

Journal of the Senate

TWENTY-SEVENTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Wednesday, February 20, 2013, 2:30 p.m.

The Senate was called to order by President Susan Wagle.
The roll was called with forty senators present.
Invocation by Father Don Davidson:

How do we know when making a decision if the answer should be yes or no? We learn and read and grow, we research and chat and refine. Help us O Lord not to leave you out of those critical moments, help us O lord to pray. Give us the patience to listen for your response and know that you are God. Then, Lord, give us your peace once the decision is made.

In your holy name. Amen

The Pledge of Allegiance was led by President Susan Wagle.

POINT OF PERSONAL PRIVILEGE

Senator Faust-Goudeau rose on a Point of Personal Privilege to introduce scholarship recipients, Amanda Johnson, senior at Northwest High School in Wichita and Kiah Duggins, senior at East High School in Wichita. Amanda is the recipient of a \$52,000 Harry Gore Memorial Scholarship from Wichita State University and Kiah was awarded Wichita State University's Clay Barton Scholarship in the amount of \$44,000. The Senator also introduced Sunday Akpah, father of Amanda and Maurice Duggins, father of Kiah. They were recognized by the senators with a standing ovation.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

SB 218, AN ACT concerning courts; relating to docket fees, court fees and costs; creating the judicial branch docket fee fund; abolishing the judicial branch surcharge fund; amending K.S.A. 5-517 and 20-166 and K.S.A. 2012 Supp. 8-2107, 8-2110, 20-362, 21-6614, 22-2410, 23-2510, 28-170, 28-172a, 28-172b, 28-177, 28-178, 28-179, 32-1049a, 38-2215, 38-2312, 38-2314, 59-104, 60-2001, 60-2203a, 61-2704, 61-4001, 65-409, 74-7325, 74-7334 and 75-7021 and repealing the existing sections; also repealing K.S.A. 2012 Supp. 20-367, by Committee on Ways and Means.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Assessment and Taxation: **SB 212**.

Ethics, Elections and Local Government: **SB 216**.

Federal and State Affairs: **SB 214, SB 215**.

Public Health and Welfare: **SB 217**.

Transportation: **SB 213**.

MESSAGE FROM THE HOUSE

Announcing passage of **HB 2122, HB 2125, HB 2140, HB 2142, HB 2143, HB 2145, HB 2148, HB 2149, HB 2152, HB 2156, HB 2202**.

INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HB 2122, HB 2125, HB 2140, HB 2142, HB 2143, HB 2145, HB 2148, HB 2149, HB 2152, HB 2156, HB 2202 were thereupon introduced and read by title.

CONSIDERATION OF APPOINTMENTS

In accordance with Senate Rule 56, the following appointment, submitted by the Governor to the Senate for confirmation was considered.

Senator Bruce moved the following appointment be confirmed as recommended by the Committee on Federal and State Affairs.

State Board of Indigents Defense Services:

Paul Beck, to serve a three year term, to expire January 15, 2016.

On roll call, the vote was: Yeas 39; Nays 0; Present and Passing 1; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Present and Passing: King.

The appointment was confirmed.

FINAL ACTION ON CONSENT CALENDAR

SB 85 and **SB 113** having appeared on the Consent Calendar for the required two full legislative days without objection from any member, were considered on final action.

SB 85, AN ACT concerning insurance; pertaining to proof of motor vehicle liability insurance; amending K.S.A. 2012 Supp. 8-173, 8-1604, 40-3104 and 40-3118 and repealing the existing sections.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed.

SB 113, AN ACT concerning credit unions; pertaining to certain loans; amending K.S.A. 17-2216 and 17-2216a and repealing the existing sections.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed.

FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

SB 1, AN ACT concerning the legislative post audit act; relating to periodic audits of the state treasurer and the pooled money investment board; transition audits; amending K.S.A. 2012 Supp. 46-1106 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SB 2, AN ACT concerning the legislative post audit act; providing for information technology audits; amending K.S.A. 46-1128 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed.

SB 22, AN ACT concerning the postsecondary technical education authority; amending K.S.A. 2012 Supp. 72-4484 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 34; Nays 6; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Kelly, Kerschen, King, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Ostmeyer, Petersen, Pettey, Powell, V. Schmidt, Tyson, Wagle, Wolf.

Nays: Holmes, Knox, Olson, Pilcher-Cook, Pyle, Smith.

The bill passed.

EXPLANATION OF VOTE

Madam President, The Technical Education Authority was created and charged with creating a tiered funding formula for vocational/technical programs within a 3 year timeframe. They have done an outstanding job accomplishing their charge. However, like so many other government programs, it has taken on a life of its own and now seeks to perpetuate itself for another three years. It should be no surprise in three years if this entity again asks for another 3 year extension to the sunset, or even a complete repeal of the sunset. At this point, the Board of Regents is completely capable of taking on any additional development of technical program development without a separate commission. I vote "No" on **SB 22**. —MITCH HOLMES

Senator Knox requested the record to show he concurs with the "Explanation of Vote" offered by Senator Holmes on **SB 22**.

SB 23, AN ACT concerning school districts; relating to the statewide levy for public schools and the exemption therefrom; amending K.S.A. 2012 Supp. 72-6431 and 79-201x and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed.

SB 27, AN ACT concerning the military service scholarship program act; relating to qualified students; amending K.S.A. 2012 Supp. 74-32,228 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SB 62, AN ACT concerning utilities; relating to the Kansas corporation commission; gas pipeline safety; amending K.S.A. 66-1,154 and 66-1,157a and K.S.A. 2012 Supp. 66-1,153 and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SB 73, AN ACT concerning workers compensation, relating to administrative duties assumed by the secretary of health and environment; legal status requirements for compensation; administrative judge disqualification; notice of injury requirements; limitation of actions; state workplace health and safety program; amending K.S.A. 44-512, 44-557 and 44-578 and K.S.A. 2012 Supp. 2-224a, 44-510d, 44-510e, 44-520, 44-523, 44-532a, 44-575 and 44-577 and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 32; Nays 8; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Fitzgerald, Holmes, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Faust-Goudeau, Francisco, Haley, Hawk, Hensley, Holland, Kelly, Pettey.

The bill passed, as amended.

SB 74, AN ACT concerning the prison-made goods act; relating to the manufacture or production of manufactured homes or modular homes, was considered on final action.

On roll call, the vote was: Yeas 36; Nays 4; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, Knox, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Wagle, Wolf.

Nays: Fitzgerald, King, LaTurner, Tyson.

The bill passed, as amended.

SB 83, AN ACT concerning taxation; relating to delinquent tax liabilities; service fees, remittance; amending K.S.A. 2012 Supp. 75-5162 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 37; Nays 3; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Ostmeyer, Petersen, Pettey, Powell, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Olson, Pilcher-Cook, Pyle.

The bill passed, as amended.

SB 84, AN ACT concerning sales and use taxation; relating to nexus; amending K.S.A. 2012 Supp. 79-3702 and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 30; Nays 9; Present and Passing 1; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Hawk, Holmes, Kelly, Kerschen, King, Knox, Longbine, Lynn, Masterson, McGinn, Melcher, O'Donnell, Ostmeyer, Petersen, Powell, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Francisco, Haley, Hensley, Holland, LaTurner, Olson, Pettey, Pilcher-Cook,

Pyle.

Present and Passing: Love.

The bill passed, as amended.

SB 96, AN ACT concerning motor vehicles; relating to registration fees, multiple registration facilities; amending K.S.A. 2012 Supp. 8-145d and repealing the existing section, was considered on final action.

On roll call, the vote was: Yeas 39; Nays 1; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Pyle.

The bill passed.

SB 104, AN ACT creating the Kansas children's internet protection act, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SB 141, AN ACT concerning abortion; relating to abortions performed solely because of the gender of the unborn child, was considered on final action.

On roll call, the vote was: Yeas 37; Nays 2; Present and Passing 1; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Fitzgerald, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Faust-Goudeau, Haley.

Present and Passing: Francisco.

The bill passed, as amended.

EXPLANATION OF VOTE

Madam President: I vote “no” on **SB 141**. In a world, in a country, that longs for less governmental intrusion, it is ironic to me that elected leadership imposes its will on the most private and personal of decisions; a decision which should be left to the woman and her physician...alone. Whatever motivation brings a woman to make crucial personal reproductive health decisions should be left as undisturbed as possible. My constituents did not elect me to tell them what to do with their bodies. And frankly, Madam President, it always amazes me when it’s obvious that other elected members think that theirs did vote for them in order to be told how to conduct their personal

lives. This bill is only intended as a set up to harass legal providers of safe abortion services which is why it is not about "gender selection"; it is about damages for lawsuit both criminal and civil.—DAVID HALEY

Madam President: Horrific is the word used during debate to describe sex-selection abortion. Why is it horrific? Is a medical procedure to discard a blob of tissue horrific? NO! It is horrific because this is not a sufficient reason to kill a human being. Horrific describes the killing of a baby, for any reason. The vote today reflects the belief that abortion is indeed horrific. I vote Aye on **SB 141** because abortion, for any reason, is horrific because abortion kills a human being; abortion kills an innocent baby.—FORREST KNOX

Senators Abrams, Arpke, Fitzgerald, Lynn, Olson and Smith request the record to show they concur with the "Explanation of Vote" offered by Senator Knox on **SB 141**.

SB 163, AN ACT concerning health insurance; relating to mandate lite health benefits plans; commissions; specially designed policies, was considered on final action.

On roll call, the vote was: Yeas 38; Nays 1; Present and Passing 1; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

Nays: Haley.

Present and Passing: Francisco.

The bill passed.

SR 1711, opposing the black-footed ferret programmatic safe harbor agreement and environmental assessment, was considered on final action.

On roll call, the vote was: Yeas 31; Nays 9; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Holmes, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Smith, Tyson, Wagle, Wolf.

Nays: Emler, Francisco, Haley, Hawk, Hensley, Holland, Kelly, McGinn, V. Schmidt.

The resolution was adopted, as amended.

EXPLANATION OF VOTE

Madam President: I vote "No" on **SR 1711** and I would like to explain my vote. I am in agreement with some of the recommendations made in the resolution. I would like to see expansion of the limits of the size of the management zone and more informed discussion about the habitat and activity of prairie dogs. However I am very concerned that we are suggesting Kansas be excluded from the territory contained in the programmatic safe harbor agreement for the black-footed ferret. The exclusion would reduce conservation benefits for Kansas and regulatory protection for Kansans and fail to address the important issues of balancing private property rights in this state.—MARCI

FRANCISCO

Senator Hawk requests the record to show he concurs with the "Explanation of Vote" offered by Senator Francisco on **SR 1711**.

REPORT ON ENGROSSED BILLS

SB 1, SB 27, SB 62, SB 73, SB 74, SB 83, SB 84, SB 104, SB 144; SR 1711 reported correctly engrossed February 20, 2013.

REPORT ON ENROLLED BILLS

SR 1715, SR 1716, SR 1717, SR 1718 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on February 20, 2013.

REPORTS OF STANDING COMMITTEES

Committee on **Assessment and Taxation recommends HB 2059**, as amended by House Committee, be amended on page 5, in line 32, by striking all after "fund"; in line 33, by striking all before the period; in line 35, by striking "18.421%" and inserting "16.67%"; in line 36, by striking "5.7%" and inserting "6.3%";

On page 20, after line 12, by inserting the following:

"Sec. 7. On July 1, 2013, K.S.A. 2012 Supp. 79-32,110 is hereby amended to read as follows: 79-32,110. (a) *Resident Individuals*. Except as otherwise provided by subsection (a) of K.S.A. 79-3220, and amendments thereto, a tax is hereby imposed upon the Kansas taxable income of every resident individual, which tax shall be computed in accordance with the following tax schedules:

(1) *Married individuals filing joint returns.*

(A) For tax year 2012:

If the taxable income is:	The tax is:
Not over \$30,000.....	3.5% of Kansas taxable income
Over \$30,000 but not over \$60,000.....	\$1,050 plus 6.25% of excess over \$30,000
Over \$60,000.....	\$2,925 plus 6.45% of excess over \$60,000

(B) For tax year 2013, and all tax years thereafter:

If the taxable income is:	The tax is:
Not over \$30,000.....	3.0% of Kansas taxable income
Over \$30,000.....	\$900 plus 4.9% of excess over \$30,000

(C) For tax years 2014 and 2015:

<u>If the taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$30,000.....</u>	<u>2.5% of Kansas taxable income</u>
<u>Over \$30,000.....</u>	<u>\$750 plus 4.9% of excess over \$30,000</u>

(D) For tax year 2016:

<u>If the taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$30,000.....</u>	<u>1.9% of Kansas taxable income</u>
<u>Over \$30,000.....</u>	<u>\$570 plus 4.9% of excess over \$30,000</u>

(E) For tax year 2017, and all tax years thereafter:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$30,000.....	1.9% of Kansas taxable income
Over \$30,000.....	\$570 plus 3.5% of excess over \$30,000

(2) *All other individuals.*

(A) For tax year 2012:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$15,000.....	3.5% of Kansas taxable income
Over \$15,000 but not over.....	\$525 plus 6.25% of excess \$30,000.....
Over \$30,000.....	\$1,462.50 plus 6.45% of excess over \$30,000

(B) For tax year 2013, and all tax years thereafter:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$15,000.....	3.0 % of Kansas taxable income
Over \$15,000.....	\$450 plus 4.9% of excess over \$15,000

(C) For tax years 2014 and 2015:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$15,000.....	2.5% of Kansas taxable income
Over \$15,000.....	\$375 plus 4.9% of excess over \$15,000

(D) For tax year 2016:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$15,000.....	1.9% of Kansas taxable income
Over \$15,000.....	\$285 plus 4.9% of excess over \$15,000

(E) For tax year 2017, and all tax years thereafter:

<u>If the taxable income is:</u>	<u>The tax is:</u>
Not over \$15,000.....	1.9% of Kansas taxable income
Over \$15,000.....	\$285 plus 3.5% of excess over \$15,000

(b) *Nonresident Individuals.* A tax is hereby imposed upon the Kansas taxable income of every nonresident individual, which tax shall be an amount equal to the tax computed under subsection (a) as if the nonresident were a resident multiplied by the ratio of modified Kansas source income to Kansas adjusted gross income.

(c) *Corporations.* A tax is hereby imposed upon the Kansas taxable income of every corporation doing business within this state or deriving income from sources within this state. Such tax shall consist of a normal tax and a surtax and shall be computed as follows:

(1) The normal tax shall be in an amount equal to 4% of the Kansas taxable income of such corporation; and

(2) (A) for tax year 2008, the surtax shall be in an amount equal to 3.1% of the Kansas taxable income of such corporation in excess of \$50,000;

(B) for tax years 2009 and 2010, the surtax shall be in an amount equal to 3.05% of the Kansas taxable income of such corporation in excess of \$50,000; and

(C) for tax year 2011, and all tax years thereafter, the surtax shall be in an amount equal to 3% of the Kansas taxable income of such corporation in excess of \$50,000.

(d) *Fiduciaries.* A tax is hereby imposed upon the Kansas taxable income of estates

and trusts at the rates provided in paragraph (2) of subsection (a) hereof.

Sec. 8. On July 1, 2013, K.S.A. 2012 Supp. 79-32,120 is hereby amended to read as follows: 79-32,120. (a) If federal taxable income of an individual is determined by itemizing deductions from such individual's federal adjusted gross income, such individual may elect to deduct the Kansas itemized deduction in lieu of the Kansas standard deduction. The Kansas itemized deduction of an individual means the total amount of deductions from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section.

(b) For taxable years commencing prior to January 1, 2013, the total amount of deductions from federal adjusted gross income shall be reduced by the total amount of income taxes imposed by or paid to this state or any other taxing jurisdiction to the extent that the same are deducted in determining the federal itemized deductions and by the amount of all depreciation deductions claimed for any real or tangible personal property upon which the deduction allowed by K.S.A. 2012 Supp. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-32,255 or 79-32,256, and amendments thereto, is or has been claimed.

(c) For taxable years commencing on or after January 1, 2013, the total amount of deductions from federal adjusted gross income shall be reduced by the total amount of income taxes imposed by or paid to this state or any other taxing jurisdiction and allowed as itemized deductions in section 164 of the federal internal revenue code, and amendments thereto, and the amount of qualified residential interest paid and allowed as an itemized deduction in section 163 of the federal internal revenue code, and amendments thereto, to the extent that any of the same are deducted in determining the federal itemized deductions and by the amount of all depreciation deductions claimed for any real or tangible personal property upon which the deduction allowed by K.S.A. 2012 Supp. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-32,255 or 79-32,256, and amendments thereto, is or has been claimed.

Sec. 9. On July 1, 2013, K.S.A. 2012 Supp. 79-3603 is hereby amended to read as follows: 79-3603. For the privilege of engaging in the business of selling tangible personal property at retail in this state or rendering or furnishing any of the services taxable under this act, there is hereby levied and there shall be collected and paid a tax at the rate of ~~5.3%, and commencing July 1, 2010, at the rate of 6.3%, and commencing July 1, 2013, at the rate of 5.7%.~~ Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax at the rate of 2% until the earlier of the date the bonds issued to finance or refinance the redevelopment project have been paid in full or the final scheduled maturity of the first series of bonds issued to finance any part of the project upon:

(a) The gross receipts received from the sale of tangible personal property at retail within this state;

(b) the gross receipts from intrastate, interstate or international telecommunications services and any ancillary services sourced to this state in accordance with K.S.A. 2012 Supp. 79-3673, and amendments thereto, except that telecommunications service does not include: (1) Any interstate or international 800 or 900 service; (2) any interstate or international private communications service as defined in K.S.A. 2012 Supp. 79-3673, and amendments thereto; (3) any value-added nonvoice data service; (4) any

telecommunication service to a provider of telecommunication services which will be used to render telecommunications services, including carrier access services; or (5) any service or transaction defined in this section among entities classified as members of an affiliated group as provided by section 1504 of the federal internal revenue code of 1986, as in effect on January 1, 2001;

(c) the gross receipts from the sale or furnishing of gas, water, electricity and heat, which sale is not otherwise exempt from taxation under the provisions of this act, and whether furnished by municipally or privately owned utilities, except that, on and after January 1, 2006, for sales of gas, electricity and heat delivered through mains, lines or pipes to residential premises for noncommercial use by the occupant of such premises, and for agricultural use and also, for such use, all sales of propane gas, the state rate shall be 0%; and for all sales of propane gas, LP gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises, the state rate shall be 0%, but such tax shall not be levied and collected upon the gross receipts from: (1) The sale of a rural water district benefit unit; (2) a water system impact fee, system enhancement fee or similar fee collected by a water supplier as a condition for establishing service; or (3) connection or reconnection fees collected by a water supplier;

(d) the gross receipts from the sale of meals or drinks furnished at any private club, drinking establishment, catered event, restaurant, eating house, dining car, hotel, drugstore or other place where meals or drinks are regularly sold to the public;

(e) the gross receipts from the sale of admissions to any place providing amusement, entertainment or recreation services including admissions to state, county, district and local fairs, but such tax shall not be levied and collected upon the gross receipts received from sales of admissions to any cultural and historical event which occurs triennially;

(f) the gross receipts from the operation of any coin-operated device dispensing or providing tangible personal property, amusement or other services except laundry services, whether automatic or manually operated;

(g) the gross receipts from the service of renting of rooms by hotels, as defined by K.S.A. 36-501, and amendments thereto, or by accommodation brokers, as defined by K.S.A. 12-1692, and amendments thereto, but such tax shall not be levied and collected upon the gross receipts received from sales of such service to the federal government and any agency, officer or employee thereof in association with the performance of official government duties;

(h) the gross receipts from the service of renting or leasing of tangible personal property except such tax shall not apply to the renting or leasing of machinery, equipment or other personal property owned by a city and purchased from the proceeds of industrial revenue bonds issued prior to July 1, 1973, in accordance with the provisions of K.S.A. 12-1740 through 12-1749, and amendments thereto, and any city or lessee renting or leasing such machinery, equipment or other personal property purchased with the proceeds of such bonds who shall have paid a tax under the provisions of this section upon sales made prior to July 1, 1973, shall be entitled to a refund from the sales tax refund fund of all taxes paid thereon;

(i) the gross receipts from the rendering of dry cleaning, pressing, dyeing and laundry services except laundry services rendered through a coin-operated device whether automatic or manually operated;

(j) the gross receipts from the rendering of the services of washing and waxing of vehicles;

(k) the gross receipts from cable, community antennae and other subscriber radio and television services;

(l) (1) except as otherwise provided by paragraph (2), the gross receipts received from the sales of tangible personal property to all contractors, subcontractors or repairmen for use by them in erecting structures, or building on, or otherwise improving, altering, or repairing real or personal property.

(2) Any such contractor, subcontractor or repairman who maintains an inventory of such property both for sale at retail and for use by them for the purposes described by paragraph (1) shall be deemed a retailer with respect to purchases for and sales from such inventory, except that the gross receipts received from any such sale, other than a sale at retail, shall be equal to the total purchase price paid for such property and the tax imposed thereon shall be paid by the deemed retailer;

(m) the gross receipts received from fees and charges by public and private clubs, drinking establishments, organizations and businesses for participation in sports, games and other recreational activities, but such tax shall not be levied and collected upon the gross receipts received from: (1) Fees and charges by any political subdivision, by any organization exempt from property taxation pursuant to paragraph *Ninth* of K.S.A. 79-201, and amendments thereto, or by any youth recreation organization exclusively providing services to persons 18 years of age or younger which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for participation in sports, games and other recreational activities; and (2) entry fees and charges for participation in a special event or tournament sanctioned by a national sporting association to which spectators are charged an admission which is taxable pursuant to subsection (e);

(n) the gross receipts received from dues charged by public and private clubs, drinking establishments, organizations and businesses, payment of which entitles a member to the use of facilities for recreation or entertainment, but such tax shall not be levied and collected upon the gross receipts received from: (1) Dues charged by any organization exempt from property taxation pursuant to paragraphs *Eighth* and *Ninth* of K.S.A. 79-201, and amendments thereto; and (2) sales of memberships in a nonprofit organization which is exempt from federal income taxation pursuant to section 501 (c) (3) of the federal internal revenue code of 1986, and whose purpose is to support the operation of a nonprofit zoo;

(o) the gross receipts received from the isolated or occasional sale of motor vehicles or trailers but not including: (1) The transfer of motor vehicles or trailers by a person to a corporation or limited liability company solely in exchange for stock securities or membership interest in such corporation or limited liability company; or (2) the transfer of motor vehicles or trailers by one corporation or limited liability company to another when all of the assets of such corporation or limited liability company are transferred to such other corporation or limited liability company; or (3) the sale of motor vehicles or trailers which are subject to taxation pursuant to the provisions of K.S.A. 79-5101 et seq., and amendments thereto, by an immediate family member to another immediate family member. For the purposes of clause (3), immediate family member means lineal ascendants or descendants, and their spouses. Any amount of sales tax paid pursuant to the Kansas retailers sales tax act on the

isolated or occasional sale of motor vehicles or trailers on and after July 1, 2004, which the base for computing the tax was the value pursuant to subsections (a), (b)(1) and (b) (2) of K.S.A. 79-5105, and amendments thereto, when such amount was higher than the amount of sales tax which would have been paid under the law as it existed on June 30, 2004, shall be refunded to the taxpayer pursuant to the procedure prescribed by this section. Such refund shall be in an amount equal to the difference between the amount of sales tax paid by the taxpayer and the amount of sales tax which would have been paid by the taxpayer under the law as it existed on June 30, 2004. Each claim for a sales tax refund shall be verified and submitted not later than six months from the effective date of this act to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of tax paid as provided by this act. All such refunds shall be paid from the sales tax refund fund, upon warrants of the director of accounts and reports pursuant to vouchers approved by the director of taxation or the director's designee. No refund for an amount less than \$10 shall be paid pursuant to this act. In determining the base for computing the tax on such isolated or occasional sale, the fair market value of any motor vehicle or trailer traded in by the purchaser to the seller may be deducted from the selling price;

(p) the gross receipts received for the service of installing or applying tangible personal property which when installed or applied is not being held for sale in the regular course of business, and whether or not such tangible personal property when installed or applied remains tangible personal property or becomes a part of real estate, except that no tax shall be imposed upon the service of installing or applying tangible personal property in connection with the original construction of a building or facility, the original construction, reconstruction, restoration, remodeling, renovation, repair or replacement of a residence or the construction, reconstruction, restoration, replacement or repair of a bridge or highway.

For the purposes of this subsection:

(1) "Original construction" shall mean the first or initial construction of a new building or facility. The term "original construction" shall include the addition of an entire room or floor to any existing building or facility, the completion of any unfinished portion of any existing building or facility and the restoration, reconstruction or replacement of a building, facility or utility structure damaged or destroyed by fire, flood, tornado, lightning, explosion, windstorm, ice loading and attendant winds, terrorism or earthquake, but such term, except with regard to a residence, shall not include replacement, remodeling, restoration, renovation or reconstruction under any other circumstances;

(2) "building" shall mean only those enclosures within which individuals customarily are employed, or which are customarily used to house machinery, equipment or other property, and including the land improvements immediately surrounding such building;

(3) "facility" shall mean a mill, plant, refinery, oil or gas well, water well, feedlot or any conveyance, transmission or distribution line of any cooperative, nonprofit, membership corporation organized under or subject to the provisions of K.S.A. 17-4601 et seq., and amendments thereto, or municipal or quasi-municipal corporation, including the land improvements immediately surrounding such facility;

(4) "residence" shall mean only those enclosures within which individuals

customarily live;

(5) "utility structure" shall mean transmission and distribution lines owned by an independent transmission company or cooperative, the Kansas electric transmission authority or natural gas or electric public utility; and

(6) "windstorm" shall mean straight line winds of at least 80 miles per hour as determined by a recognized meteorological reporting agency or organization;

(q) the gross receipts received for the service of repairing, servicing, altering or maintaining tangible personal property which when such services are rendered is not being held for sale in the regular course of business, and whether or not any tangible personal property is transferred in connection therewith. The tax imposed by this subsection shall be applicable to the services of repairing, servicing, altering or maintaining an item of tangible personal property which has been and is fastened to, connected with or built into real property;

(r) the gross receipts from fees or charges made under service or maintenance agreement contracts for services, charges for the providing of which are taxable under the provisions of subsection (p) or (q);

(s) on and after January 1, 2005, the gross receipts received from the sale of prewritten computer software and the sale of the services of modifying, altering, updating or maintaining prewritten computer software, whether the prewritten computer software is installed or delivered electronically by tangible storage media physically transferred to the purchaser or by load and leave;

(t) the gross receipts received for telephone answering services;

(u) the gross receipts received from the sale of prepaid calling service and prepaid wireless calling service as defined in K.S.A. 2012 Supp. 79-3673, and amendments thereto; and

(v) the gross receipts received from the sales of bingo cards, bingo faces and instant bingo tickets by licensees under K.S.A. 79-4701 et seq., and amendments thereto, shall be taxed at a rate of: (1) 4.9% on July 1, 2000, and before July 1, 2001; and (2) 2.5% on July 1, 2001, and before July 1, 2002. From and after July 1, 2002, all sales of bingo cards, bingo faces and instant bingo tickets by licensees under K.S.A. 79-4701 et seq., and amendments thereto, shall be exempt from taxes imposed pursuant to this section.

Sec. 10. On July 1, 2013, K.S.A. 2012 Supp. 79-3703 is hereby amended to read as follows: 79-3703. There is hereby levied and there shall be collected from every person in this state a tax or excise for the privilege of using, storing, or consuming within this state any article of tangible personal property. Such tax shall be levied and collected in an amount equal to the consideration paid by the taxpayer multiplied by the rate of ~~5.3%, and commencing July 1, 2010, at the rate of 6.3%, and commencing July 1, 2013, at the rate of 5.7%.~~ Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax of 2% until the earlier of: (1) The date the bonds issued to finance or refinance the redevelopment project undertaken in the district have been paid in full; or (2) the final scheduled maturity of the first series of bonds issued to finance the redevelopment project. All property purchased or leased within or without this state and subsequently used, stored or consumed in this state shall be subject to the compensating tax if the same property or transaction would have been subject to the Kansas retailers' sales tax had the transaction been wholly within this state.

Sec. 11. On July 1, 2013, K.S.A. 2012 Supp. 79-3710 is hereby amended to read as

follows: 79-3710. (a) All revenue collected or received by the director under the provisions of this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury, less amounts set apart as provided in subsection (b) and amounts credited as provided in subsection (c), (d) and (e), to the credit of the state general fund.

(b) A revolving fund, designated as "compensating tax refund fund" not to exceed \$10,000 shall be set apart and maintained by the director from compensating tax collections and estimated tax collections and held by the state treasurer for prompt payment of all compensating tax refunds. Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act.

(c) (1) The state treasurer shall credit $\frac{5}{98}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 4.9%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(3) On July 1, 2006, the state treasurer shall credit $\frac{19}{265}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(5) On July 1, 2010, the state treasurer shall credit 11.427% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(6) On July 1, 2011, the state treasurer shall credit 11.26% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(7) On July 1, 2012, the state treasurer shall credit 11.233% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund, ~~as well as such revenue collected and received at the rate of 6.3%, after June 30, 2013.~~

(8) On July 1, 2013, and thereafter, the state treasurer shall credit ~~18.421%~~ 16.67% of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of ~~5.7%~~ 6.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, as certified by the director, from

taxpayers doing business within that portion of a redevelopment district occupied by a redevelopment project that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state as defined in K.S.A. 12-1770a, and amendments thereto, to the city bond finance fund created by subsection (d) of K.S.A. 79-3620, and amendments thereto. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under subsection (d) of K.S.A. 79-3620, and amendments thereto, is sufficient to retire the special obligation bonds issued for the purpose of financing all or a portion of the costs of such redevelopment project.

This subsection shall not apply to a project designated as a special bond project as defined in subsection (z) of K.S.A. 12-1770a, and amendments thereto.

(e) All revenue certified by the director of taxation as having been collected or received from the tax imposed by subsection (c) of K.S.A. 79-3603, and amendments thereto, on the sale or furnishing of gas, water, electricity and heat for use or consumption within the intermodal facility district described in this subsection, shall be credited by the state treasurer to the state highway fund. Such revenue may be transferred by the secretary of transportation to the rail service improvement fund pursuant to law. The provisions of this subsection shall take effect upon certification by the secretary of transportation that a notice to proceed has been received for the construction of the improvements within the intermodal facility district, but not later than December 31, 2010, and shall expire when the secretary of revenue determines that the total of all amounts credited hereunder and pursuant to subsection (e) of K.S.A. 79-3620, and amendments thereto, is equal to \$53,300,000, but not later than December 31, 2045. Thereafter, all revenues shall be collected and distributed in accordance with applicable law. For all tax reporting periods during which the provisions of this subsection are in effect, none of the exemptions contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply to the sale or furnishing of any gas, water, electricity and heat for use or consumption within the intermodal facility district. As used in this subsection, "intermodal facility district" shall consist of an intermodal transportation area as defined by subsection (oo) of K.S.A. 12-1770a, and amendments thereto, located in Johnson county within the polygonal-shaped area having Waverly Road as the eastern boundary, 191st Street as the southern boundary, Four Corners Road as the western boundary, and Highway 56 as the northern boundary, and the polygonal-shaped area having Poplar Road as the eastern boundary, 183rd Street as the southern boundary, Waverly Road as the western boundary, and the BNSF mainline track as the northern boundary, that includes capital investment in an amount exceeding \$150 million for the construction of an intermodal facility to handle the transfer, storage and distribution of freight through railway and trucking operations.

New Sec. 12. (a) (1) Except as provided in subsection (a)(2), commencing with fiscal year 2015, in any fiscal year in which the amount of actual state general fund receipts from taxes for such fiscal year exceeds the actual state general fund receipts from taxes for the immediately preceding fiscal year by more than 4%, the director of budget and the director of legislative research shall jointly certify such excess amount to the secretary of revenue. Upon receipt of such certified amount, the secretary shall estimate the individual income tax rate reductions to go into effect for the next tax year that would decrease by such certified amount the estimated individual income tax receipts during the fiscal year after the next fiscal year.

Rate reductions for individual income tax shall be applied to reduce the highest marginal rate applicable. Based on such determination, the secretary shall reduce individual income tax rates prescribed by K.S.A. 79-32,110, and amendments thereto.

(2) In any fiscal year in which the amount of actual state general fund receipts from taxes for such fiscal year are less than 104% of the actual state general fund receipts from taxes from any prior fiscal year, the director of budget and the director of legislative research shall jointly certify such amount and fact to the secretary of revenue. Upon receipt of such amount and fact, the secretary shall not make any adjustment to the individual income tax rates.

(b) Any reduction in individual income tax rates prescribed by this section shall be published in the Kansas register prior to October 15 of the calendar year immediately preceding the tax year in which such reduction takes effect.

(c) The provisions of this section shall take effect on July 1, 2013.";

Also on page 20, after line 15, by inserting the following:

"Sec. 14. On July 1, 2013, K.S.A. 2012 Supp. 79-32,110, 79-32,120, 79-3603, 79-3703 and 79-3710 are hereby repealed.";

And by renumbering sections accordingly.

On page 1, in the title, in line 1, after "tax" by inserting "rates,"; in line 2, after "tax" the second time it appears, by inserting " rates and distribution of revenue"; in line 3, by striking all after "Supp." and inserting "79-32,110, 79-32,117, 79-32,118, 79-32,120, 79-32,266, 79-3603, 79-3620, 79-3703, 79-3710 and"; the bill be passed as amended.

Committee on **Commerce** recommends **SB 75** be amended on page 2, in line 9, by striking the second "of" and inserting "not to exceed"; following line 17, by inserting:

"Sec. 2. Nothing in this act shall be construed to apply to plastic bulk merchandise containers collected by public or private recycling or refuse haulers as part of a municipal solid waste recycling or trash collection program where the plastic bulk merchandise containers are voluntarily deposited into collection containers by a resident or commercial entity without the receipt of payment for the purposes of disposal or recycling.";

And renumber sections accordingly; and the bill be passed as amended.

Committee on **Ethics, Elections and Local Government** recommends **SB 100** be amended on page 1, following line 4, by inserting:

"Section 1. K.S.A. 25-904 is hereby amended to read as follows: 25-904. (a) Every candidate for election to any city of the second and third class, unified school district, community college or township office subject to this act who intends to expend or have expended on such person's behalf an aggregate amount or value of less than ~~\$500~~ \$1,000, exclusive of such candidate's filing fee, and who intends to receive or have received on such person's behalf contributions in an aggregate amount or value of less than ~~\$500~~ \$1,000 in each the primary and the general election shall file, not later than the ninth day preceding the primary election, an affidavit of such intent with the county election officer of the county of residence of the candidate. No report required by subsection (b) shall be required to be filed by or for such candidate.

(b) Except as provided in subsection (a), it shall be the duty of every candidate for nomination or for election to any city of the second and third class, unified school district, community college or township office subject to this act, within 30 days after each primary, general or special election, to file with the county election officer an itemized statement under oath stating the name and address of each person who has

made any contribution in excess of \$50 during the election period together with the amount and date of such contributions and an itemized statement of all expenditures made by such candidate or obligations contracted or incurred by such candidate in connection with each primary, general or special election.

(c) No candidate which is subject to the provisions of the campaign finance act (~~K.S.A. 25-4142 et seq., and amendments thereto~~), shall be required to file any report required by this section.

(d) Any candidate who has signed an affidavit pursuant to subsection (a) and who incurs expenses in excess of or receives contributions in excess of ~~\$500~~ \$1,000, exclusive of such candidate's filing fee for either the primary or the general election, shall file the report required by subsection (b).

Sec. 2. K.S.A. 25-4173 is hereby amended to read as follows: 25-4173. Every candidate for state or local office who intends to expend or have expended on such person's behalf an aggregate amount or value of less than ~~\$500~~ \$1,000, exclusive of such candidate's filing fee, and who intends to receive or have received on such person's behalf contributions in an aggregate amount or value of less than ~~\$500~~ \$1,000 in each of the primary and the general elections shall file, not later than the ninth day preceding the primary election, an affidavit of such intent with the secretary of state for state offices. In the case of a candidate for a local office, such affidavit also shall be filed with the county election officer of the county in which the name of the candidate is on the ballot. No report required by K.S.A. 25-4148, and amendments thereto, shall be required to be filed by or for such candidate.";

And by renumbering sections accordingly;

Also on page 1, in line 27, after "K.S.A." by inserting "25-904, 25-4173 and"; also in line 27, by striking "is" and inserting "are";

On page 1, in the title, in line 1, after "concerning" by inserting "candidates and"; also in line 1, by striking "; regarding"; also in line 1, after "K.S.A." by inserting "25-904, 25-4173 and"; in line 2, by striking "section" and inserting "sections"; and the bill be passed as amended.

Committee on **Federal and State Affairs** recommends **SB 135** be amended on page 13, in line 28, by striking "A" and inserting "C"; in line 38, by striking "A" and inserting "C";

On page 14, in line 12, by striking "treasury to the credit of the boiler inspection fee" and inserting "general"; and the bill be passed as amended.

Committee on **Financial Institutions and Insurance** recommends **SB 129** be amended on page 4, in line 34, after the period by inserting "The applicant shall be responsible for paying the actual costs associated with the public hearing."; and the bill be passed as amended.

Also, **SB 139** be amended on page 3, in line 34, by striking "Such fees shall be"; by striking all in line 35; and the bill be passed as amended.

SB 166 be amended on page 3, in line 8, by striking ", or" and inserting "that is"; and the bill be passed as amended.

Committee on **Transportation** recommends **SB 70** be amended by substituting a new bill to be designated as "Substitute for SENATE BILL NO. 70," as follows:

"Substitute for SENATE BILL NO. 70
By Committee on Transportation

"AN ACT concerning motor vehicles; relating to definitions; amending K.S.A. 8-1436, 40-298 and 59-3508 and K.S.A. 2012 Supp. 8-126 and 44-1204 and repealing the existing sections."; and the substitute bill be passed.

Also, **SB 136** be amended on page 2, in line 38, by striking "in the hologram security feature"; also in line 38, by striking "back side"; in line 39, by striking "of the"; also in line 39, after the first "license" by inserting "at a location to be determined by the secretary of revenue"; in line 41, after "discharge" by inserting "or general discharge under honorable conditions,"; also in line 41, after "form" by inserting "or equivalent";

On page 3, in line 4, by striking "served under honorable conditions" and inserting "was honorably discharged or received a general discharge under honorable conditions";

On page 5, in line 7, by striking "in the hologram security feature"; in line 8, by striking "back side of the"; also in line 8, after "card" by inserting "at a location to be determined by the secretary of revenue"; in line 11, after "discharge" by inserting "or general discharge under honorable conditions,"; also in line 11, after "form" by inserting "or equivalent"; in line 17, after "conditions" by inserting "or received a general discharge under honorable conditions"; following line 34, by inserting:

"Sec. 3. K.S.A. 2012 Supp. 74-2012 is hereby amended to read as follows: 74-2012. (a) (1) All motor vehicle records shall be subject to the provisions of the open records act, except as otherwise provided under the provisions of this section and by K.S.A. 74-2022, and amendments thereto.

(2) For the purpose of this section, "motor vehicle records" means any record that pertains to a motor vehicle drivers license, motor vehicle certificate of title, motor vehicle registration or identification card issued by the division of vehicles.

(b) All motor vehicle records which relate to the physical or mental condition of any person, have been expunged or are photographs or digital images maintained in connection with the issuance of drivers' licenses shall be confidential and shall not be disclosed except in accordance with a proper judicial order or as otherwise more specifically provided in this section or by other law. Photographs or digital images maintained by the division of vehicles in connection with the issuance of drivers' licenses may be disclosed to any federal, state or local agency, including any court or law enforcement agency, to assist such agency in carrying out the functions required of such governmental agency. In January of each year the division shall report to the house committee on veterans, military and homeland security regarding the utilization of the provisions of this subsection. Motor vehicle records relating to diversion agreements for the purposes of K.S.A. 8-1567, 12-4415 and 22-2908 and K.S.A. 2012 Supp. 8-1025, and amendments thereto, shall be confidential and shall not be disclosed except in accordance with a proper judicial order or by direct computer access to:

(1) A city, county or district attorney, for the purpose of determining a person's eligibility for diversion or to determine the proper charge for a violation of K.S.A. 8-2,144 or 8-1567 or K.S.A. 2012 Supp. 8-1025, and amendments thereto, or any ordinance of a city or resolution of a county in this state which prohibits any acts prohibited by those statutes;

(2) a municipal or district court, for the purpose of using the record in connection with any matter before the court;

(3) a law enforcement agency, for the purpose of supplying the record to a person authorized to obtain it under paragraph (1) or (2) of this subsection; or

(4) an employer when a person is required to retain a commercial driver's license due to the nature of such person's employment.

(c) Lists of persons' names and addresses contained in or derived from motor vehicle records shall not be sold, given or received for the purposes prohibited by K.S.A. 2012 Supp. 45-230, and amendments thereto, except that:

(1) The director of vehicles may provide to a requesting party, and a requesting party may receive, such a list and accompanying information from motor vehicle records upon written certification that the requesting party shall use the list solely for the purpose of:

(A) Assisting manufacturers of motor vehicles in compiling statistical reports or in notifying owners of vehicles believed to:

(i) Have safety-related defects;

(ii) fail to comply with emission standards; or

(iii) have any defect to be remedied at the expense of the manufacturer;

(B) assisting an insurer authorized to do business in this state, or the insurer's authorized agent:

(i) In processing an application for, or renewal or cancellation of, a motor vehicle liability insurance policy; or

(ii) in conducting antifraud activities by identifying potential undisclosed drivers of a motor vehicle currently insured by an insurer licensed to do business in this state by providing only the following information: drivers license number, license type, date of birth, name, address, issue date and expiration date;

(C) assisting the selective service system in the maintenance of a list of persons 18 to 26 years of age in this state as required under the provisions of section 3 of the federal military selective service act;

(D) assisting any federal, state or local agency, including any court or law enforcement agency, or any private person acting on behalf of such agencies in carrying out the functions required of such governmental agency, except that such records shall not be redisclosed;

(E) assisting businesses with the verification or reporting of information derived from the title and registration records of the division to prepare and assemble vehicle history reports, except that such vehicle history reports shall not include the names or addresses of any current or previous owners;

(F) assisting businesses in producing motor vehicle title or motor vehicle registration, or both, statistical reports, so long as personal information is not published, redisclosed or used to contact individuals; ~~or~~

(G) assisting an employer or an employer's authorized agent in monitoring the driving record of the employees required to drive in the course of employment to ensure driver behavior, performance or safety; or

(H) assisting the Kansas commission on veterans affairs in notifying veterans of the facilities, benefits and services available to veterans.

(2) Any law enforcement agency of this state which has access to motor vehicle records may furnish to a requesting party, and a requesting party may receive, such a list and accompanying information from such records upon written certification that the requesting party shall use the list solely for the purpose of assisting an insurer authorized to do business in this state, or the insurer's authorized agent, in processing an application for, or renewal or cancellation of, a motor vehicle liability insurance policy.

(d) If a law enforcement agency of this state furnishes information to a requesting party pursuant to paragraph (2) of subsection (c), the law enforcement agency shall charge the fee prescribed by the secretary of revenue pursuant to K.S.A. 74-2022, and amendments thereto, for any copies furnished and may charge an additional fee to be retained by the law enforcement agency to cover its cost of providing such copies. The fee prescribed pursuant to K.S.A. 74-2022, and amendments thereto, shall be paid monthly to the secretary of revenue and upon receipt thereof shall be deposited in the state treasury to the credit of the electronic databases fee fund, except for the \$1 of the fee for each record required to be credited to the highway patrol training center fund under subsection (f).

(e) The secretary of revenue, the secretary's agents or employees, the director of vehicles or the director's agents or employees shall not be liable for damages caused by any negligent or wrongful act or omission of a law enforcement agency in furnishing any information obtained from motor vehicle records.

(f) A fee in an amount fixed by the secretary of revenue pursuant to K.S.A. 74-2022, and amendments thereto, of not less than \$2 for each full or partial motor vehicle record shall be charged by the division, except that the director may charge a lesser fee pursuant to a contract between the secretary of revenue and any person to whom the director is authorized to furnish information under paragraph (1) of subsection (c), and such fee shall not be less than the cost of production or reproduction of any full or partial motor vehicle record requested. Except for the fees charged pursuant to a contract for motor vehicle records authorized by this subsection pertaining to motor vehicle titles or motor vehicle registrations or pursuant to subsection (c)(1)(B)(ii) or (c)(1)(D), \$1 shall be credited to the highway patrol training center fund for each motor vehicle record provided by the division of vehicles.

(g) The secretary of revenue may adopt such rules and regulations as are necessary to implement the provisions of this section.";

Also on page 5, in line 35, by striking "and" and inserting a comma; also in line 35, after "8-1324" by inserting "and 74-2012"; in line 36, after "after" by inserting "July 1, 2014, and";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "veterans;" by inserting "authorizing the director of vehicles to provide information to certain requesting parties;"; also in line 2, after "8-243" by striking "and" and inserting a comma; in line 3, before "and" by inserting "and 74-2012"; and the bill be passed as amended.

COMMITTEE OF THE WHOLE

On motion of Senator Bruce, the Senate resolved itself into Committee of the Whole, for consideration of bills on the calendar under the heading of General Orders with Senator Apple in the chair.

On motion of Senator Apple the following report was adopted.

Recommended: **SB 56**, **SB 111** be amended by the adoption of the committee amendments, and the bills be passed as amended.

SCR 1608 be adopted.

A motion by Senator McGinn to amend **SCR 1608** failed and the following

amendment was rejected: on page 2, in line 16, by striking “August” and inserting “August” and inserting “November”

Upon the showing of five hands a roll call was requested:

On roll call, the vote was: Yeas 15; Nays 25; Present and Passing 0; Absent or Not Voting 0.

Yeas: Bowers, Emler, Faust-Goudeau, Francisco, Haley, Hawk, Hensley, Holland, Kelly, LaTurner, Longbine, McGinn, Pettey, V. Schmidt, Wolf.

Nays: Abrams, Apple, Arpke, Bruce, Denning, Donovan, Fitzgerald, Holmes, Kerschen, King, Knox, Love, Lynn, Masterson, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pilcher-Cook, Powell, Pyle, Smith, Tyson, Wagle.

A motion by Senator Francisco to amend **SCR 1608** failed and the following amendment was rejected: on page 2, in line 1, by striking all after "would"; by striking all in line 2; in line 3, by striking "legislature" and inserting "retain the current provision in the Kansas constitution that the legislature shall make suitable provision for the financing of the educational interests of this state, and add a statement that the financing of the educational interests of this state is exclusively a legislative power"; in line 5, by striking all after "constitution"; by striking all in lines 6 through 8; in line 9, by striking "determine necessary" and inserting "that the legislature shall make suitable provision for the financing of the educational interests of this state without a statement that the financing of the educational interests of this state is exclusively a legislative power"

Senator Francisco withdrew an amendment on **SCR 1608**.

FINAL ACTION OF BILLS AND CONCURRENT RESOLUTIONS

On motion of Senator Bruce, an emergency was declared by a 2/3 constitutional majority, and **SB 56**, **SB 111**; **SR 1608** were advanced to Final Action and roll call.

SB 56, AN ACT concerning county fairs; transferring recognition of county fairs and fair associations from the secretary of agriculture to the board of county commissioners; amending K.S.A. 19-1561b and K.S.A. 2012 Supp. 2-127, 2-129, 2-129i, 2-131b, 2-131d, 2-131e, 2-132, 2-137, 2-144d and 2-158 and repealing the existing sections.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SB 111, AN ACT designating native American legislative day at the capitol; amending K.S.A. 35-205 and repealing the existing section.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Emler, Faust-Goudeau, Fitzgerald, Francisco, Haley, Hawk, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, V. Schmidt, Smith, Tyson, Wagle, Wolf.

The bill passed, as amended.

SCR 1608, to amend section 6 of article 6 of the constitution of the state of Kansas; relating to school finance.

A two-thirds constitutional majority having voted in favor of the resolution, **SCR 1608** was adopted.

On roll call, the vote was: Yeas 27; Nays 13; Present and Passing 0; Absent or Not Voting 0.

Yeas: Abrams, Apple, Arpke, Bowers, Bruce, Denning, Donovan, Fitzgerald, Holmes, Kerschen, King, Knox, LaTurner, Love, Lynn, Masterson, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pilcher-Cook, Powell, Pyle, Smith, Tyson, Wagle.

Nays: Emler, Faust-Goudeau, Francisco, Haley, Hawk, Hensley, Holland, Kelly, Longbine, McGinn, Pettey, V. Schmidt, Wolf.

EXPLANATION OF VOTE

Madam President: I vote no on **SCR 1608**. The commitment to education being a fundamental right was placed in the Kansas constitution at the beginning of our statehood. It was amended in 1966 by the people of Kansas to read "The legislature shall make suitable provision for finance of the education interest of the state." Since 1966, the Kansas system has worked extremely well. Measures of educational attainment have steadily increased. Kansas ranks among the top states in education not just in our region but nationally. While the cost of providing this system has increased, the level of funding from the state has fallen behind. The Kansas Constitution currently gives sole power to the Legislature to appropriate money through Article 2, Section 24. The Legislature is certainly able to make decisions about whether to fully fund the current school finance formula and each year, this body exercises that power. However, when the Legislature fails to provide for a suitable education for Kansas children, the people of Kansas must have an avenue for relief. That relief is the Kansas court system. That is why I vote no.—ANTHONY HENSLEY

Senators Francisco, Haley, Hawk, Holland, Pettey and Kelly request the record to show they concur with the "Explanation of Vote" offered by Senator Hensley on **SCR 1608**.

Madam President: The people have constitutionally charged the Kansas legislature to adequately fund K-12 education and likewise seek to hold the legislature accountable in carrying out that duty. As a duly-elected Kansas official, I fully embrace this and all other constitutionally charged duties. I vote "no" on **SCR 1608**.—TOM HOLLAND

Senators Kelly, Pettey, Hawk, Francisco and Haley request the record to show they concur with the "Explanation of Vote" offered by Senator Holland on **SCR 1608**.

Madam President: I vote NO on **SCR 1608**. I do not believe that is it necessary to add the statement that financing the educational interests of this state is exclusively a legislative power because the legislature has the exclusive power to make appropriations for education and everything else. I object to the explanatory statement that is to be printed on the ballot. Both a vote for and a vote against this amendment would retain the current provision in the constitution that "The legislature shall make suitable provision for finance of the educational interests of the state" that has been

interpreted by the Kansas Supreme Court. The court has made decisions to ask the legislature to fund education in amounts that the legislature has determined are necessary. I voted to increase funding for education in 2005 and regret that the legislature has not lived up to its promises to continue to make adequate appropriations for suitable funding for education.—MARCI FRANCISCO

Senators Haley and Holland request the record to show they concur with the "Explanation of Vote" offered by Senator Francisco on **SCR 1608**.

On motion of Senator Bruce the Senate adjourned pro forma until Friday, February 22, 2013.

HELEN MORELAND, ROSE MARIE GLATT, CHARLENE BAILEY, *Journal Clerks*.

DIANE MINEAR, *Secretary of the Senate*.

