment that is utilized by a  
3 manufacturing or processing business to manufacture or rebuild tangible  
4 personal property that is used in manufacturing or processing operations,  
5 including tools, dies, molds, forms and other parts of qualifying machinery  
6 and equipment; (C) portable plants for aggregate concrete, bulk cement  
7 and asphalt including cement mixing drums to be attached to a motor  
8 vehicle; (D) industrial fixtures, devices, support facilities and special  
9 foundations necessary for manufacturing and production operations, and  
10 materials and other tangible personal property sold for the purpose of  
11 fabricating such fixtures, devices, facilities and foundations. An exemption  
12 certificate for such purchases shall be signed by the manufacturer or  
13 processor. If the fabricator purchases such material, the fabricator shall  
14 also sign the exemption certificate; and (E) a manufacturing or processing  
15 business' laboratory equipment that is not located at the plant or facility,  
16 but that would otherwise qualify for exemption under subsection (3)(E).

17 (5) "Machinery and equipment used as an integral or essential part of  
18 an integrated production operation" shall not include:

19 (A) Machinery and equipment used for nonproduction purposes,  
20 including, but not limited to, machinery and equipment used for plant  
21 security, fire prevention, first aid, accounting, administration, record  
22 keeping, advertising, marketing, sales or other related activities, plant  
23 cleaning, plant communications, and employee work scheduling;

24 (B) machinery, equipment and tools used primarily in maintaining  
25 and repairing any type of machinery and equipment or the building and  
26 plant;

27 (C) transportation, transmission and distribution equipment not  
28 primarily used in a production, warehousing or material handling  
29 operation at the plant or facility, including the means of conveyance of  
30 natural gas, electricity, oil or water, and equipment related thereto, located  
31 outside the plant or facility;

32 (D) office machines and equipment including computers and related  
33 peripheral equipment not used directly and primarily to control or measure  
34 the manufacturing process;

35 (E) furniture and other furnishings;

36 (F) buildings, other than exempt machinery and equipment that is  
37 permanently affixed to or becomes a physical part of the building, and any  
38 other part of real estate that is not otherwise exempt;

39 (G) building fixtures that are not integral to the manufacturing  
40 operation, such as utility systems for heating, ventilation, air conditioning,  
41 communications, plumbing or electrical;

42 (H) machinery and equipment used for general plant heating, cooling  
43 and lighting;

1 (I) motor vehicles that are registered for operation on public  
2 highways; or

3 (J) employee apparel, except safety and protective apparel that is  
4 purchased by an employer and furnished gratuitously to employees who  
5 are involved in production or research activities.

6 (6) Subsections (3) and (5) shall not be construed as exclusive listings  
7 of the machinery and equipment that qualify or do not qualify as an  
8 integral or essential part of an integrated production operation. When  
9 machinery or equipment is used as an integral or essential part of  
10 production operations part of the time and for nonproduction purpose at  
11 other times, the primary use of the machinery or equipment shall  
12 determine whether or not such machinery or equipment qualifies for  
13 exemption.

14 (7) The secretary of revenue shall adopt rules and regulations  
15 necessary to administer the provisions of this subsection;

16 (ll) all sales of educational materials purchased for distribution to the  
17 public at no charge by a nonprofit corporation organized for the purpose of  
18 encouraging, fostering and conducting programs for the improvement of  
19 public health, *except that for taxable years commencing after December*  
20 *31, 2012, this subsection shall not apply to any sales of such materials*  
21 *purchased by a nonprofit corporation which performs any abortion, as*  
22 *defined in section 1, and amendments thereto;*

23 (mm) all sales of seeds and tree seedlings; fertilizers, insecticides,  
24 herbicides, germicides, pesticides and fungicides; and services, purchased  
25 and used for the purpose of producing plants in order to prevent soil  
26 erosion on land devoted to agricultural use;

27 (nn) except as otherwise provided in this act, all sales of services  
28 rendered by an advertising agency or licensed broadcast station or any  
29 member, agent or employee thereof;

30 (oo) all sales of tangible personal property purchased by a community  
31 action group or agency for the exclusive purpose of repairing or  
32 weatherizing housing occupied by low income individuals;

33 (pp) all sales of drill bits and explosives actually utilized in the  
34 exploration and production of oil or gas;

35 (qq) all sales of tangible personal property and services purchased by  
36 a nonprofit museum or historical society or any combination thereof,  
37 including a nonprofit organization which is organized for the purpose of  
38 stimulating public interest in the exploration of space by providing  
39 educational information, exhibits and experiences, which is exempt from  
40 federal income taxation pursuant to section 501(c)(3) of the federal  
41 internal revenue code of 1986;

42 (rr) all sales of tangible personal property which will admit the  
43 purchaser thereof to any annual event sponsored by a nonprofit



1 organization which is exempt from federal income taxation pursuant to  
2 section 501(c)(3) of the federal internal revenue code of 1986, *except that*  
3 *for taxable years commencing after December 31, 2012, this subsection*  
4 *shall not apply to any sales of such tangible personal property purchased*  
5 *by a nonprofit organization which performs any abortion, as defined in*  
6 *section 1, and amendments thereto;*

7 (ss) all sales of tangible personal property and services purchased by  
8 a public broadcasting station licensed by the federal communications  
9 commission as a noncommercial educational television or radio station;

10 (tt) all sales of tangible personal property and services purchased by  
11 or on behalf of a not-for-profit corporation which is exempt from federal  
12 income taxation pursuant to section 501(c)(3) of the federal internal  
13 revenue code of 1986, for the sole purpose of constructing a Kansas  
14 Korean War memorial;

15 (uu) all sales of tangible personal property and services purchased by  
16 or on behalf of any rural volunteer fire-fighting organization for use  
17 exclusively in the performance of its duties and functions;

18 (vv) all sales of tangible personal property purchased by any of the  
19 following organizations which are exempt from federal income taxation  
20 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,  
21 for the following purposes, and all sales of any such property by or on  
22 behalf of any such organization for any such purpose:

23 (1) The American Heart Association, Kansas Affiliate, Inc. for the  
24 purposes of providing education, training, certification in emergency  
25 cardiac care, research and other related services to reduce disability and  
26 death from cardiovascular diseases and stroke;

27 (2) the Kansas Alliance for the Mentally Ill, Inc. for the purpose of  
28 advocacy for persons with mental illness and to education, research and  
29 support for their families;

30 (3) the Kansas Mental Illness Awareness Council for the purposes of  
31 advocacy for persons who are mentally ill and to education, research and  
32 support for them and their families;

33 (4) the American Diabetes Association Kansas Affiliate, Inc. for the  
34 purpose of eliminating diabetes through medical research, public education  
35 focusing on disease prevention and education, patient education including  
36 information on coping with diabetes, and professional education and  
37 training;

38 (5) the American Lung Association of Kansas, Inc. for the purpose of  
39 eliminating all lung diseases through medical research, public education  
40 including information on coping with lung diseases, professional education  
41 and training related to lung disease and other related services to reduce the  
42 incidence of disability and death due to lung disease;

43 (6) the Kansas chapters of the Alzheimer's Disease and Related

1 Disorders Association, Inc. for the purpose of providing assistance and  
2 support to persons in Kansas with Alzheimer's disease, and their families  
3 and caregivers;

4 (7) the Kansas chapters of the Parkinson's disease association for the  
5 purpose of eliminating Parkinson's disease through medical research and  
6 public and professional education related to such disease;

7 (8) the National Kidney Foundation of Kansas and Western Missouri  
8 for the purpose of eliminating kidney disease through medical research  
9 and public and private education related to such disease;

10 (9) the heartstrings community foundation for the purpose of  
11 providing training, employment and activities for adults with  
12 developmental disabilities;

13 (10) the Cystic Fibrosis Foundation, Heart of America Chapter, for  
14 the purposes of assuring the development of the means to cure and control  
15 cystic fibrosis and improving the quality of life for those with the disease;

16 (11) the spina bifida association of Kansas for the purpose of  
17 providing financial, educational and practical aid to families and  
18 individuals with spina bifida. Such aid includes, but is not limited to,  
19 funding for medical devices, counseling and medical educational  
20 opportunities;

21 (12) the CHWC, Inc., for the purpose of rebuilding urban core  
22 neighborhoods through the construction of new homes, acquiring and  
23 renovating existing homes and other related activities, and promoting  
24 economic development in such neighborhoods;

25 (13) the cross-lines cooperative council for the purpose of providing  
26 social services to low income individuals and families;

27 (14) the Dreams Work, Inc., for the purpose of providing young adult  
28 day services to individuals with developmental disabilities and assisting  
29 families in avoiding institutional or nursing home care for a  
30 developmentally disabled member of their family;

31 (15) the KSDS, Inc., for the purpose of promoting the independence  
32 and inclusion of people with disabilities as fully participating and  
33 contributing members of their communities and society through the  
34 training and providing of guide and service dogs to people with  
35 disabilities, and providing disability education and awareness to the  
36 general public;

37 (16) the lyme association of greater Kansas City, Inc., for the purpose  
38 of providing support to persons with lyme disease and public education  
39 relating to the prevention, treatment and cure of lyme disease;

40 (17) the Dream Factory, Inc., for the purpose of granting the dreams  
41 of children with critical and chronic illnesses;

42 (18) the Ottawa Suzuki Strings, Inc., for the purpose of providing  
43 students and families with education and resources necessary to enable

1 each child to develop fine character and musical ability to the fullest  
2 potential;

3 (19) the International Association of Lions Clubs for the purpose of  
4 creating and fostering a spirit of understanding among all people for  
5 humanitarian needs by providing voluntary services through community  
6 involvement and international cooperation;

7 (20) the Johnson county young matrons, inc., for the purpose of  
8 promoting a positive future for members of the community through  
9 volunteerism, financial support and education through the efforts of an all  
10 volunteer organization;

11 (21) the American Cancer Society, Inc., for the purpose of eliminating  
12 cancer as a major health problem by preventing cancer, saving lives and  
13 diminishing suffering from cancer, through research, education, advocacy  
14 and service;

15 (22) the community services of Shawnee, inc., for the purpose of  
16 providing food and clothing to those in need;

17 (23) the angel babies association, for the purpose of providing  
18 assistance, support and items of necessity to teenage mothers and their  
19 babies; and

20 (24) the Kansas fairgrounds foundation for the purpose of the  
21 preservation, renovation and beautification of the Kansas state fairgrounds;

22 (ww) all sales of tangible personal property purchased by the Habitat  
23 for Humanity for the exclusive use of being incorporated within a housing  
24 project constructed by such organization;

25 (xx) all sales of tangible personal property and services purchased by  
26 a nonprofit zoo which is exempt from federal income taxation pursuant to  
27 section 501(c)(3) of the federal internal revenue code of 1986, or on behalf  
28 of such zoo by an entity itself exempt from federal income taxation  
29 pursuant to section 501(c)(3) of the federal internal revenue code of 1986  
30 contracted with to operate such zoo and all sales of tangible personal  
31 property or services purchased by a contractor for the purpose of  
32 constructing, equipping, reconstructing, maintaining, repairing, enlarging,  
33 furnishing or remodeling facilities for any nonprofit zoo which would be  
34 exempt from taxation under the provisions of this section if purchased  
35 directly by such nonprofit zoo or the entity operating such zoo. Nothing in  
36 this subsection shall be deemed to exempt the purchase of any construction  
37 machinery, equipment or tools used in the constructing, equipping,  
38 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
39 facilities for any nonprofit zoo. When any nonprofit zoo shall contract for  
40 the purpose of constructing, equipping, reconstructing, maintaining,  
41 repairing, enlarging, furnishing or remodeling facilities, it shall obtain  
42 from the state and furnish to the contractor an exemption certificate for the  
43 project involved, and the contractor may purchase materials for

1 incorporation in such project. The contractor shall furnish the number of  
2 such certificate to all suppliers from whom such purchases are made, and  
3 such suppliers shall execute invoices covering the same bearing the  
4 number of such certificate. Upon completion of the project the contractor  
5 shall furnish to the nonprofit zoo concerned a sworn statement, on a form  
6 to be provided by the director of taxation, that all purchases so made were  
7 entitled to exemption under this subsection. All invoices shall be held by  
8 the contractor for a period of five years and shall be subject to audit by the  
9 director of taxation. If any materials purchased under such a certificate are  
10 found not to have been incorporated in the building or other project or not  
11 to have been returned for credit or the sales or compensating tax otherwise  
12 imposed upon such materials which will not be so incorporated in the  
13 building or other project reported and paid by such contractor to the  
14 director of taxation not later than the 20<sup>th</sup> day of the month following the  
15 close of the month in which it shall be determined that such materials will  
16 not be used for the purpose for which such certificate was issued, the  
17 nonprofit zoo concerned shall be liable for tax on all materials purchased  
18 for the project, and upon payment thereof it may recover the same from  
19 the contractor together with reasonable attorney fees. Any contractor or  
20 any agent, employee or subcontractor thereof, who shall use or otherwise  
21 dispose of any materials purchased under such a certificate for any purpose  
22 other than that for which such a certificate is issued without the payment  
23 of the sales or compensating tax otherwise imposed upon such materials,  
24 shall be guilty of a misdemeanor and, upon conviction therefor, shall be  
25 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,  
26 and amendments thereto;

27 (yy) all sales of tangible personal property and services purchased by  
28 a parent-teacher association or organization, and all sales of tangible  
29 personal property by or on behalf of such association or organization;

30 (zz) all sales of machinery and equipment purchased by over-the-air,  
31 free access radio or television station which is used directly and primarily  
32 for the purpose of producing a broadcast signal or is such that the failure  
33 of the machinery or equipment to operate would cause broadcasting to  
34 cease. For purposes of this subsection, machinery and equipment shall  
35 include, but not be limited to, that required by rules and regulations of the  
36 federal communications commission, and all sales of electricity which are  
37 essential or necessary for the purpose of producing a broadcast signal or is  
38 such that the failure of the electricity would cause broadcasting to cease;

39 (aaa) all sales of tangible personal property and services purchased by  
40 a religious organization which is exempt from federal income taxation  
41 pursuant to section 501(c)(3) of the federal internal revenue code, and used  
42 exclusively for religious purposes, and all sales of tangible personal  
43 property or services purchased by a contractor for the purpose of

1 constructing, equipping, reconstructing, maintaining, repairing, enlarging,  
2 furnishing or remodeling facilities for any such organization which would  
3 be exempt from taxation under the provisions of this section if purchased  
4 directly by such organization. Nothing in this subsection shall be deemed  
5 to exempt the purchase of any construction machinery, equipment or tools  
6 used in the constructing, equipping, reconstructing, maintaining, repairing,  
7 enlarging, furnishing or remodeling facilities for any such organization.  
8 When any such organization shall contract for the purpose of constructing,  
9 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or  
10 remodeling facilities, it shall obtain from the state and furnish to the  
11 contractor an exemption certificate for the project involved, and the  
12 contractor may purchase materials for incorporation in such project. The  
13 contractor shall furnish the number of such certificate to all suppliers from  
14 whom such purchases are made, and such suppliers shall execute invoices  
15 covering the same bearing the number of such certificate. Upon  
16 completion of the project the contractor shall furnish to such organization  
17 concerned a sworn statement, on a form to be provided by the director of  
18 taxation, that all purchases so made were entitled to exemption under this  
19 subsection. All invoices shall be held by the contractor for a period of five  
20 years and shall be subject to audit by the director of taxation. If any  
21 materials purchased under such a certificate are found not to have been  
22 incorporated in the building or other project or not to have been returned  
23 for credit or the sales or compensating tax otherwise imposed upon such  
24 materials which will not be so incorporated in the building or other project  
25 reported and paid by such contractor to the director of taxation not later  
26 than the 20<sup>th</sup> day of the month following the close of the month in which it  
27 shall be determined that such materials will not be used for the purpose for  
28 which such certificate was issued, such organization concerned shall be  
29 liable for tax on all materials purchased for the project, and upon payment  
30 thereof it may recover the same from the contractor together with  
31 reasonable attorney fees. Any contractor or any agent, employee or  
32 subcontractor thereof, who shall use or otherwise dispose of any materials  
33 purchased under such a certificate for any purpose other than that for  
34 which such a certificate is issued without the payment of the sales or  
35 compensating tax otherwise imposed upon such materials, shall be guilty  
36 of a misdemeanor and, upon conviction therefor, shall be subject to the  
37 penalties provided for in subsection (g) of K.S.A. 79-3615, and  
38 amendments thereto. Sales tax paid on and after July 1, 1998, but prior to  
39 the effective date of this act upon the gross receipts received from any sale  
40 exempted by the amendatory provisions of this subsection shall be  
41 refunded. Each claim for a sales tax refund shall be verified and submitted  
42 to the director of taxation upon forms furnished by the director and shall  
43 be accompanied by any additional documentation required by the director.

1 The director shall review each claim and shall refund that amount of sales  
2 tax paid as determined under the provisions of this subsection. All refunds  
3 shall be paid from the sales tax refund fund upon warrants of the director  
4 of accounts and reports pursuant to vouchers approved by the director or  
5 the director's designee;

6 (bbb) all sales of food for human consumption by an organization  
7 which is exempt from federal income taxation pursuant to section 501(c)  
8 (3) of the federal internal revenue code of 1986, pursuant to a food  
9 distribution program which offers such food at a price below cost in  
10 exchange for the performance of community service by the purchaser  
11 thereof;

12 (ccc) on and after July 1, 1999, all sales of tangible personal property  
13 and services purchased by a primary care clinic or health center the  
14 primary purpose of which is to provide services to medically underserved  
15 individuals and families, and which is exempt from federal income  
16 taxation pursuant to section 501(c)(3) of the federal internal revenue code,  
17 and all sales of tangible personal property or services purchased by a  
18 contractor for the purpose of constructing, equipping, reconstructing,  
19 maintaining, repairing, enlarging, furnishing or remodeling facilities for  
20 any such clinic or center which would be exempt from taxation under the  
21 provisions of this section if purchased directly by such clinic or center.  
22 Nothing in this subsection shall be deemed to exempt the purchase of any  
23 construction machinery, equipment or tools used in the constructing,  
24 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or  
25 remodeling facilities for any such clinic or center. When any such clinic or  
26 center shall contract for the purpose of constructing, equipping,  
27 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
28 facilities, it shall obtain from the state and furnish to the contractor an  
29 exemption certificate for the project involved, and the contractor may  
30 purchase materials for incorporation in such project. The contractor shall  
31 furnish the number of such certificate to all suppliers from whom such  
32 purchases are made, and such suppliers shall execute invoices covering the  
33 same bearing the number of such certificate. Upon completion of the  
34 project the contractor shall furnish to such clinic or center concerned a  
35 sworn statement, on a form to be provided by the director of taxation, that  
36 all purchases so made were entitled to exemption under this subsection.  
37 All invoices shall be held by the contractor for a period of five years and  
38 shall be subject to audit by the director of taxation. If any materials  
39 purchased under such a certificate are found not to have been incorporated  
40 in the building or other project or not to have been returned for credit or  
41 the sales or compensating tax otherwise imposed upon such materials  
42 which will not be so incorporated in the building or other project reported  
43 and paid by such contractor to the director of taxation not later than the

1 20<sup>th</sup> day of the month following the close of the month in which it shall be  
2 determined that such materials will not be used for the purpose for which  
3 such certificate was issued, such clinic or center concerned shall be liable  
4 for tax on all materials purchased for the project, and upon payment  
5 thereof it may recover the same from the contractor together with  
6 reasonable attorney fees. Any contractor or any agent, employee or  
7 subcontractor thereof, who shall use or otherwise dispose of any materials  
8 purchased under such a certificate for any purpose other than that for  
9 which such a certificate is issued without the payment of the sales or  
10 compensating tax otherwise imposed upon such materials, shall be guilty  
11 of a misdemeanor and, upon conviction therefor, shall be subject to the  
12 penalties provided for in subsection (g) of K.S.A. 79-3615, and  
13 amendments thereto, *except that for taxable years commencing after*  
14 *December 31, 2012, this subsection shall not apply to any sales of such*  
15 *tangible personal property and services purchased by a primary care*  
16 *clinic or health center which performs any abortion, as defined in section*  
17 *1, and amendments thereto;*

18 (ddd) on and after January 1, 1999, and before January 1, 2000, all  
19 sales of materials and services purchased by any class II or III railroad as  
20 classified by the federal surface transportation board for the construction,  
21 renovation, repair or replacement of class II or III railroad track and  
22 facilities used directly in interstate commerce. In the event any such track  
23 or facility for which materials and services were purchased sales tax  
24 exempt is not operational for five years succeeding the allowance of such  
25 exemption, the total amount of sales tax which would have been payable  
26 except for the operation of this subsection shall be recouped in accordance  
27 with rules and regulations adopted for such purpose by the secretary of  
28 revenue;

29 (eee) on and after January 1, 1999, and before January 1, 2001, all  
30 sales of materials and services purchased for the original construction,  
31 reconstruction, repair or replacement of grain storage facilities, including  
32 railroad sidings providing access thereto;

33 (fff) all sales of material handling equipment, racking systems and  
34 other related machinery and equipment that is used for the handling,  
35 movement or storage of tangible personal property in a warehouse or  
36 distribution facility in this state; all sales of installation, repair and  
37 maintenance services performed on such machinery and equipment; and  
38 all sales of repair and replacement parts for such machinery and  
39 equipment. For purposes of this subsection, a warehouse or distribution  
40 facility means a single, fixed location that consists of buildings or  
41 structures in a contiguous area where storage or distribution operations are  
42 conducted that are separate and apart from the business' retail operations,  
43 if any, and which do not otherwise qualify for exemption as occurring at a

1 manufacturing or processing plant or facility. Material handling and  
2 storage equipment shall include aeration, dust control, cleaning, handling  
3 and other such equipment that is used in a public grain warehouse or other  
4 commercial grain storage facility, whether used for grain handling, grain  
5 storage, grain refining or processing, or other grain treatment operation;

6 (ggg) all sales of tangible personal property and services purchased  
7 by or on behalf of the Kansas Academy of Science which is exempt from  
8 federal income taxation pursuant to section 501(c)(3) of the federal  
9 internal revenue code of 1986, and used solely by such academy for the  
10 preparation, publication and dissemination of education materials;

11 (hhh) all sales of tangible personal property and services purchased  
12 by or on behalf of all domestic violence shelters that are member agencies  
13 of the Kansas coalition against sexual and domestic violence;

14 (iii) all sales of personal property and services purchased by an  
15 organization which is exempt from federal income taxation pursuant to  
16 section 501(c)(3) of the federal internal revenue code of 1986, and which  
17 such personal property and services are used by any such organization in  
18 the collection, storage and distribution of food products to nonprofit  
19 organizations which distribute such food products to persons pursuant to a  
20 food distribution program on a charitable basis without fee or charge, and  
21 all sales of tangible personal property or services purchased by a  
22 contractor for the purpose of constructing, equipping, reconstructing,  
23 maintaining, repairing, enlarging, furnishing or remodeling facilities used  
24 for the collection and storage of such food products for any such  
25 organization which is exempt from federal income taxation pursuant to  
26 section 501(c)(3) of the federal internal revenue code of 1986, which  
27 would be exempt from taxation under the provisions of this section if  
28 purchased directly by such organization. Nothing in this subsection shall  
29 be deemed to exempt the purchase of any construction machinery,  
30 equipment or tools used in the constructing, equipping, reconstructing,  
31 maintaining, repairing, enlarging, furnishing or remodeling facilities for  
32 any such organization. When any such organization shall contract for the  
33 purpose of constructing, equipping, reconstructing, maintaining, repairing,  
34 enlarging, furnishing or remodeling facilities, it shall obtain from the state  
35 and furnish to the contractor an exemption certificate for the project  
36 involved, and the contractor may purchase materials for incorporation in  
37 such project. The contractor shall furnish the number of such certificate to  
38 all suppliers from whom such purchases are made, and such suppliers shall  
39 execute invoices covering the same bearing the number of such certificate.  
40 Upon completion of the project the contractor shall furnish to such  
41 organization concerned a sworn statement, on a form to be provided by the  
42 director of taxation, that all purchases so made were entitled to exemption  
43 under this subsection. All invoices shall be held by the contractor for a



1 period of five years and shall be subject to audit by the director of taxation.  
2 If any materials purchased under such a certificate are found not to have  
3 been incorporated in such facilities or not to have been returned for credit  
4 or the sales or compensating tax otherwise imposed upon such materials  
5 which will not be so incorporated in such facilities reported and paid by  
6 such contractor to the director of taxation not later than the 20<sup>th</sup> day of the  
7 month following the close of the month in which it shall be determined  
8 that such materials will not be used for the purpose for which such  
9 certificate was issued, such organization concerned shall be liable for tax  
10 on all materials purchased for the project, and upon payment thereof it  
11 may recover the same from the contractor together with reasonable  
12 attorney fees. Any contractor or any agent, employee or subcontractor  
13 thereof, who shall use or otherwise dispose of any materials purchased  
14 under such a certificate for any purpose other than that for which such a  
15 certificate is issued without the payment of the sales or compensating tax  
16 otherwise imposed upon such materials, shall be guilty of a misdemeanor  
17 and, upon conviction therefor, shall be subject to the penalties provided for  
18 in subsection (g) of K.S.A. 79-3615, and amendments thereto. Sales tax  
19 paid on and after July 1, 2005, but prior to the effective date of this act  
20 upon the gross receipts received from any sale exempted by the  
21 amendatory provisions of this subsection shall be refunded. Each claim for  
22 a sales tax refund shall be verified and submitted to the director of taxation  
23 upon forms furnished by the director and shall be accompanied by any  
24 additional documentation required by the director. The director shall  
25 review each claim and shall refund that amount of sales tax paid as  
26 determined under the provisions of this subsection. All refunds shall be  
27 paid from the sales tax refund fund upon warrants of the director of  
28 accounts and reports pursuant to vouchers approved by the director or the  
29 director's designee;

30 (jjj) all sales of dietary supplements dispensed pursuant to a  
31 prescription order by a licensed practitioner or a mid-level practitioner as  
32 defined by K.S.A. 65-1626, and amendments thereto. As used in this  
33 subsection, "dietary supplement" means any product, other than tobacco,  
34 intended to supplement the diet that: (1) Contains one or more of the  
35 following dietary ingredients: A vitamin, a mineral, an herb or other  
36 botanical, an amino acid, a dietary substance for use by humans to  
37 supplement the diet by increasing the total dietary intake or a concentrate,  
38 metabolite, constituent, extract or combination of any such ingredient; (2)  
39 is intended for ingestion in tablet, capsule, powder, softgel, gelcap or  
40 liquid form, or if not intended for ingestion, in such a form, is not  
41 represented as conventional food and is not represented for use as a sole  
42 item of a meal or of the diet; and (3) is required to be labeled as a dietary  
43 supplement, identifiable by the supplemental facts box found on the label

1 and as required pursuant to 21 C.F.R. § 101.36;

2 (lll) all sales of tangible personal property and services purchased by  
3 special olympics Kansas, inc. for the purpose of providing year-round  
4 sports training and athletic competition in a variety of olympic-type sports  
5 for individuals with intellectual disabilities by giving them continuing  
6 opportunities to develop physical fitness, demonstrate courage, experience  
7 joy and participate in a sharing of gifts, skills and friendship with their  
8 families, other special olympics athletes and the community, and activities  
9 provided or sponsored by such organization, and all sales of tangible  
10 personal property by or on behalf of any such organization;

11 (mmm) all sales of tangible personal property purchased by or on  
12 behalf of the Marillac Center, Inc., which is exempt from federal income  
13 taxation pursuant to section 501(c)(3) of the federal internal revenue code,  
14 for the purpose of providing psycho-social-biological and special  
15 education services to children, and all sales of any such property by or on  
16 behalf of such organization for such purpose;

17 (nnn) all sales of tangible personal property and services purchased  
18 by the West Sedgwick County-Sunrise Rotary Club and Sunrise Charitable  
19 Fund for the purpose of constructing a boundless playground which is an  
20 integrated, barrier free and developmentally advantageous play  
21 environment for children of all abilities and disabilities;

22 (ooo) all sales of tangible personal property by or on behalf of a  
23 public library serving the general public and supported in whole or in part  
24 with tax money or a not-for-profit organization whose purpose is to raise  
25 funds for or provide services or other benefits to any such public library;

26 (ppp) all sales of tangible personal property and services purchased  
27 by or on behalf of a homeless shelter which is exempt from federal income  
28 taxation pursuant to section 501(c)(3) of the federal income tax code of  
29 1986, and used by any such homeless shelter to provide emergency and  
30 transitional housing for individuals and families experiencing  
31 homelessness, and all sales of any such property by or on behalf of any  
32 such homeless shelter for any such purpose;

33 (qqq) all sales of tangible personal property and services purchased  
34 by TLC for children and families, inc., hereinafter referred to as TLC,  
35 which is exempt from federal income taxation pursuant to section 501(c)  
36 (3) of the federal internal revenue code of 1986, and which such property  
37 and services are used for the purpose of providing emergency shelter and  
38 treatment for abused and neglected children as well as meeting additional  
39 critical needs for children, juveniles and family, and all sales of any such  
40 property by or on behalf of TLC for any such purpose; and all sales of  
41 tangible personal property or services purchased by a contractor for the  
42 purpose of constructing, maintaining, repairing, enlarging, furnishing or  
43 remodeling facilities for the operation of services for TLC for any such

1 purpose which would be exempt from taxation under the provisions of this  
2 section if purchased directly by TLC. Nothing in this subsection shall be  
3 deemed to exempt the purchase of any construction machinery, equipment  
4 or tools used in the constructing, maintaining, repairing, enlarging,  
5 furnishing or remodeling such facilities for TLC. When TLC contracts for  
6 the purpose of constructing, maintaining, repairing, enlarging, furnishing  
7 or remodeling such facilities, it shall obtain from the state and furnish to  
8 the contractor an exemption certificate for the project involved, and the  
9 contractor may purchase materials for incorporation in such project. The  
10 contractor shall furnish the number of such certificate to all suppliers from  
11 whom such purchases are made, and such suppliers shall execute invoices  
12 covering the same bearing the number of such certificate. Upon  
13 completion of the project the contractor shall furnish to TLC a sworn  
14 statement, on a form to be provided by the director of taxation, that all  
15 purchases so made were entitled to exemption under this subsection. All  
16 invoices shall be held by the contractor for a period of five years and shall  
17 be subject to audit by the director of taxation. If any materials purchased  
18 under such a certificate are found not to have been incorporated in the  
19 building or other project or not to have been returned for credit or the sales  
20 or compensating tax otherwise imposed upon such materials which will  
21 not be so incorporated in the building or other project reported and paid by  
22 such contractor to the director of taxation not later than the 20<sup>th</sup> day of  
23 the month following the close of the month in which it shall be determined  
24 that such materials will not be used for the purpose for which such  
25 certificate was issued, TLC shall be liable for tax on all materials  
26 purchased for the project, and upon payment thereof it may recover the  
27 same from the contractor together with reasonable attorney fees. Any  
28 contractor or any agent, employee or subcontractor thereof, who shall use  
29 or otherwise dispose of any materials purchased under such a certificate  
30 for any purpose other than that for which such a certificate is issued  
31 without the payment of the sales or compensating tax otherwise imposed  
32 upon such materials, shall be guilty of a misdemeanor and, upon  
33 conviction therefor, shall be subject to the penalties provided for in  
34 subsection (g) of K.S.A. 79-3615, and amendments thereto;

35 (rrr) all sales of tangible personal property and services purchased by  
36 any county law library maintained pursuant to law and sales of tangible  
37 personal property and services purchased by an organization which would  
38 have been exempt from taxation under the provisions of this subsection if  
39 purchased directly by the county law library for the purpose of providing  
40 legal resources to attorneys, judges, students and the general public, and  
41 all sales of any such property by or on behalf of any such county law  
42 library;

43 (sss) all sales of tangible personal property and services purchased by

1 catholic charities or youthville, hereinafter referred to as charitable family  
2 providers, which is exempt from federal income taxation pursuant to  
3 section 501(c)(3) of the federal internal revenue code of 1986, and which  
4 such property and services are used for the purpose of providing  
5 emergency shelter and treatment for abused and neglected children as well  
6 as meeting additional critical needs for children, juveniles and family, and  
7 all sales of any such property by or on behalf of charitable family  
8 providers for any such purpose; and all sales of tangible personal property  
9 or services purchased by a contractor for the purpose of constructing,  
10 maintaining, repairing, enlarging, furnishing or remodeling facilities for  
11 the operation of services for charitable family providers for any such  
12 purpose which would be exempt from taxation under the provisions of this  
13 section if purchased directly by charitable family providers. Nothing in  
14 this subsection shall be deemed to exempt the purchase of any construction  
15 machinery, equipment or tools used in the constructing, maintaining,  
16 repairing, enlarging, furnishing or remodeling such facilities for charitable  
17 family providers. When charitable family providers contracts for the  
18 purpose of constructing, maintaining, repairing, enlarging, furnishing or  
19 remodeling such facilities, it shall obtain from the state and furnish to the  
20 contractor an exemption certificate for the project involved, and the  
21 contractor may purchase materials for incorporation in such project. The  
22 contractor shall furnish the number of such certificate to all suppliers from  
23 whom such purchases are made, and such suppliers shall execute invoices  
24 covering the same bearing the number of such certificate. Upon  
25 completion of the project the contractor shall furnish to charitable family  
26 providers a sworn statement, on a form to be provided by the director of  
27 taxation, that all purchases so made were entitled to exemption under this  
28 subsection. All invoices shall be held by the contractor for a period of five  
29 years and shall be subject to audit by the director of taxation. If any  
30 materials purchased under such a certificate are found not to have been  
31 incorporated in the building or other project or not to have been returned  
32 for credit or the sales or compensating tax otherwise imposed upon such  
33 materials which will not be so incorporated in the building or other project  
34 reported and paid by such contractor to the director of taxation not later  
35 than the 20<sup>th</sup> day of the month following the close of the month in which it  
36 shall be determined that such materials will not be used for the purpose for  
37 which such certificate was issued, charitable family providers shall be  
38 liable for tax on all materials purchased for the project, and upon payment  
39 thereof it may recover the same from the contractor together with  
40 reasonable attorney fees. Any contractor or any agent, employee or  
41 subcontractor thereof, who shall use or otherwise dispose of any materials  
42 purchased under such a certificate for any purpose other than that for  
43 which such a certificate is issued without the payment of the sales or

1 compensating tax otherwise imposed upon such materials, shall be guilty  
2 of a misdemeanor and, upon conviction therefor, shall be subject to the  
3 penalties provided for in subsection (g) of K.S.A. 79-3615, and  
4 amendments thereto;

5 (ttt) all sales of tangible personal property or services purchased by a  
6 contractor for a project for the purpose of restoring, constructing,  
7 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or  
8 remodeling a home or facility owned by a nonprofit museum which has  
9 been granted an exemption pursuant to subsection (qq), which such home  
10 or facility is located in a city which has been designated as a qualified  
11 hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and  
12 amendments thereto, and which such project is related to the purposes of  
13 K.S.A. 75-5071 et seq., and amendments thereto, and which would be  
14 exempt from taxation under the provisions of this section if purchased  
15 directly by such nonprofit museum. Nothing in this subsection shall be  
16 deemed to exempt the purchase of any construction machinery, equipment  
17 or tools used in the restoring, constructing, equipping, reconstructing,  
18 maintaining, repairing, enlarging, furnishing or remodeling a home or  
19 facility for any such nonprofit museum. When any such nonprofit museum  
20 shall contract for the purpose of restoring, constructing, equipping,  
21 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
22 a home or facility, it shall obtain from the state and furnish to the  
23 contractor an exemption certificate for the project involved, and the  
24 contractor may purchase materials for incorporation in such project. The  
25 contractor shall furnish the number of such certificates to all suppliers  
26 from whom such purchases are made, and such suppliers shall execute  
27 invoices covering the same bearing the number of such certificate. Upon  
28 completion of the project, the contractor shall furnish to such nonprofit  
29 museum a sworn statement on a form to be provided by the director of  
30 taxation that all purchases so made were entitled to exemption under this  
31 subsection. All invoices shall be held by the contractor for a period of five  
32 years and shall be subject to audit by the director of taxation. If any  
33 materials purchased under such a certificate are found not to have been  
34 incorporated in the building or other project or not to have been returned  
35 for credit or the sales or compensating tax otherwise imposed upon such  
36 materials which will not be so incorporated in a home or facility or other  
37 project reported and paid by such contractor to the director of taxation not  
38 later than the 20<sup>th</sup> day of the month following the close of the month in  
39 which it shall be determined that such materials will not be used for the  
40 purpose for which such certificate was issued, such nonprofit museum  
41 shall be liable for tax on all materials purchased for the project, and upon  
42 payment thereof it may recover the same from the contractor together with  
43 reasonable attorney fees. Any contractor or any agent, employee or

1 subcontractor thereof, who shall use or otherwise dispose of any materials  
2 purchased under such a certificate for any purpose other than that for  
3 which such a certificate is issued without the payment of the sales or  
4 compensating tax otherwise imposed upon such materials, shall be guilty  
5 of a misdemeanor and, upon conviction therefor, shall be subject to the  
6 penalties provided for in subsection (g) of K.S.A. 79-3615, and  
7 amendments thereto;

8 (uuu) all sales of tangible personal property and services purchased  
9 by Kansas children's service league, hereinafter referred to as KCSL,  
10 which is exempt from federal income taxation pursuant to section 501(c)  
11 (3) of the federal internal revenue code of 1986, and which such property  
12 and services are used for the purpose of providing for the prevention and  
13 treatment of child abuse and maltreatment as well as meeting additional  
14 critical needs for children, juveniles and family, and all sales of any such  
15 property by or on behalf of KCSL for any such purpose; and all sales of  
16 tangible personal property or services purchased by a contractor for the  
17 purpose of constructing, maintaining, repairing, enlarging, furnishing or  
18 remodeling facilities for the operation of services for KCSL for any such  
19 purpose which would be exempt from taxation under the provisions of this  
20 section if purchased directly by KCSL. Nothing in this subsection shall be  
21 deemed to exempt the purchase of any construction machinery, equipment  
22 or tools used in the constructing, maintaining, repairing, enlarging,  
23 furnishing or remodeling such facilities for KCSL. When KCSL contracts  
24 for the purpose of constructing, maintaining, repairing, enlarging,  
25 furnishing or remodeling such facilities, it shall obtain from the state and  
26 furnish to the contractor an exemption certificate for the project involved,  
27 and the contractor may purchase materials for incorporation in such  
28 project. The contractor shall furnish the number of such certificate to all  
29 suppliers from whom such purchases are made, and such suppliers shall  
30 execute invoices covering the same bearing the number of such certificate.  
31 Upon completion of the project the contractor shall furnish to KCSL a  
32 sworn statement, on a form to be provided by the director of taxation, that  
33 all purchases so made were entitled to exemption under this subsection.  
34 All invoices shall be held by the contractor for a period of five years and  
35 shall be subject to audit by the director of taxation. If any materials  
36 purchased under such a certificate are found not to have been incorporated  
37 in the building or other project or not to have been returned for credit or  
38 the sales or compensating tax otherwise imposed upon such materials  
39 which will not be so incorporated in the building or other project reported  
40 and paid by such contractor to the director of taxation not later than the  
41 20<sup>th</sup> day of the month following the close of the month in which it shall be  
42 determined that such materials will not be used for the purpose for which  
43 such certificate was issued, KCSL shall be liable for tax on all materials

1 purchased for the project, and upon payment thereof it may recover the  
2 same from the contractor together with reasonable attorney fees. Any  
3 contractor or any agent, employee or subcontractor thereof, who shall use  
4 or otherwise dispose of any materials purchased under such a certificate  
5 for any purpose other than that for which such a certificate is issued  
6 without the payment of the sales or compensating tax otherwise imposed  
7 upon such materials, shall be guilty of a misdemeanor and, upon  
8 conviction therefor, shall be subject to the penalties provided for in  
9 subsection (g) of K.S.A. 79-3615, and amendments thereto;

10 (vvv) all sales of tangible personal property or services, including the  
11 renting and leasing of tangible personal property or services, purchased by  
12 Jazz in the Woods, Inc., a Kansas corporation which is exempt from  
13 federal income taxation pursuant to section 501(c)(3) of the federal  
14 internal revenue code, for the purpose of providing Jazz in the Woods, an  
15 event benefiting children-in-need and other nonprofit charities assisting  
16 such children, and all sales of any such property by or on behalf of such  
17 organization for such purpose;

18 (www) all sales of tangible personal property purchased by or on  
19 behalf of the Frontenac Education Foundation, which is exempt from  
20 federal income taxation pursuant to section 501(c)(3) of the federal  
21 internal revenue code, for the purpose of providing education support for  
22 students, and all sales of any such property by or on behalf of such  
23 organization for such purpose;

24 (xxx) all sales of personal property and services purchased by the  
25 booth theatre foundation, inc., an organization which is exempt from  
26 federal income taxation pursuant to section 501(c)(3) of the federal  
27 internal revenue code of 1986, and which such personal property and  
28 services are used by any such organization in the constructing, equipping,  
29 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
30 of the booth theatre, and all sales of tangible personal property or services  
31 purchased by a contractor for the purpose of constructing, equipping,  
32 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
33 the booth theatre for such organization, which would be exempt from  
34 taxation under the provisions of this section if purchased directly by such  
35 organization. Nothing in this subsection shall be deemed to exempt the  
36 purchase of any construction machinery, equipment or tools used in the  
37 constructing, equipping, reconstructing, maintaining, repairing, enlarging,  
38 furnishing or remodeling facilities for any such organization. When any  
39 such organization shall contract for the purpose of constructing, equipping,  
40 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling  
41 facilities, it shall obtain from the state and furnish to the contractor an  
42 exemption certificate for the project involved, and the contractor may  
43 purchase materials for incorporation in such project. The contractor shall

1 furnish the number of such certificate to all suppliers from whom such  
2 purchases are made, and such suppliers shall execute invoices covering the  
3 same bearing the number of such certificate. Upon completion of the  
4 project the contractor shall furnish to such organization concerned a sworn  
5 statement, on a form to be provided by the director of taxation, that all  
6 purchases so made were entitled to exemption under this subsection. All  
7 invoices shall be held by the contractor for a period of five years and shall  
8 be subject to audit by the director of taxation. If any materials purchased  
9 under such a certificate are found not to have been incorporated in such  
10 facilities or not to have been returned for credit or the sales or  
11 compensating tax otherwise imposed upon such materials which will not  
12 be so incorporated in such facilities reported and paid by such contractor  
13 to the director of taxation not later than the 20<sup>th</sup> day of the month following  
14 the close of the month in which it shall be determined that such materials  
15 will not be used for the purpose for which such certificate was issued, such  
16 organization concerned shall be liable for tax on all materials purchased  
17 for the project, and upon payment thereof it may recover the same from  
18 the contractor together with reasonable attorney fees. Any contractor or  
19 any agent, employee or subcontractor thereof, who shall use or otherwise  
20 dispose of any materials purchased under such a certificate for any purpose  
21 other than that for which such a certificate is issued without the payment  
22 of the sales or compensating tax otherwise imposed upon such materials,  
23 shall be guilty of a misdemeanor and, upon conviction therefor, shall be  
24 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,  
25 and amendments thereto. Sales tax paid on and after January 1, 2007, but  
26 prior to the effective date of this act upon the gross receipts received from  
27 any sale which would have been exempted by the provisions of this  
28 subsection had such sale occurred after the effective date of this act shall  
29 be refunded. Each claim for a sales tax refund shall be verified and  
30 submitted to the director of taxation upon forms furnished by the director  
31 and shall be accompanied by any additional documentation required by the  
32 director. The director shall review each claim and shall refund that amount  
33 of sales tax paid as determined under the provisions of this subsection. All  
34 refunds shall be paid from the sales tax refund fund upon warrants of the  
35 director of accounts and reports pursuant to vouchers approved by the  
36 director or the director's designee;

37 (yyy) all sales of tangible personal property and services purchased  
38 by TLC charities foundation, inc., hereinafter referred to as TLC charities,  
39 which is exempt from federal income taxation pursuant to section 501(c)  
40 (3) of the federal internal revenue code of 1986, and which such property  
41 and services are used for the purpose of encouraging private philanthropy  
42 to further the vision, values, and goals of TLC for children and families,  
43 inc.; and all sales of such property and services by or on behalf of TLC



1 charities for any such purpose and all sales of tangible personal property or  
2 services purchased by a contractor for the purpose of constructing,  
3 maintaining, repairing, enlarging, furnishing or remodeling facilities for  
4 the operation of services for TLC charities for any such purpose which  
5 would be exempt from taxation under the provisions of this section if  
6 purchased directly by TLC charities. Nothing in this subsection shall be  
7 deemed to exempt the purchase of any construction machinery, equipment  
8 or tools used in the constructing, maintaining, repairing, enlarging,  
9 furnishing or remodeling such facilities for TLC charities. When TLC  
10 charities contracts for the purpose of constructing, maintaining, repairing,  
11 enlarging, furnishing or remodeling such facilities, it shall obtain from the  
12 state and furnish to the contractor an exemption certificate for the project  
13 involved, and the contractor may purchase materials for incorporation in  
14 such project. The contractor shall furnish the number of such certificate to  
15 all suppliers from whom such purchases are made, and such suppliers shall  
16 execute invoices covering the same bearing the number of such certificate.  
17 Upon completion of the project the contractor shall furnish to TLC  
18 charities a sworn statement, on a form to be provided by the director of  
19 taxation, that all purchases so made were entitled to exemption under this  
20 subsection. All invoices shall be held by the contractor for a period of five  
21 years and shall be subject to audit by the director of taxation. If any  
22 materials purchased under such a certificate are found not to have been  
23 incorporated in the building or other project or not to have been returned  
24 for credit or the sales or compensating tax otherwise imposed upon such  
25 materials which will not be incorporated into the building or other project  
26 reported and paid by such contractor to the director of taxation not later  
27 than the 20<sup>th</sup> day of the month following the close of the month in which it  
28 shall be determined that such materials will not be used for the purpose for  
29 which such certificate was issued, TLC charities shall be liable for tax on  
30 all materials purchased for the project, and upon payment thereof it may  
31 recover the same from the contractor together with reasonable attorney  
32 fees. Any contractor or any agent, employee or subcontractor thereof, who  
33 shall use or otherwise dispose of any materials purchased under such a  
34 certificate for any purpose other than that for which such a certificate is  
35 issued without the payment of the sales or compensating tax otherwise  
36 imposed upon such materials, shall be guilty of a misdemeanor and, upon  
37 conviction therefor, shall be subject to the penalties provided for in  
38 subsection (g) of K.S.A. 79-3615, and amendments thereto;

39 (zzz) all sales of tangible personal property purchased by the rotary  
40 club of shawnee foundation which is exempt from federal income taxation  
41 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,  
42 as amended, used for the purpose of providing contributions to community  
43 service organizations and scholarships;

1 (aaaa) all sales of personal property and services purchased by or on  
2 behalf of victory in the valley, inc., which is exempt from federal income  
3 taxation pursuant to section 501(c)(3) of the federal internal revenue code,  
4 for the purpose of providing a cancer support group and services for  
5 persons with cancer, and all sales of any such property by or on behalf of  
6 any such organization for any such purpose;

7 (bbbb) all sales of entry or participation fees, charges or tickets by  
8 Guadalupe health foundation, which is exempt from federal income  
9 taxation pursuant to section 501(c)(3) of the federal internal revenue code,  
10 for such organization's annual fundraising event which purpose is to  
11 provide health care services for uninsured workers;

12 (cccc) all sales of tangible personal property or services purchased by  
13 or on behalf of wayside waifs, inc., which is exempt from federal income  
14 taxation pursuant to section 501(c)(3) of the federal internal revenue code,  
15 for the purpose of providing such organization's annual fundraiser, an  
16 event whose purpose is to support the care of homeless and abandoned  
17 animals, animal adoption efforts, education programs for children and  
18 efforts to reduce animal over-population and animal welfare services, and  
19 all sales of any such property, including entry or participation fees or  
20 charges, by or on behalf of such organization for such purpose;

21 (dddd) all sales of tangible personal property or services purchased  
22 by or on behalf of Goodwill Industries or Easter Seals of Kansas, Inc.,  
23 both of which are exempt from federal income taxation pursuant to section  
24 501(c)(3) of the federal internal revenue code, for the purpose of providing  
25 education, training and employment opportunities for people with  
26 disabilities and other barriers to employment;

27 (eeee) all sales of tangible personal property or services purchased by  
28 or on behalf of All American Beef Battalion, Inc., which is exempt from  
29 federal income taxation pursuant to section 501(c)(3) of the federal  
30 internal revenue code, for the purpose of educating, promoting and  
31 participating as a contact group through the beef cattle industry in order to  
32 carry out such projects that provide support and morale to members of the  
33 United States armed forces and military services; ~~and~~

34 (ffff) all sales of tangible personal property and services purchased by  
35 sheltered living, inc., which is exempt from federal income taxation  
36 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,  
37 and which such property and services are used for the purpose of  
38 providing residential and day services for people with developmental  
39 disabilities or mental retardation, or both, and all sales of any such  
40 property by or on behalf of sheltered living, inc. for any such purpose; and  
41 all sales of tangible personal property or services purchased by a  
42 contractor for the purpose of rehabilitating, constructing, maintaining,  
43 repairing, enlarging, furnishing or remodeling homes and facilities for

1 sheltered living, inc. for any such purpose which would be exempt from  
2 taxation under the provisions of this section if purchased directly by  
3 sheltered living, inc. Nothing in this subsection shall be deemed to exempt  
4 the purchase of any construction machinery, equipment or tools used in the  
5 constructing, maintaining, repairing, enlarging, furnishing or remodeling  
6 such homes and facilities for sheltered living, inc. When sheltered living,  
7 inc. contracts for the purpose of rehabilitating, constructing, maintaining,  
8 repairing, enlarging, furnishing or remodeling such homes and facilities, it  
9 shall obtain from the state and furnish to the contractor an exemption  
10 certificate for the project involved, and the contractor may purchase  
11 materials for incorporation in such project. The contractor shall furnish the  
12 number of such certificate to all suppliers from whom such purchases are  
13 made, and such suppliers shall execute invoices covering the same bearing  
14 the number of such certificate. Upon completion of the project the  
15 contractor shall furnish to sheltered living, inc. a sworn statement, on a  
16 form to be provided by the director of taxation, that all purchases so made  
17 were entitled to exemption under this subsection. All invoices shall be held  
18 by the contractor for a period of five years and shall be subject to audit by  
19 the director of taxation. If any materials purchased under such a certificate  
20 are found not to have been incorporated in the building or other project or  
21 not to have been returned for credit or the sales or compensating tax  
22 otherwise imposed upon such materials which will not be so incorporated  
23 in the building or other project reported and paid by such contractor to the  
24 director of taxation not later than the 20<sup>th</sup> day of the month following the  
25 close of the month in which it shall be determined that such materials will  
26 not be used for the purpose for which such certificate was issued, sheltered  
27 living, inc. shall be liable for tax on all materials purchased for the project,  
28 and upon payment thereof it may recover the same from the contractor  
29 together with reasonable attorney fees. Any contractor or any agent,  
30 employee or subcontractor thereof, who shall use or otherwise dispose of  
31 any materials purchased under such a certificate for any purpose other than  
32 that for which such a certificate is issued without the payment of the sales  
33 or compensating tax otherwise imposed upon such materials, shall be  
34 guilty of a misdemeanor and, upon conviction therefor, shall be subject to  
35 the penalties provided for in subsection (g) of K.S.A. 79-3615, and  
36 amendments thereto; *and*

37 *(gggg) all sales of game birds for which the primary purpose is use in*  
38 *hunting.*

39 Sec. 22. K.S.A. 2011 Supp. 76-3308 is hereby amended to read as  
40 follows: 76-3308. (a) The authority shall have all the powers necessary to  
41 carry out the purposes and provisions of this act, including, without  
42 limitation, the following powers to:

43 (1) Have the duties, privileges, immunities, rights, liabilities and

- 1 disabilities of a body corporate and a political instrumentality of the state;
- 2 (2) have perpetual existence and succession;
- 3 (3) adopt, have and use a seal and to alter the same at its pleasure;
- 4 (4) sue and be sued in its own name;
- 5 (5) make and execute contracts, guarantees or any other instruments  
6 and agreements necessary or convenient for the exercise of its powers and  
7 functions including, without limitation, to make and execute contracts with  
8 hospitals or other health care businesses to operate and manage any or all  
9 of the hospital facilities or operations and to incur liabilities and secure the  
10 obligations of any entity or individual;
- 11 (6) borrow money and to issue bonds evidencing the same and pledge  
12 all or any part of the authority's assets therefor;
- 13 (7) purchase, lease, trade, exchange or otherwise acquire, maintain,  
14 hold, improve, mortgage, sell, lease and dispose of personal property,  
15 whether tangible or intangible, and any interest therein; and to purchase,  
16 lease, trade, exchange or otherwise acquire real property or any interest  
17 therein, and to maintain, hold, improve, mortgage, lease and otherwise  
18 transfer such real property, so long as such transactions do not conflict  
19 with the mission of the authority as specified in this act;
- 20 (8) incur or assume indebtedness to, and enter into contracts with the  
21 Kansas development finance authority, which is authorized to borrow  
22 money and provide financing for the authority;
- 23 (9) develop policies and procedures generally applicable to the  
24 procurement of goods, services and construction, based upon sound  
25 business practices;
- 26 (10) contract for and to accept any gifts, grants and loans of funds,  
27 property, or any other aid in any form from the federal government, the  
28 state, any state agency, or any other source, or any combination thereof,  
29 and to comply with the provisions of the terms and conditions thereof;
- 30 (11) acquire space, equipment, services, supplies and insurance  
31 necessary to carry out the purposes of this act;
- 32 (12) deposit any moneys of the authority in any banking institution  
33 within or without the state or in any depository authorized to receive such  
34 deposits, one or more persons to act as custodians of the moneys of the  
35 authority, to give surety bonds in such amounts in form and for such  
36 purposes as the board requires;
- 37 (13) procure such insurance, participate in such insurance plans or  
38 provide such self insurance or both as it deems necessary or convenient to  
39 carry out the purposes and provisions of this act; the purchase of  
40 insurance, participation in an insurance plan or creation of a self-insurance  
41 fund by the authority shall not be deemed as a waiver or relinquishment of  
42 any sovereign immunity to which the authority or its officers, directors,  
43 employees or agents are otherwise entitled;

1 (14) appoint, supervise and set the salary and compensation of a  
2 president of the authority who shall be appointed by and serve at the  
3 pleasure of the board;

4 (15) fix, revise, charge and collect rates, rentals, fees and other  
5 charges for the services or facilities furnished by or on behalf of the  
6 authority, and to establish policies and procedures regarding any such  
7 service rendered for the use, occupancy or operation of any such facility;  
8 such charges and policies and procedures not to be subject to supervision  
9 or regulation by any commission, board, bureau or agency of the State;  
10 and

11 (16) do any and all things necessary or convenient to carry out the  
12 authority's purposes and exercise the powers given in this act.

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

16 (c) The authority may participate in joint ventures with individuals,  
17 corporations, governmental bodies or agencies, partnerships, associations,  
18 insurers or other entities to facilitate any activities or programs consistent  
19 with the public purpose and intent of this act.

20 (d) The authority may create a nonprofit entity or entities for the  
21 purpose of soliciting, accepting and administering grants, outright gifts and  
22 bequests, endowment gifts and bequests and gifts and bequests in trust  
23 which entity or entities shall not engage in trust business.

24 (e) In carrying out any activities authorized by this act, the authority  
25 may provide appropriate assistance, including the making of loans and  
26 providing time of employees, to corporations, partnerships, associations,  
27 joint ventures or other entities, whether or not such corporations,  
28 partnerships, associations, joint ventures or other entities are owned or  
29 controlled in whole or in part, directly or indirectly, by the authority.

30 (f) Effective with the transfer date, all moneys of the authority shall  
31 be deposited in one or more banks or trust companies in one or more  
32 special accounts. All banks and trust companies are authorized to give  
33 security for such deposits if required by the authority. The moneys in such  
34 accounts shall be paid out on a warrant or other orders of the treasurer of  
35 the authority or any such other person or persons as the authority may  
36 authorize to execute such warrants or orders.

37 (g) Notwithstanding any provision of law to the contrary, the  
38 authority, effective with the transfer date, may invest the authority's  
39 operating funds in any obligations or securities as authorized by the board.  
40 The board shall adopt written investment guidelines.

41 (h) The authority is authorized to negotiate contracts with one or  
42 more qualified parties to provide collection services. The selection of a  
43 collection services provider shall be based on responses to a request for

1 proposals from qualified professional firms and shall be administered in  
2 accordance with policies adopted by the board.

3 (i) Notwithstanding any provision of law to the contrary, no abortion  
4 shall be performed, except in the event of a medical emergency, in any  
5 medical facility, hospital or clinic owned, leased or operated by the  
6 authority. The provisions of this subsection are not applicable to any  
7 member of the physician faculty of the university of Kansas school of  
8 medicine on property not owned, leased or operated by the authority. As  
9 used in this subsection, "medical emergency" ~~means a pregnant woman's~~  
10 ~~medical condition that, on the basis of a physician's good-faith clinical~~  
11 ~~judgment, necessitates an immediate abortion to avert the woman's death~~  
12 ~~or to avert a serious risk of substantial and irreversible impairment of a~~  
13 ~~major bodily function~~ *has the meaning as defined in K.S.A. 65-6701, and*  
14 *amendments thereto.*

15 New Sec. 23. If any provision or clause of this act or application  
16 thereof to any person or circumstances is held invalid, such invalidity shall  
17 not affect other provisions or applications of the act which can be given  
18 effect without the invalid provision or application, and to this end the  
19 provisions of this act are declared to be severable.

20 Sec. 24. K.S.A. 60-1901 and K.S.A. 2011 Supp. 40-2246, 65-6701,  
21 65-6703, 65-6709, 65-6710, 76-3308, 79-32,117, 79-32,138, 79-32,182b,  
22 79-32,195, 79-32,261, 79-3606 and 79-3606g are hereby repealed.

23 Sec. 25. This act shall take effect and be in force from and after its  
24 publication in the statute book.

25