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

New Section 1. (a) The provisions of sections 1 through 31, and amendments thereto, shall be known and may be cited as the human solution for Kansas act.

(b) The legislature hereby declares that the human solution for Kansas act is enacted pursuant to the police power of the state to protect the health of its citizens, which is reserved to the state of Kansas and its people under the 10th amendment to the constitution of the United States.

New Sec. 2. As used in the human solution for Kansas act:

(a) "Adequate supply" means an amount of cannabis possessed by a medical cannabis license holder that is no more than reasonably necessary to ensure the uninterrupted availability of cannabis to such license holder for a period of three months, as specified in rules and regulations adopted by the secretary.

(b) (1) "Cannabis" means all parts of all varieties of the plant cannabis sativa L., whether growing or not, the seeds thereof, the resin extracted from any part of the plant and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin.

(2) The term "cannabis" does not include:

(A) The mature stalks of the plant;

(B) fiber produced from the stalks;

(C) oil or cake made from the seeds of the plant;

(D) any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, except the resin extracted therefrom; or

(E) fiber, oil, cake or the sterilized seed of the plant that is incapable of germination and contains more than 0.03% tetrahydrocannabinol.
(c) "Cannabis derivative" means any extract from the plant cannabis sativa, including, but not limited to, any oil or tincture.

(d) "Concentrated cannabis" means any type of cannabis product that is refined from flowering plants that produces a more purified, potent form of cannabis product, including, but not limited to, hashish, kief, hash oil and resin.

(e) "Director" means the director of the office of medical cannabis regulation.

(f) "Edible cannabis" means any food product containing cannabis or cannabis derivatives.

(g) "Homegrown medical cannabis license holder" means an individual who holds a license issued under section 12, and amendments thereto, and who may possess and grow cannabis in accordance with section 4(d), and amendments thereto.

(h) "Medical cannabis caregiver" means an individual who holds a license issued to such individual under section 12, and amendments thereto, and who may purchase and possess cannabis in accordance with section 5, and amendments thereto.

(i) "Medical cannabis dispensary" means a person who holds a license issued to such person under section 12, and amendments thereto, and who may purchase and sell cannabis and cannabis derivatives in accordance with section 6, and amendments thereto.

(j) "Medical cannabis license holder" means an individual who holds a license issued to such individual under section 12, and amendments thereto, and who may purchase and possess cannabis in accordance with section 4(a), and amendments thereto.

(k) "Medical cannabis grower" means a person who holds a license issued to such person under section 12, and amendments thereto, and who may grow and sell cannabis in accordance with section 7, and amendments thereto.

(l) "Medical cannabis processor" means a person who holds a license issued to such person under section 12, and amendments thereto, and who may purchase, process and sell cannabis and cannabis derivatives in accordance with section 8, and amendments thereto.

(m) "Medical cannabis researcher" means a person who holds a license issued to such person under section 12, and amendments thereto, and who may purchase and process cannabis in accordance with section 9, and amendments thereto.

(n) "Person" means any individual, corporation, partnership, trust, association or other business entity.

(o) "Physician" means a person licensed to practice medicine and surgery in this state.

(p) "Secretary" means the secretary of the department of health and
environment.

(q) "Temporary medical cannabis license holder" means an individual who holds a license issued under section 12, and amendments thereto, and who may purchase and possess cannabis in accordance with section 4(c), and amendments thereto.

New Sec. 3. No person shall grow, harvest, process, sell, barter, transport, deliver, furnish or otherwise possess any form of cannabis, except as specifically provided in the human solution for Kansas act.

New Sec. 4. (a) A medical cannabis license holder may:

(1) Consume cannabis;

(2) possess up to three ounces of cannabis on such license holder's person; and

(3) possess up to eight ounces of cannabis, one ounce of concentrated cannabis, and 72 ounces of edible cannabis on the premises of such license holder's residence.

The limitation set forth in paragraph (2) shall not apply to any medical cannabis license holder who is transporting cannabis from a medical cannabis dispensary to the license holder's residence.

(b) (1) An applicant for a medical cannabis license shall be at least 18 years of age. The secretary may waive the requirement of this paragraph upon application by an individual who is less than 18 years of age, if such application includes the signature of two physicians who recommend the issuance of a medical cannabis license based on the accepted standards that a reasonable and prudent physician would follow when recommending or approving any medication and the signature of the applicant's parent or legal guardian approving the issuance of a medical cannabis license to such applicant.

(2) Each application for a medical cannabis license shall include:

(A) Proof of the applicant's age;

(B) proof that the applicant is a resident of Kansas; and

(C) the signature of a physician who recommends the issuance of a medical cannabis license based on the accepted standards that a reasonable and prudent physician would follow when recommending or approving any medication.

(3) An application for a medical cannabis license shall only be denied for failure to satisfy the qualifications for licensure or for failure to properly complete the application.

(c) The director may issue a temporary medical cannabis license to an applicant who demonstrates that such applicant is not a resident of this state and holds a medical cannabis license issued by another jurisdiction that provides a state-regulated medical cannabis licensure program. Applications for a temporary medical cannabis license shall include a copy of the applicant's license issued by another jurisdiction and such other
information as required by the director. A temporary medical cannabis
license holder may purchase and possess cannabis to the same extent as a
medical cannabis license holder.
(d) The director may issue a homegrown medical cannabis license to
an applicant who qualifies for a medical cannabis license and who
demonstrates that such applicant is a resident of this state, but resides more
than 75 miles from the closest medical cannabis dispensary to such
applicant's residence. Applications for a homegrown medical cannabis
license shall include the information required under subsection (b)(2). A
homegrown medical cannabis license holder may possess and grow up to
six mature cannabis plants or six seedling plants, or possess an adequate
supply of cannabis on the premises of such license holder's residence.

New Sec. 5. (a) A medical cannabis caregiver may possess cannabis
to the same extent as a medical cannabis license holder under section 4(a),
and amendments thereto.
(b) An applicant for a medical cannabis caregiver license shall be at
least 18 years of age. Each application for a medical cannabis caregiver
license shall include proof:
(1) Of the applicant's age;
(2) that the applicant is a resident of Kansas;
(3) that the applicant is the designated caregiver for a medical
cannabis license holder; and
(4) that the medical cannabis license holder named in the application
is unable to access a medical cannabis dispensary.
(c) An application for a medical cannabis caregiver license shall only
be denied for failure to satisfy the qualifications for licensure or for failure
to properly complete the application.

New Sec. 6. (a) (1) A medical cannabis dispensary may conduct retail
sales of cannabis or cannabis derivatives in such forms as may be provided
by a medical cannabis processor. Retail sales shall be made only to
medical cannabis license holders, medical cannabis caregivers or medical
cannabis researchers.
(2) A medical cannabis dispensary also may transport cannabis from
a medical cannabis grower's business premises or a medical cannabis
processor's business premises to such medical cannabis dispensary's
business premises. All cannabis or cannabis products shall be transported
in a locked container and clearly labeled "medical cannabis."
(b) On the 15th day of each month, each medical cannabis dispensary
shall submit a report to the office of medical cannabis regulation. Each
report shall contain the following information for the immediately
preceding month:
(1) The aggregate weight of cannabis purchased by the licensee from
a medical cannabis processor;
(2) the aggregate weight of cannabis and cannabis derivatives sold at retail;
(3) the aggregate amount of sales of cannabis and cannabis derivatives; and
(4) the aggregate weight of any cannabis that was purchased by the licensee but not sold at retail.

The director may inspect the records of a medical cannabis dispensary and audit any reports submitted by such licensee pursuant to this section.

(c) No medical cannabis dispensary shall be located within 1,000 feet from the entrance to any public or private elementary or secondary school.

New Sec. 7. (a) (1) A medical cannabis grower may grow cannabis and sell such cannabis to a medical cannabis processor, medical cannabis dispensary or medical cannabis researcher. To the extent permitted by federal law, a medical cannabis grower may sell cannabis to and purchase cannabis from any wholesale cannabis provider located outside this state.

(2) A medical cannabis grower also may transport cannabis to a medical cannabis processor's business premises or a medical cannabis dispensary's business premises from such medical cannabis grower's business premises, and to the extent permitted by federal law, to and from the business premises of any cannabis provider located outside this state. All cannabis or cannabis products shall be transported in a locked container and clearly labeled "medical cannabis."

(3) A medical cannabis grower shall not sell, furnish or otherwise provide cannabis directly to a medical cannabis license holder or medical cannabis caregiver.

(b) On the 15th day of each month, each medical cannabis grower licensee shall submit a report to the office of medical cannabis regulation. Each report shall contain the following information for the immediately preceding month:

(1) The aggregate weight of cannabis harvested, expressed in pounds;
(2) the aggregate weight of drying or dried cannabis being stored by the licensee, expressed in pounds;
(3) the aggregate weight of cannabis sold to medical cannabis processors, expressed in pounds;
(4) the aggregate weight of cannabis sold to medical cannabis dispensaries, expressed in pounds;
(5) the aggregate amount of sales; and
(6) the aggregate weight of any cannabis that was harvested by the licensee but not sold, expressed in pounds.

The director may inspect the records of a medical cannabis grower and audit any reports submitted by such licensee pursuant to this section.

New Sec. 8. (a) (1) A medical cannabis processor may:

(A) Purchase cannabis plants and distill or process such plants into
concentrates, edibles and other forms of cannabis for consumption;

(B) purchase cannabis products produced by a medical cannabis processor for further processing into concentrates, edible cannabis and other forms of cannabis for consumption;

(C) sell any cannabis products produced by such licensee to medical cannabis dispensaries, other medical cannabis processors or medical cannabis researchers; and

(D) process cannabis provided by a medical cannabis license holder into a concentrated form.

(2) A medical cannabis processor also may transport cannabis from a medical cannabis grower's business premises to such medical cannabis processor's business premises, and from such medical cannabis processor's business premises to the business premises of any medical cannabis dispensary or other medical cannabis processor. All cannabis or cannabis products shall be transported in a locked container and clearly labeled "medical cannabis or cannabis derivative."

(3) A medical cannabis processor shall not sell, furnish or otherwise provide cannabis, or any cannabis product, directly to a medical cannabis license holder or a medical cannabis caregiver.

(b) On the 15th day of each month, each medical cannabis processor shall submit a report to the office of medical cannabis regulation. Each report shall contain the following information for the immediately preceding month:

(1) The aggregate weight of cannabis purchased by the licensee, expressed in pounds;

(2) the aggregate weight of cannabis processed by the licensee for wholesale to medical cannabis dispensaries or other medical cannabis processors, expressed in pounds;

(3) the aggregate amount of cannabis processed by the licensee for medical cannabis license holders, expressed in pounds;

(4) the aggregate sales of processed cannabis; and

(5) the aggregate weight of any cannabis that was processed by the licensee but not sold to medical cannabis dispensaries or medical cannabis processors, or otherwise provided to a medical cannabis license holder, expressed in pounds.

The director may inspect the records of a medical cannabis processor and audit any reports submitted by such licensee pursuant to this section.

New Sec. 9. (a) The secretary shall develop a medical cannabis research program to study the effects of short-term and long-term medicinal use of cannabis, including, but not limited to, positive and negative effects on the user's physical, social and economic well-being.

(b) A medical cannabis researcher may purchase and possess cannabis solely for purposes of research approved and conducted in
accordance with the medical cannabis research program.

(c) On the 15th day of each month, each medical cannabis researcher shall submit a report to the office of medical cannabis regulation. Each report shall contain the following information for the immediately preceding month:

(1) The aggregate weight of cannabis purchased by the licensee, expressed in pounds; and

(2) the aggregate weight of cannabis consumed through approved research projects conducted by the licensee, expressed in pounds.

The director may inspect the records of a medical cannabis researcher and audit any reports submitted by such licensee pursuant to this section.

New Sec. 10. (a) Applications for a license issued under the human solution for Kansas act shall be submitted to the office of medical cannabis regulation in such form and manner as prescribed by the secretary. All applications shall be reviewed by the office of medical cannabis regulation. Within 14 days after receipt of the application, the director shall notify the applicant that the application has been approved or denied, including the specific reasons for any denial.

(b) Each application for a medical cannabis dispensary license, medical cannabis grower license or medical cannabis processor license shall include:

(1) The names of all owners of the applicant;

(2) (A) if the applicant is an individual, proof that the applicant is:

(i) At least 25 years of age; and

(ii) a resident of Kansas; or

(B) if the applicant is a person other than an individual, proof that:

(i) All officers and directors of the applicant are residents of this state; and

(ii) at least 75% of the applicant is owned by residents of this state; and

(3) that the applicant is registered to do business in this state.

(c) Each application for a medical cannabis researcher license shall include:

(1) The names of all owners of the applicant;

(2) (A) if the applicant is an individual, proof that the applicant is:

(i) At least 25 years of age; and

(ii) a resident of Kansas; or

(B) if the applicant is a person other than an individual, proof that:

(i) All officers and directors of the applicant are residents of this state; and

(ii) at least 75% of the applicant is owned by residents of this state.

(d) No medical cannabis dispensary license, medical cannabis grower license, medical cannabis processor license or medical cannabis researcher
license shall be issued to any applicant if any owner, officer, director or employee of the applicant:

(1) Has been convicted of any nonperson felony in the two years immediately preceding the date the application is submitted;
(2) has been convicted of any person felony in the 10 years immediately preceding the date the application is submitted; or
(3) is currently serving a sentence for any conviction of a criminal offense.

(e) All applications and any information included with any application shall be kept confidential to protect the privacy of the applicant. The provisions of this subsection shall expire on July 1, 2024, unless the legislature reviews and reenacts such provisions in accordance with K.S.A. 45-229, and amendments thereto, prior to July 1, 2024.

New Sec. 11. (a) At the time an application is submitted for a license issued by the director, or a license renewal application is submitted, the applicant shall submit the fee specified in this section.

(b) (1) Except as provided in paragraph (2), the fee for a medical cannabis license, temporary medical cannabis license or homegrown medical cannabis license shall be $100.
(2) If the applicant receives benefits under the federal medicare program, the state medicaid program or temporary assistance for needy families, the fee shall be $20.

(c) The fee for a medical cannabis caregiver license shall be $100.

(d) The fee for a medical cannabis dispensary license, medical cannabis grower license, medical cannabis processor license or medical cannabis researcher license shall be $2,500.

New Sec. 12. (a) The director shall issue the license requested in the application to each approved applicant.

(b) (1) Except as provided in paragraph (2), all licenses issued by the director shall be valid for a period of two years from the date of issuance.
(2) A temporary medical cannabis license shall be valid for a period of 30 days from the date of issuance.

(c) A licensee may request renewal of such licensee's license by submitting an application for renewal not more than 30 days prior to the expiration of such license and paying the required fee. A license shall be renewed if the licensee is qualified to receive a license. Any renewed license shall be valid for the period specified in subsection (b).

New Sec. 13. The director may refuse to issue or renew a license, or may revoke or suspend a license for any of the following reasons:

(a) The applicant has failed to comply with any provision of the human solution for Kansas act, any rules and regulations adopted by the secretary thereunder or any order of the director;

(b) the applicant has falsified or misrepresented any information
submitted to the office of medical cannabis regulation in order to obtain a license;

(c) the applicant has failed to adhere to any acknowledgment, verification or other representation made to the office of medical cannabis regulation when applying for a license; or

(d) the applicant has failed to submit or disclose information requested by the director.

New Sec. 14. (a) In addition to or in lieu of any other civil or criminal penalty as provided by law, the director may impose a civil penalty or revoke a license upon a finding that the licensee committed a violation as provided in this section.

(b) Upon a finding that a medical cannabis dispensary, medical cannabis grower, medical cannabis processor or medical cannabis researcher has submitted a fraudulent report or otherwise falsified or misrepresented information in any report required to be submitted by such licensee under this act, the director may impose a civil fine not to exceed $5,000 for a first offense and may revoke the licensee's license for a second or subsequent offense.

(c) Upon a finding that a medical cannabis dispensary, medical cannabis grower, medical cannabis processor or medical cannabis researcher has sold, transferred or otherwise distributed cannabis or cannabis derivatives in violation of this act, the director may impose a civil fine not to exceed $5,000 for a first offense and may revoke the licensee's license for a second or subsequent offense.

(d) The director shall not take any action against a licensee under this section, unless the director has determined that a gross discrepancy exists in the report submitted by the licensee and the licensee cannot provide reasonable explanation for such discrepancy.

New Sec. 15. Each applicant for a medical cannabis dispensary license, medical cannabis grower license, medical cannabis processor license or medical cannabis researcher license shall require any owner, director, officer and any employee or agent of such applicant to be fingerprinted and to submit to a state and national criminal history record check. The office of medical cannabis regulation is authorized to submit the fingerprints to the Kansas bureau of investigation and the federal bureau of investigation for a state and national criminal history record check. The office of medical cannabis regulation shall use the information obtained from fingerprinting and the state and national criminal history record check for purposes of verifying the identification of the person and for making a determination of the qualifications of the applicant for licensure. The Kansas bureau of investigation may charge a reasonable fee to the applicant for fingerprinting and conducting a criminal history record check.
New Sec. 16. (a) There is hereby established the medical cannabis regulation fund in the state treasury. The secretary shall administer the medical cannabis regulation fund and shall remit all moneys collected from the payment of all fees and fines imposed pursuant to the human solution for Kansas act and any other moneys received by or on behalf of the office of medical cannabis regulation 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 to the credit of the medical cannabis regulation fund. Moneys credited to the medical cannabis regulation fund shall only be expended or transferred as provided in the human solution for Kansas act. Expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary, or the secretary's designee.

(b) Moneys in the medical cannabis regulation fund shall be used for:

(1) Costs related to the regulation, taxation and enforcement of medical cannabis possession, production, processing, sale, transportation and research by the office of medical cannabis regulation;

(2) transfers to the state school district finance fund pursuant to subsection (c); and

(3) transfers to the alcohol and drug rehabilitation fund pursuant to subsection (c).

(c) On or before the 15th day of each month, the director shall certify to the director of accounts and reports an amount equal to the moneys in the medical cannabis regulation fund in excess of those needed for the purposes described in subsection (b)(1). Upon receipt of such certification, the director of accounts and reports shall transfer an amount equal to 75% of such certified amount from the medical cannabis regulation fund to the state school district finance fund of the state department of education, and an amount equal to 25% of such certified amount from the medical cannabis regulation fund to the alcohol and drug rehabilitation fund of the Kansas department for aging and disability services.

New Sec. 17. (a) There is hereby established the office of medical cannabis regulation within the department of health and environment. The office of medical cannabis regulation shall be administered under the direction of a director of the office of medical cannabis regulation, who shall be appointed by and serve at the pleasure of the secretary. The director shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary fixed by the secretary and approved by the governor.

(b) The director of the office of medical cannabis regulation shall be responsible for all powers, duties and functions of the office of medical
cannabis regulation under the human solution for Kansas act.

(c) The director shall appoint a deputy director and such other employees of the office of medical cannabis regulation as authorized by the secretary and shall fix the compensation of such employees subject to the approval of the secretary.

(d) Any person appointed as director and all employees of the office of medical cannabis regulation shall be citizens of the United States and residents of the state of Kansas. No person shall be appointed director or deputy director if such person has been convicted of a felony or of any violation of article 57 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, K.S.A. 2010 Supp. 21-36a01 through 21-36a17, prior to their transfer, any violation of any provision of the uniform controlled substances act prior to July 1, 2009, or a crime under a law of another jurisdiction that is substantially the same as such felony or violation, has paid a fine or penalty in settlement in any prosecution against such person for any such felony or violation or has forfeited bond to appear in court to answer charges for any such felony or violation.

(e) No person appointed director or any employee of the office of medical cannabis regulation may have, directly or indirectly, individually or as a member of a partnership, or as a shareholder of a corporation, any interest in the manufacture, sale or distribution of cannabis, nor receive any compensation or profit therefrom, nor have any interest in the activities of licensees as authorized by the human solution for Kansas act.

New Sec. 18. (a) Except as permitted under subsection (b), neither the director nor any employee in the office of medical cannabis regulation shall solicit or accept, directly or indirectly, any gift, gratuity, emolument or employment from any grower, processor, distributor, wholesaler or retailer of cannabis or cannabis derivatives, from any person who is an applicant for any license or is a licensee under the provisions of the human solution for Kansas act, or from any officer, agent or employee thereof, or solicit requests from or recommend, directly or indirectly, to any such person, or to any officer, agent or employee thereof, the appointment of any person to any place or position. Any such person, officer, agent or employee thereof, is hereby forbidden to offer to the director or any employee in the office of medical cannabis regulation, any gift, gratuity, emolument or employment, except as permitted under subsection (b).

(b) The secretary may adopt rules and regulations allowing the acceptance of official hospitality by the director and employees in the office of medical cannabis regulation, subject to such limits as prescribed by the secretary.

(c) If any person who is the director or an employee in the office of medical cannabis regulation violates any provision of this section, such person shall be removed from such person's office or employment.
(d) Violation of any provision of this section is a misdemeanor punishable by a fine not to exceed $500 or imprisonment of not less than 60 days nor more than six months, or both such fine and imprisonment.

(e) Nothing contained in this section shall be construed as preventing the prosecution and punishment of any person for bribery as defined in the Kansas criminal code.

New Sec. 19. The director of the office of medical cannabis regulation shall have the following powers, functions and duties:

(a) To receive applications for and to issue and revoke licenses to in accordance with the provisions of the human solution for Kansas act;

(b) to call upon other administrative departments of the state, county and city governments, sheriffs, city police departments, city marshals, law enforcement officers and upon prosecuting officers for such information and assistance as the director deems necessary in the performance of the duties imposed upon the director by the human solution for Kansas act;

(c) to inspect or cause to be inspected any premises where cannabis and cannabis derivatives are grown, processed, distributed or sold;

(d) in the conduct of any hearing authorized to be held by the director to examine, or cause to be examined, under oath, any person and to examine or cause to be examined books and records of any licensee; to hear testimony and take proof material for the information of the director in the discharge of such duties hereunder; to administer or cause to be administered oaths; and for any such purposes, to issue subpoenas to require the attendance of witnesses and the production of books that shall be effective in any part of this state, and any district court or any judge of the district court, may by order duly entered, require the attendance of witnesses and the production of relevant books subpoenaed by the director, and the court or judge may compel obedience to the order by proceedings for contempt;

(e) to collect, receive, account for and remit to the secretary all license fees and taxes provided for in the human solution for Kansas act and all other moneys received by the director by virtue of the director's office; and

(f) such other powers, functions and duties as are or may be imposed or conferred upon the director by law.

New Sec. 20. On or before September 1, 2019, the secretary shall adopt rules and regulations necessary to implement and administer the provisions of the human solution for Kansas act and may advise and consult with the state board of pharmacy and the state board of healing arts regarding such rules and regulations.

New Sec. 21. All actions by the director under the human solution for Kansas act shall be in accordance with the Kansas administrative procedure act and reviewable in accordance with the Kansas judicial
review act.

New Sec. 22. On or before August 1, 2019, the office of medical cannabis regulation shall make a website available for the public to access information regarding licensure under the human solution for Kansas act. The website shall include an easily identifiable link on the homepage to the application for a medical cannabis license.

New Sec. 23. The office of medical cannabis regulation shall assign a unique 24-character identification number to each license issued by the director. The director shall make available, both on the website for the office of medical cannabis regulation and through a telephone verification system, a method to validate the license of a medical cannabis license holder by the unique 24-character identifier assigned to such license.

New Sec. 24. (a) On or before September 1, 2019, the secretary shall adopt rules and regulations establishing preparation standards for handling and processing cannabis and edible cannabis products by medical cannabis processors that are in accordance with the standards promulgated by the cannabis consumable products safety board. Such rules and regulations shall not substantially deviate from food preparation standards in effect as of July 1, 2019, and shall not include any rules or regulations for the preparation of such cannabis products that are excessive or punitive in nature.

(b) Each year, the department of health and environment shall inspect the premises of a medical cannabis processor to determine the licensee's compliance with preparation standards adopted pursuant to this section. If deficiencies are found, a written report of such deficiencies will be issued to the medical cannabis processor. The medical cannabis processor shall correct any such deficiencies within one month after receipt of such written report. The secretary may impose a civil fine not to exceed $500 on any licensee that fails to correct reported deficiencies. Such fine may be imposed separately for each deficiency that is not corrected by the licensee within the required period of time.

New Sec. 25. (a) There is hereby established the cannabis consumable products safety board. The cannabis consumable products safety board shall adopt safety standards for handling and processing cannabis and products made for human consumption that contain cannabis.

(b) The cannabis consumable products safety board shall consist of 12 members appointed by the secretary. Members of the board shall be residents of this state and shall have knowledge and expertise in the industry of cannabis production and processing.

(c) On or before August 1, 2019, the secretary shall appoint the initial 12 members of the cannabis consumable products safety board. Members of the board shall elect a chairperson, a vice-chairperson and a secretary from among the membership. The board may meet on call of the
chairperson. No action shall be taken except upon a majority vote of the board. The board shall complete the work assigned to the board under this section on or before January 1, 2020.

(d) The secretary shall review the preparation standards annually. Prior to proposing any amendments to adopted preparation standards, the secretary shall appoint new members to the cannabis consumable products safety board and shall submit any proposed amendments to the board. Upon receipt of a letter requesting the appointment of new members to the cannabis consumable products safety board signed by not fewer than 20 medical cannabis processors, the secretary shall appoint new members to the board for the purpose of reviewing and recommending any amendments to existing preparation standards. The members of the board appointed pursuant to this subsection shall act in accordance with the provisions of this subsection and shall complete the work assigned to the board within 90 days after being appointed.

New Sec. 26. (a) A tax is hereby imposed upon the privilege of growing and harvesting medical cannabis in the state of Kansas at a rate of $115 per pound or each portion of a pound. For purposes of calculating the tax, the weight shall be measured by the weight of all medical cannabis plant material harvested after drying and processing.

(b) The secretary shall adopt rules and regulations to uniformly and efficiently administer the weighing of harvested cannabis for the purposes of this section.

(c) On or before the 20th day of each calendar month, every medical cannabis grower shall file a return with the director of taxation showing the quantity of medical cannabis harvested by the medical cannabis grower in this state during the preceding calendar month. Each return shall be accompanied by a remittance for the full tax liability shown.

(d) The tax imposed by this section shall be in addition to the tax imposed upon the privilege of selling medical cannabis pursuant to section 27, and amendments thereto.

(f) All moneys received by the director of taxation, or the director's designee, from taxes imposed by this section 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 to the credit of the medical cannabis regulation fund, established by section 16, and amendments thereto.

New Sec. 27. (a) A tax is hereby imposed upon the privilege of selling medical cannabis in this state by any medical cannabis dispensary, at the rate of 7% on the gross receipts received from the sale of medical cannabis to medical cannabis license holders, medical cannabis caregivers and medical cannabis researchers. The tax imposed by this section shall be
paid by the medical cannabis license holder, medical cannabis caregiver or medical cannabis researcher at the time of purchase.

(b) On or before the 20th day of each calendar month, every medical cannabis dispensary shall file a return with the director of taxation showing the quantity of medical cannabis consumer product sold to medical cannabis license holders, medical cannabis caregivers and medical cannabis researchers within this state during the preceding calendar month. Each return shall be accompanied by a remittance for the full tax liability shown.

(c) All moneys received by the director of taxation, or the director's designee, from taxes imposed by this section 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 to the credit of the medical cannabis regulation fund, established by section 16, and amendments thereto.

New Sec. 28. The director of taxation shall have the power to require any medical cannabis grower or medical cannabis dispensary to furnish additional information deemed necessary for the purpose of computing the amount of the taxes due pursuant to the human solution for Kansas act, and for such purpose to examine all books, records and files of such persons or entities, and for such purpose, the director shall have the power to issue subpoenas and examine witnesses under oath, and if any witness shall fail or refuse to appear at the request of the director, or refuse access to books, records and files, the district court of the proper county, or the judge thereof, on application of the director, shall compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein.

New Sec. 29. The provisions of K.S.A. 75-5133, 79-3610, 79-3611, 79-3612, 79-3613, 79-3615 and 79-3617, and amendments thereto, relating to the assessment, collection, appeal and administration of the retailers' sales tax, insofar as practical, shall have full force and effect with respect to taxes, penalties and fines imposed by sections 26 and 27, and amendments thereto.

New Sec. 30. (a) Each medical cannabis grower, medical cannabis processor and medical cannabis dispensary shall track each cannabis plant and any derivatives produced from such plant from the initial planting to the retail sale of the medical cannabis using a computer tracking system that maintains and records each transaction involving such cannabis plant through batch numbers and individual identification numbers for each medical cannabis product sold.

(b) Each computer tracking system shall be utilized in accordance
with this section, and shall be accessible by the office of medical cannabis
regulation upon request.

(c) The secretary shall adopt rules and regulations necessary to ensure
that computer tracking systems can be readily accessible and understood
by the director and any employees of the office of medical cannabis
regulation.

New Sec. 31. The provisions of the human solution for Kansas act,
section 1 et seq., and amendments thereto, are hereby declared to be
severable. If any part or provision of the human solution for Kansas act,
section 1 et seq., and amendments thereto, is held to be void, invalid or
unconstitutional, such decision shall not affect or impair any of the
remaining parts or provisions of the human solution for Kansas act, section
1 et seq., and amendments thereto, and any such remaining provisions
shall continue in full force and effect.

New Sec. 32. There is hereby established the alcohol and drug
rehabilitation fund in the state treasury. The secretary for aging and
disability services shall administer the alcohol and drug rehabilitation
fund. Moneys credited to the alcohol and drug rehabilitation fund shall be
expended or transferred only for the purposes of providing rehabilitation
treatment and services to individuals with alcohol or substance abuse
problems. Expenditures from such fund shall be made in accordance with
appropriation acts upon warrants of the director of accounts and reports
issued pursuant to vouchers approved by the secretary, or the secretary's
designee.

New Sec. 33. (a) Subject to the provisions of K.S.A. 44-1018, and
amendments thereto, it shall be unlawful for any person:

(1) To refuse to sell or rent after the making of a bona fide offer, to
fail to transmit a bona fide offer or refuse to negotiate in good faith for the
sale or rental of, or otherwise make unavailable or deny, real property to
any person because such person consumes medical cannabis in accordance
with section 4, and amendments thereto;

(2) to discriminate against any person in the terms, conditions or
privileges of sale or rental of real property, or in the provision of services
or facilities in connection therewith, because such person consumes
medical cannabis in accordance with section 4, and amendments thereto;

(3) to discriminate against any person in such person's use or
occupancy of real property because such person associates with another
person who consumes medical cannabis in accordance with section 4, and
amendments thereto.

(b) (1) It shall be unlawful for any person or other entity whose
business includes engaging in real estate related transactions to
discriminate against any person in making available such a transaction, or
in the terms or conditions of such a transaction, because such person or any person associated with such person in connection with any real estate related transaction consumes medical cannabis in accordance with section 4, and amendments thereto.

(2) Nothing in this subsection prohibits a person engaged in the business of furnishing appraisals of real property to take into consideration factors other than an individual's consumption of medical cannabis in accordance with section 4, and amendments thereto.

(3) As used in this subsection, "real estate related transaction" means the same as that term is defined in K.S.A. 44-1017, and amendments thereto.

(c) It shall be unlawful to coerce, intimidate, threaten or interfere with any person in the exercise or enjoyment of, or on account of such person's having exercised or enjoyed, or on account of such person's having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by subsection (a) or (b).

(d) Nothing in this section shall be construed to prohibit a person from taking any action necessary to procure or retain any monetary benefit provided under federal law, or any rules or regulations adopted thereunder, or to obtain or maintain any license, certificate, registration or other legal status issued or bestowed under federal law, or any rules or regulations adopted thereunder.

(e) The provisions of this section shall be a part of and supplement to the Kansas act against discrimination.

New Sec. 34. (a) A covered entity, solely on the basis that an individual consumes medical cannabis in accordance with section 4, and amendments thereto, may not:

(1) Consider such individual ineligible to receive an anatomical gift or organ transplant;

(2) deny medical and other services related to organ transplantation, including evaluation, surgery, counseling and post-transplantation treatment and services;

(3) refuse to refer the individual to a transplant center or a related specialist for the purpose of evaluation or receipt of an organ transplant;

(4) refuse to place such individual on an organ transplant waiting list; or

(5) place such individual at a lower-priority position on an organ transplant waiting list than the position at which such individual would have been placed if not for such individual's consumption of medical cannabis.

(b) A covered entity may take into account an individual's consumption of medical cannabis when making treatment or coverage recommendations or decisions, solely to the extent that such consumption...
has been found by a physician, following an individualized evaluation of
the individual, to be medically significant to the provision of the
anatomical gift.

(c) Nothing in this section shall be construed to require a covered
entity to make a referral or recommendation for or perform a medically
inappropriate organ transplant.

(d) As used in this section, the terms "anatomical gift," "covered
entity," and "organ transplant" mean the same as those terms are defined in
K.S.A. 65-3276, and amendments thereto.

New Sec. 35. (a) No order shall be issued pursuant to K.S.A. 2018
Supp. 38-2242, 38-2243 or 38-2244, and amendments thereto, if the only
basis for the threat to the child's safety or welfare is that the child resides
with an individual who consumes medical cannabis in accordance with
section 4, and amendments thereto, or the child consumes medical
cannabis in accordance with section 4, and amendments thereto.

(b) The provisions of this section shall be a part of and supplemental
to the revised Kansas code for care of children.

New Sec. 36. (a) Notwithstanding any other provision of law, any
person, board, commission or similar body that determines the
qualifications of individuals for licensure, certification or registration shall
not disqualify an individual from licensure, certification or registration
solely because such individual consumes medical cannabis in accordance
with section 4, and amendments thereto.

(b) The provisions of this section shall not apply to:

(1) Kansas commission on peace officers' standards and training;
(2) Kansas highway patrol;
(3) the office of the attorney general; or
(4) the office of medical cannabis regulation.

Sec. 37. K.S.A. 2018 Supp. 21-5703 is hereby amended to read as
follows: 21-5703. (a) It shall be unlawful for any person to manufacture
any controlled substance or controlled substance analog.

(b) Violation or attempted violation of subsection (a) is a:

(1) Drug severity level 2 felony, except as provided in subsections (b)
(2) and (b)(3);
(2) drug severity level 1 felony if:

(A) The controlled substance is not methamphetamine, as defined by
subsection (d)(3) or (f)(1) of K.S.A. 65-4107(d)(3) or (f)(1), and
amendments thereto, or an analog thereof; and
(B) the offender has a prior conviction for unlawful manufacturing of
a controlled substance under this section, K.S.A. 65-4159, prior to its
repeal, K.S.A. 2010 Supp. 21-36a03, prior to its transfer, or a substantially
similar offense from another jurisdiction and the substance was not
methamphetamine, as defined by subsection (d)(3) or (f)(1) of K.S.A. 65-
(d) For persons arrested and charged under this section, bail shall be
at least $50,000 cash or surety, and such person shall not be released upon
the person's own recognizance pursuant to K.S.A. 22-2802, and
amendments thereto, unless the court determines, on the record, that the
defendant is not likely to re-offend, the court imposes pretrial supervision,
or the defendant agrees to participate in a licensed or certified drug
treatment program.

(e) The sentence of a person who violates this section shall not be
subject to statutory provisions for suspended sentence, community service
work or probation.

(f) The sentence of a person who violates this section, K.S.A. 65-
4159, prior to its repeal or K.S.A. 2010 Supp. 21-36a03, prior to its
transfer, shall not be reduced because these sections prohibit conduct
identical to that prohibited by K.S.A. 65-4161 or 65-4163, prior to their
repeal, K.S.A. 2010 Supp. 21-36a05, prior to its transfer, or K.S.A. 2018
Supp. 21-5705, and amendments thereto.

(g) The provisions of this section shall not apply to a homegrown
medical cannabis license holder, medical cannabis grower or medical
cannabis processor licensed by the office of medical cannabis regulation
under section 12, and amendments thereto, that is producing cannabis or
cannabis derivatives, as defined in section 2, and amendments thereto,
when used for acts authorized by the human solution for Kansas act,
section 1 et seq., and amendments thereto.

Sec. 38. K.S.A. 2018 Supp. 21-5705 is hereby amended to read as
follows: 21-5705. (a) It shall be unlawful for any person to distribute or
possess with the intent to distribute any of the following controlled
substances or controlled substance analogs thereof:

(1) Opiates, opium or narcotic drugs, or any stimulant designated in
subsection (d)(1), (d)(3) or (f)(1) of K.S.A. 65-4107(d)(1), (d)(3) or (f)(1),
and amendments thereto;

(2) any depressant designated in subsection (e) of K.S.A. 65-4105(e),
subsection (e) of K.S.A. 65-4107(e), subsection (b) or (e) of K.S.A. 65-
4109(b) or (c) or subsection (b) of K.S.A. 65-4111(b), and amendments
(3) any stimulant designated in subsection (f) of K.S.A. 65-4105 (f), subsection (d)(2), (d)(4), (d)(5) or (f)(2) of K.S.A. 65-4107 (d)(2), (d)(4), (d)(5) or (f)(2) or subsection (e) of K.S.A. 65-4109 (e), and amendments thereto;

(4) any hallucinogenic drug designated in subsection (d) of K.S.A. 65-4105 (d), subsection (g) of K.S.A. 65-4107 (g) or subsection (g) of K.S.A. 65-4109 (g), and amendments thereto;

(5) any substance designated in subsection (g) of K.S.A. 65-4105 (g) and subsection (e), (d), (c), (f) or (g) of K.S.A. 65-4111 (c), (d), (e), (f) or (g), and amendments thereto;

(6) any anabolic steroids as defined in subsection (f) of K.S.A. 65-4109 (f), and amendments thereto; or

(7) any substance designated in subsection (h) of K.S.A. 65-4105 (h), and amendments thereto.

(b) It shall be unlawful for any person to distribute or possess with the intent to distribute a controlled substance or a controlled substance analog designated in K.S.A. 65-4113, and amendments thereto.

(c) It shall be unlawful for any person to cultivate any controlled substance or controlled substance analog listed in subsection (a).

(d) (1) Except as provided further, violation of subsection (a) is a:

(A) Drug severity level 4 felony if the quantity of the material was less than 3.5 grams;

(B) drug severity level 3 felony if the quantity of the material was at least 3.5 grams but less than 100 grams;

(C) drug severity level 2 felony if the quantity of the material was at least 100 grams but less than 1 kilogram; and

(D) drug severity level 1 felony if the quantity of the material was 1 kilogram or more.

(2) Violation of subsection (a) with respect to material containing any quantity of marijuana, or an analog thereof, is a:

(A) Drug severity level 4 felony if the quantity of the material was less than 25 grams;

(B) drug severity level 3 felony if the quantity of the material was at least 25 grams but less than 450 grams;

(C) drug severity level 2 felony if the quantity of the material was at least 450 grams but less than 30 kilograms; and

(D) drug severity level 1 felony if the quantity of the material was 30 kilograms or more.

(3) Violation of subsection (a) with respect to material containing any quantity of heroin, as defined by subsection (e)(1) of K.S.A. 65-4105 (c) (1), and amendments thereto, or methamphetamine, as defined by subsection (d)(3) or (f)(1) of K.S.A. 65-4107 (d)(3) or (f)(1), and amendments thereto, or an analog thereof, is a:
(A) Drug severity level 4 felony if the quantity of the material was less than 1 gram;
(B) drug severity level 3 felony if the quantity of the material was at least 1 gram but less than 3.5 grams;
(C) drug severity level 2 felony if the quantity of the material was at least 3.5 grams but less than 100 grams; and
(D) drug severity level 1 felony if the quantity of the material was 100 grams or more.

(4) Violation of subsection (a) with respect to material containing any quantity of a controlled substance designated in K.S.A. 65-4105, 65-4107, 65-4109 or 65-4111, and amendments thereto, or an analog thereof, distributed by dosage unit, is a:
(A) Drug severity level 4 felony if the number of dosage units was fewer than 10;
(B) drug severity level 3 felony if the number of dosage units was at least 10 but less than 100;
(C) drug severity level 2 felony if the number of dosage units was at least 100 but less than 1,000; and
(D) drug severity level 1 felony if the number of dosage units was 1,000 or more.

(5) For any violation of subsection (a), the severity level of the offense shall be increased one level if the controlled substance or controlled substance analog was distributed or possessed with the intent to distribute on or within 1,000 feet of any school property.

(6) Violation of subsection (b) is a:
(A) Class A person misdemeanor, except as provided in subsection (d)(6)(B) subparagraph (B); and
(B) nondrug severity level 7, person felony if the substance was distributed to or possessed with the intent to distribute to a minor.

(7) Violation of subsection (c) is a:
(A) Drug severity level 3 felony if the number of plants cultivated was more than 4 but fewer than 50;
(B) drug severity level 2 felony if the number of plants cultivated was at least 50 but fewer than 100; and
(C) drug severity level 1 felony if the number of plants cultivated was 100 or more.

(e) In any prosecution under this section, there shall be a rebuttable presumption of an intent to distribute if any person possesses the following quantities of controlled substances or analogs thereof:
(1) 450 grams or more of marijuana;
(2) 3.5 grams or more of heroin or methamphetamine;
(3) 100 dosage units or more containing a controlled substance; or
(4) 100 grams or more of any other controlled substance.
(f) It shall not be a defense to charges arising under this section that the defendant:

(1) Was acting in an agency relationship on behalf of any other party in a transaction involving a controlled substance or controlled substance analog;
(2) did not know the quantity of the controlled substance or controlled substance analog; or
(3) did not know the specific controlled substance or controlled substance analog contained in the material that was distributed or possessed with the intent to distribute.

(g) The provisions of subsections (a)(4) and (5) shall not apply to:

(1) Any medical cannabis grower licensed by the office of medical cannabis regulation under section 12, and amendments thereto, or any employee or agent thereof, that is growing cannabis for the purpose of sale to a medical cannabis processor as authorized by section 7, and amendments thereto;
(2) any medical cannabis processor licensed by the office of medical cannabis regulation under section 12, and amendments thereto, or any employee or agent thereof, that is processing cannabis for the purpose of sale or distribution to a medical cannabis dispensary, medical cannabis processor or medical cannabis license holder as authorized by section 8, and amendments thereto; or
(3) any medical cannabis dispensary licensed by the office of medical cannabis regulation under section 12, and amendments thereto, or any employee or agent thereof, that is engaging in the sale of cannabis or cannabis derivatives in a manner authorized by section 6, and amendments thereto.

(h) As used in this section:

(1) "Material" means the total amount of any substance, including a compound or a mixture, which contains any quantity of a controlled substance or controlled substance analog.
(2) "Dosage unit" means a controlled substance or controlled substance analog distributed or possessed with the intent to distribute as a discrete unit, including but not limited to, one pill, one capsule or one microdot, and not distributed by weight.

(A) For steroids, or controlled substances in liquid solution legally manufactured for prescription use, or an analog thereof, "dosage unit" means the smallest medically approved dosage unit, as determined by the label, materials provided by the manufacturer, a prescribing authority, licensed health care professional or other qualified health authority.

(B) For illegally manufactured controlled substances in liquid solution, or controlled substances in liquid products not intended for ingestion by human beings, or an analog thereof, "dosage unit" means 10...
milligrams, including the liquid carrier medium, except as provided in subsection (g)(2) subparagraph (C).

(C) For lysergic acid diethylamide (LSD) in liquid form, or an analog thereof, a dosage unit is defined as 0.4 milligrams, including the liquid medium.

(3) "Cannabis" means the same as that term is defined in section 2, and amendments thereto.

Sec. 39. K.S.A. 2018 Supp. 21-5706 is hereby amended to read as follows: 21-5706. (a) It shall be unlawful for any person to possess any opiates, opium or narcotic drugs, or any stimulant designated in K.S.A. 65-4107(d)(1), (d)(3) or (f)(1), and amendments thereto, or a controlled substance analog thereof.

(b) It shall be unlawful for any person to possess any of the following controlled substances or controlled substance analogs thereof:

(1) Any depressant designated in K.S.A. 65-4105(e), K.S.A. 65-4107(e), K.S.A. 65-4109(b) or (c) or K.S.A. 65-4111(b), and amendments thereto;

(2) any stimulant designated in K.S.A. 65-4105(f), K.S.A. 65-4107(d)(2), (d)(4), (d)(5) or (f)(2) or K.S.A. 65-4109(e), and amendments thereto;

(3) any hallucinogenic drug designated in K.S.A. 65-4105(d), K.S.A. 65-4107(g) or K.S.A. 65-4109(g), and amendments thereto;

(4) any substance designated in K.S.A. 65-4105(g) and K.S.A. 65-4111(c), (d), (e), (f) or (g), and amendments thereto;

(5) any anabolic steroids as defined in K.S.A. 65-4109(f), and amendments thereto;

(6) any substance designated in K.S.A. 65-4113, and amendments thereto; or

(7) any substance designated in K.S.A. 65-4105(h), and amendments thereto.

(c) (1) Violation of subsection (a) is a drug severity level 5 felony.

(2) Except as provided in subsection (c)(3):

(A) Violation of subsection (b) is a class A nonperson misdemeanor, except as provided in subsection (c)(2)(B); and

(B) violation of subsection (b)(1) through (b)(5) or (b)(7) is a drug severity level 5 felony if that person has a prior conviction under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense if the substance involved was 3, 4-methylenedioxymethamphetamine (MDMA), marijuana as designated in K.S.A. 65-4105(d), and amendments thereto, or any substance designated in K.S.A. 65-4105(h), and amendments thereto, or an analog thereof.

(3) If the substance involved is marijuana, as designated in K.S.A.
65-4105(d), and amendments thereto, or tetrahydrocannabinol, as designated in K.S.A. 65-4105(h), and amendments thereto, violation of subsection (b) is a:

(A) Class B nonperson misdemeanor, except as provided in (c)(3)(B) and (c)(3)(C) and (c)(3)(D);

(B) class A nonperson misdemeanor if that person has a prior conviction under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense; and

(C) drug severity level 5 felony if that person has two or more prior convictions under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense; and

(D) nonperson misdemeanor punishable by a fine not to exceed $400, if that person has not been issued a medical cannabis license under the human solution for Kansas act, section 1 et seq., and amendments thereto, is found in possession of not more than 1.5 ounces of marijuana and provides a statement from such person's physician recommending the use of cannabis to treat such person's symptoms.

(d) It shall not be a defense to charges arising under this section that the defendant was acting in an agency relationship on behalf of any other party in a transaction involving a controlled substance or controlled substance analog.

(e) If the substance involved is cannabis or a cannabis derivative, as defined in section 2, and amendments thereto, the provisions of subsections (b) and (c) shall not apply to any person who is:

(1) A medical cannabis grower, medical cannabis processor, medical cannabis dispensary or medical cannabis researcher licensed by the office of medical cannabis regulation under section 12, and amendments thereto, or any employee or agent thereof, whose possession is authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto; or

(2) an individual issued a medical cannabis license, medical cannabis caregiver license, temporary medical cannabis license or homegrown medical cannabis license under section 12, and amendments thereto, whose possession is authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto.

Sec. 40. K.S.A. 2018 Supp. 21-5707 is hereby amended to read as follows: 21-5707. (a) It shall be unlawful for any person to knowingly or intentionally use any communication facility:

(1) In committing, causing, or facilitating the commission of any
felony under K.S.A. 2018 Supp. 21-5703, 21-5705 or 21-5706, and amendments thereto; or
(2) in any attempt to commit, any conspiracy to commit, or any criminal solicitation of any felony under K.S.A. 2018 Supp. 21-5703, 21-5705 or 21-5706, and amendments thereto. Each separate use of a communication facility may be charged as a separate offense under this subsection.

(b) Violation of subsection (a) is a nondrug severity level 8, nonperson felony.
(c) The provisions of this section shall not apply to any person using communication facilities solely within the scope of activities authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto.

(d) As used in this section, "communication facility" means any and all public and private instrumentalities used or useful in the transmission of writing, signs, signals, pictures or sounds of all kinds and includes telephone, wire, radio, computer, computer networks, beepers, pagers and all other means of communication.

Sec. 41. K.S.A. 2018 Supp. 21-5709 is hereby amended to read as follows: 21-5709. (a) It shall be unlawful for any person to possess ephedrine, pseudoephedrine, red phosphorus, lithium metal, sodium metal, iodine, anhydrous ammonia, pressurized ammonia or phenylpropanolamine, or their salts, isomers or salts of isomers with an intent to use the product to manufacture a controlled substance.

(b) It shall be unlawful for any person to use or possess with intent to use any drug paraphernalia to:
(1) Manufacture, cultivate, plant, propagate, harvest, test, analyze or distribute a controlled substance; or
(2) store, contain, conceal, inject, ingest, inhale or otherwise introduce a controlled substance into the human body.
(c) It shall be unlawful for any person to use or possess with intent to use anhydrous ammonia or pressurized ammonia in a container not approved for that chemical by the Kansas department of agriculture.
(d) It shall be unlawful for any person to purchase, receive or otherwise acquire at retail any compound, mixture or preparation containing more than 3.6 grams of pseudoephedrine base or ephedrine base in any single transaction or any compound, mixture or preparation containing more than nine grams of pseudoephedrine base or ephedrine base within any 30-day period.
(e) (1) Violation of subsection (a) is a drug severity level 3 felony;
(2) violation of subsection (b)(1) is a:
(A) Drug severity level 5 felony, except as provided in subsection (e) (2)(B); and
(B) class B nonperson misdemeanor if the drug paraphernalia was used to cultivate fewer than five marijuana plants;

(3) violation of subsection (b)(2) is a class B nonperson misdemeanor;

(4) violation of subsection (c) is a drug severity level 5 felony; and

(5) violation of subsection (d) is a class A nonperson misdemeanor.

(f) For persons arrested and charged under subsection (a) or (c), bail shall be at least $50,000 cash or surety, and such person shall not be released upon the person's own recognizance pursuant to K.S.A. 22-2802, and amendments thereto, unless the court determines, on the record, that the defendant is not likely to reoffend, the court imposes pretrial supervision or the defendant agrees to participate in a licensed or certified drug treatment program.

(g) The provisions of subsection (b) shall not apply to any person licensed or authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto, whose possession of such equipment or material is used solely to produce or for the administration of cannabis and cannabis derivatives in a manner authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto.

Sec. 42. K.S.A. 2018 Supp. 21-5710 is hereby amended to read as follows: 21-5710. (a) It shall be unlawful for any person to advertise, market, label, distribute or possess with the intent to distribute:

(1) Any product containing ephedrine, pseudoephedrine, red phosphorus, lithium metal, sodium metal, iodine, anhydrous ammonia, pressurized ammonia or phenylpropanolamine or their salts, isomers or salts of isomers if the person knows or reasonably should know that the purchaser will use the product to manufacture a controlled substance or controlled substance analog; or

(2) any product containing ephedrine, pseudoephedrine or phenylpropanolamine, or their salts, isomers or salts of isomers for indication of stimulation, mental alertness, weight loss, appetite control, energy or other indications not approved pursuant to the pertinent federal over-the-counter drug final monograph or tentative final monograph or approved new drug application.

(b) It shall be unlawful for any person to distribute, possess with the intent to distribute or manufacture with intent to distribute any drug paraphernalia, knowing or under circumstances where one reasonably should know that it will be used to manufacture or distribute a controlled substance or controlled substance analog in violation of K.S.A. 2018 Supp. 21-5701 through 21-5717, and amendments thereto.

(c) It shall be unlawful for any person to distribute, possess with intent to distribute or manufacture with intent to distribute any drug paraphernalia, knowing or under circumstances where one reasonably
should know, that it will be used as such in violation of K.S.A. 2018 Supp. 21-5701 through 21-5717, and amendments thereto, except subsection (b) of K.S.A. 2018 Supp. 21-5706(b), and amendments thereto.

(d) It shall be unlawful for any person to distribute, possess with intent to distribute or manufacture with intent to distribute any drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used as such in violation of subsection (b) of K.S.A. 2018 Supp. 21-5706(b), and amendments thereto.

(e) (1) Violation of subsection (a) is a drug severity level 3 felony;
(2) violation of subsection (b) is a:

(B) drug severity level 4 felony if the trier of fact makes a finding that the offender distributed or caused drug paraphernalia to be distributed to a minor or on or within 1,000 feet of any school property;
(3) violation of subsection (c) is a:

(A) Nondrug severity level 9, nonperson felony, except as provided in subsection (e)(3)(B); and

(B) drug severity level 5 felony if the trier of fact makes a finding that the offender distributed or caused drug paraphernalia to be distributed to a minor or on or within 1,000 feet of any school property; and

(4) violation of subsection (d) is a:

(A) Class A nonperson misdemeanor, except as provided in subsection (e)(4)(B); and

(B) nondrug severity level 9, nonperson felony if the trier of fact makes a finding that the offender distributed or caused drug paraphernalia to be distributed to a minor or on or within 1,000 feet of any school property.

(f) For persons arrested and charged under subsection (a), bail shall be at least $50,000 cash or surety, and such person shall not be released upon the person's own recognizance pursuant to K.S.A. 22-2802, and amendments thereto, unless the court determines, on the record, that the defendant is not likely to re-offend, the court imposes pretrial supervision or the defendant agrees to participate in a licensed or certified drug treatment program.

(g) The provisions of subsection (c) shall not apply to any person licensed or authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto, whose distribution or manufacture is used solely for cannabis and cannabis derivatives in a manner authorized by the human solution for Kansas act, section 1 et seq., and amendments thereto.

(h) As used in this section, "or under circumstances where one reasonably should know" that an item will be used in violation of this
section, shall include, but not be limited to, the following:

(1) Actual knowledge from prior experience or statements by customers;
(2) inappropriate or impractical design for alleged legitimate use;
(3) receipt of packaging material, advertising information or other manufacturer supplied information regarding the item's use as drug paraphernalia; or
(4) receipt of a written warning from a law enforcement or prosecutorial agency having jurisdiction that the item has been previously determined to have been designed specifically for use as drug paraphernalia.

Sec. 43. K.S.A. 2018 Supp. 23-3201 is hereby amended to read as follows: 23-3201. (a) The court shall determine legal custody, residency and parenting time of a child in accordance with the best interests of the child.

(b) The court shall not consider the fact that a parent or a child consumes medical cannabis in accordance with section 4, and amendments thereto, when determining the legal custody, residency or parenting time of a child.

Sec. 44. K.S.A. 2018 Supp. 38-2269 is hereby amended to read as follows: 38-2269. (a) When the child has been adjudicated to be a child in need of care, the court may terminate parental rights or appoint a permanent custodian when the court finds by clear and convincing evidence that the parent is unfit by reason of conduct or condition which renders the parent unable to care properly for a child and the conduct or condition is unlikely to change in the foreseeable future.

(b) In making a determination of unfitness the court shall consider, but is not limited to, the following, if applicable:

(1) Emotional illness, mental illness, mental deficiency or physical disability of the parent, of such duration or nature as to render the parent unable to care for the ongoing physical, mental and emotional needs of the child;
(2) conduct toward a child of a physically, emotionally or sexually cruel or abusive nature;
(3) the use of intoxicating liquors or narcotic or dangerous drugs of such duration or nature as to render the parent unable to care for the ongoing physical, mental or emotional needs of the child, except the use of medical cannabis in accordance with section 4, and amendments thereto, shall not be considered to render the parent unable to care for the ongoing physical, mental or emotional needs of the child;
(4) physical, mental or emotional abuse or neglect or sexual abuse of a child;
(5) conviction of a felony and imprisonment;
(6) unexplained injury or death of another child or stepchild of the
parent or any child in the care of the parent at the time of injury or death;
(7) failure of reasonable efforts made by appropriate public or private
agencies to rehabilitate the family;
(8) lack of effort on the part of the parent to adjust the parent's
circumstances, conduct or conditions to meet the needs of the child; and
(9) whether, as a result of the actions or inactions attributable to the
parent and one or more of the factors listed in subsection (c) apply, the
child has been in the custody of the secretary and placed with neither
parent for 15 of the most recent 22 months beginning 60 days after the
date on which a child in the secretary's custody was removed from the
child's home.

(c) In addition to the foregoing, when a child is not in the physical
custody of a parent, the court, shall consider, but is not limited to, the
following:
(1) Failure to assure care of the child in the parental home when able
to do so;
(2) failure to maintain regular visitation, contact or communication
with the child or with the custodian of the child;
(3) failure to carry out a reasonable plan approved by the court
directed toward the integration of the child into a parental home; and
(4) failure to pay a reasonable portion of the cost of substitute
physical care and maintenance based on ability to pay.

In making the above determination, the court may disregard incidental
visitations, contacts, communications or contributions.

(d) A finding of unfitness may be made as provided in this section if
the court finds that the parents have abandoned the child, the custody of
the child was surrendered pursuant to K.S.A. 2018 Supp. 38-2282, and
amendments thereto, or the child was left under such circumstances that
the identity of the parents is unknown and cannot be ascertained, despite
diligent searching, and the parents have not come forward to claim the
child within three months after the child is found.

(e) If a person is convicted of a felony in which sexual intercourse
occurred, or if a juvenile is adjudicated a juvenile offender because of an
act which, if committed by an adult, would be a felony in which sexual
intercourse occurred, and as a result of the sexual intercourse, a child is
conceived, a finding of unfitness may be made.

(f) The existence of any one of the above factors standing alone may,
but does not necessarily, establish grounds for termination of parental
rights.

(g) (1) If the court makes a finding of unfitness, the court shall
consider whether termination of parental rights as requested in the petition
or motion is in the best interests of the child. In making the determination,
the court shall give primary consideration to the physical, mental and emotional health of the child. If the physical, mental or emotional needs of the child would best be served by termination of parental rights, the court shall so order. A termination of parental rights under the code shall not terminate the right of a child to inherit from or through a parent. Upon such termination all rights of the parent to such child, including, such parent's right to inherit from or through such child, shall cease.

(2) If the court terminates parental rights, the court may authorize adoption pursuant to K.S.A. 2018 Supp. 38-2270, and amendments thereto, appointment of a permanent custodian pursuant to K.S.A. 2018 Supp. 38-2272, and amendments thereto, or continued permanency planning.

(3) If the court does not terminate parental rights, the court may authorize appointment of a permanent custodian pursuant to K.S.A. 2018 Supp. 38-2272, and amendments thereto, or continued permanency planning.

(h) If a parent is convicted of an offense as provided in K.S.A. 2018 Supp. 38-2271(a)(7), and amendments thereto, or is adjudicated a juvenile offender because of an act which if committed by an adult would be an offense as provided in K.S.A. 2018 Supp. 38-2271(a)(7), and amendments thereto, and if the victim was the other parent of a child, the court may disregard such convicted or adjudicated parent's opinions or wishes in regard to the placement of such child.

(i) A record shall be made of the proceedings.

(j) When adoption, proceedings to appoint a permanent custodian or continued permanency planning has been authorized, the person or agency awarded custody of the child shall within 30 days submit a written plan for permanent placement which shall include measurable objectives and time schedules.

Sec. 45. K.S.A. 2018 Supp. 44-501 is hereby amended to read as follows: 44-501. (a) (1) Compensation for an injury shall be disallowed if such injury to the employee results from:

(A) The employee's deliberate intention to cause such injury;

(B) the employee's willful failure to use a guard or protection against accident or injury which is required pursuant to any statute and provided for the employee;

(C) the employee's willful failure to use a reasonable and proper guard and protection voluntarily furnished the employee by the employer;

(D) the employee's reckless violation of their employer's workplace safety rules or regulations; or

(E) the employee's voluntary participation in fighting or horseplay with a co-employee for any reason, work related or otherwise.

(2) Subparagraphs (B) and (C) of paragraph (1) of subsection—
Subsections (a)(1)(B) and (C) shall not apply when it was reasonable under the totality of the circumstances to not use such equipment, or if the employer approved the work engaged in at the time of an accident or injury to be performed without such equipment.

(b)  (1) (A) The employer shall not be liable under the workers compensation act where the injury, disability or death was contributed to by the employee's use or consumption of alcohol or any drugs, chemicals or any other compounds or substances, including, but not limited to, any drugs or medications which are available to the public without a prescription from a health care provider, prescription drugs or medications, any form or type of narcotic drugs, marijuana, stimulants, depressants or hallucinogens.

(B) (i) In the case of drugs or medications which are available to the public without a prescription from a health care provider and prescription drugs or medications, compensation shall not be denied if the employee can show that such drugs or medications were being taken or used in therapeutic doses and there have been no prior incidences of the employee's impairment on the job as the result of the use of such drugs or medications within the previous 24 months.

(ii) In the case of marijuana or any other form of cannabis, including any cannabis derivatives, compensation shall not be denied if the employee holds a medical cannabis license issued under section 12, and amendments thereto, and such cannabis or cannabis derivative was being taken or used in therapeutic doses and there have been no prior incidences of the employee's impairment on the job as a result of the use of such cannabis or cannabis derivative within the previous 24 months.

(C) It shall be conclusively presumed that the employee was impaired due to alcohol or drugs if it is shown that, at the time of the injury, the employee had an alcohol concentration of .04 or more, or a GCMS confirmatory test by quantitative analysis showing a concentration at or above the levels shown on the following chart for the drugs of abuse listed:

<table>
<thead>
<tr>
<th>Drug</th>
<th>Confirmatory test cutoff levels (ng/ml)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marijuana metabolite¹</td>
<td>........................................15</td>
</tr>
<tr>
<td>Cocaine metabolite²</td>
<td>........................................150</td>
</tr>
<tr>
<td>Opiates:</td>
<td></td>
</tr>
<tr>
<td>Morphine</td>
<td>........................................2000</td>
</tr>
<tr>
<td>Codeine</td>
<td>........................................2000</td>
</tr>
<tr>
<td>6-Acetylmorphine³</td>
<td>........................................10 ng/ml</td>
</tr>
<tr>
<td>Phencyclidine</td>
<td>........................................25</td>
</tr>
<tr>
<td>Amphetamines:</td>
<td></td>
</tr>
<tr>
<td>Amphetamine</td>
<td>........................................500</td>
</tr>
</tbody>
</table>
Methamphetamine

Delta-9-tetrahydrocannabinol-9-carboxylic acid.

Benzylecgonine.

Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/ml.

Test for 6-AM when morphine concentration exceeds 2,000 ng/ml.

(D) If it is shown that the employee was impaired pursuant to subsection (b)(1)(C) at the time of the injury, there shall be a rebuttable presumption that the accident, injury, disability or death was contributed to by such impairment. The employee may overcome the presumption of contribution by clear and convincing evidence.

(E) An employee's refusal to submit to a chemical test at the request of the employer shall result in the forfeiture of benefits under the workers compensation act if the employer had sufficient cause to suspect the use of alcohol or drugs by the claimant or if the employer's policy clearly authorizes post-injury testing.

(2) The results of a chemical test shall be admissible evidence to prove impairment if the employer establishes that the testing was done under any of the following circumstances:

(A) As a result of an employer mandated drug testing policy, in place in writing prior to the date of accident or injury, requiring any worker to submit to testing for drugs or alcohol;

(B) during an autopsy or in the normal course of medical treatment for reasons related to the health and welfare of the injured worker and not at the direction of the employer;

(C) the worker, prior to the date and time of the accident or injury, gave written consent to the employer that the worker would voluntarily submit to a chemical test for drugs or alcohol following any accident or injury;

(D) the worker voluntarily agrees to submit to a chemical test for drugs or alcohol following any accident or injury; or

(E) as a result of federal or state law or a federal or state rule or regulation having the force and effect of law requiring a post-injury testing program and such required program was properly implemented at the time of testing.

(3) Notwithstanding subsection (b)(2), the results of a chemical test performed on a sample collected by an employer shall not be admissible evidence to prove impairment unless the following conditions are met:

(A) The test sample was collected within a reasonable time following the accident or injury;

(B) the collecting and labeling of the test sample was performed by or under the supervision of a licensed health care professional;

(C) the test was performed by a laboratory approved by the United
States department of health and human services or licensed by the
department of health and environment, except that a blood sample may be
tested for alcohol content by a laboratory commonly used for that purpose
by state law enforcement agencies;
(D) the test was confirmed by gas chromatography-mass
spectroscopy or other comparably reliable analytical method, except that
no such confirmation is required for a blood alcohol sample;
(E) the foundation evidence must establish, beyond a reasonable
doubt, that the test results were from the sample taken from the employee;
and
(F) a split sample sufficient for testing shall be retained and made
available to the employee within 48 hours of a positive test.

(c) (1) Except as provided in paragraph (2), compensation shall not
be paid in case of coronary or coronary artery disease or cerebrovascular
injury unless it is shown that the exertion of the work necessary to
precipitate the disability was more than the employee's usual work in the
course of the employee's regular employment.
(2) For events occurring on or after July 1, 2014, in the case of a
firefighter as defined by K.S.A. 40-1709(b)(1), and amendments thereto,
or a law enforcement officer as defined by K.S.A. 74-5602, and
amendments thereto, coronary or coronary artery disease or
cerebrovascular injury shall be compensable if:
(A) The injury can be identified as caused by a specific event
occurring in the course and scope of employment;
(B) the coronary or cerebrovascular injury occurred within 24 hours
of the specific event; and
(C) the specific event was the prevailing factor in causing the
coronary or coronary artery disease or cerebrovascular injury.

(d) Except as provided in the workers compensation act, no
construction design professional who is retained to perform professional
services on a construction project or any employee of a construction
design professional who is assisting or representing the construction
design professional in the performance of professional services on the site
of the construction project, shall be liable for any injury resulting from the
employer's failure to comply with safety standards on the construction
project for which compensation is recoverable under the workers
compensation act, unless responsibility for safety practices is specifically
assumed by contract. The immunity provided by this subsection to any
construction design professional shall not apply to the negligent
preparation of design plans or specifications.
(e) An award of compensation for permanent partial impairment,
work disability, or permanent total disability shall be reduced by the
amount of functional impairment determined to be preexisting. Any such
reduction shall not apply to temporary total disability, nor shall it apply to compensation for medical treatment.

(1) Where workers compensation benefits have previously been awarded through settlement or judicial or administrative determination in Kansas, the percentage basis of the prior settlement or award shall conclusively establish the amount of functional impairment determined to be preexisting. Where workers compensation benefits have not previously been awarded through settlement or judicial or administrative determination in Kansas, the amount of preexisting functional impairment shall be established by competent evidence.

(2) In all cases, the applicable reduction shall be calculated as follows:

(A) If the preexisting impairment is the result of injury sustained while working for the employer against whom workers compensation benefits are currently being sought, any award of compensation shall be reduced by the current dollar value attributable under the workers compensation act to the percentage of functional impairment determined to be preexisting. The "current dollar value" shall be calculated by multiplying the percentage of preexisting impairment by the compensation rate in effect on the date of the accident or injury against which the reduction will be applied.

(B) In all other cases, the employer against whom benefits are currently being sought shall be entitled to a credit for the percentage of preexisting impairment.

(f) If the employee receives, whether periodically or by lump sum, retirement benefits under the federal social security act or retirement benefits from any other retirement system, program, policy or plan which is provided by the employer against which the claim is being made, any compensation benefit payments which the employee is eligible to receive under the workers compensation act for such claim shall be reduced by the weekly equivalent amount of the total amount of all such retirement benefits, less any portion of any such retirement benefit, other than retirement benefits under the federal social security act, that is attributable to payments or contributions made by the employee, but in no event shall the workers compensation benefit be less than the workers compensation benefit payable for the employee's percentage of functional impairment. Where the employee elects to take retirement benefits in a lump sum, the lump sum payment shall be amortized at the rate of 4% per year over the employee's life expectancy to determine the weekly equivalent value of the benefits.

Sec. 46. K.S.A. 2018 Supp. 44-706 is hereby amended to read as follows: 44-706. The secretary shall examine whether an individual has separated from employment for each week claimed. The secretary shall
apply the provisions of this section to the individual's most recent employment prior to the week claimed. An individual shall be disqualified for benefits:

(a) If the individual left work voluntarily without good cause attributable to the work or the employer, subject to the other provisions of this subsection. For purposes of this subsection, "good cause" is cause of such gravity that would impel a reasonable, not supersensitive, individual exercising ordinary common sense to leave employment. Good cause requires a showing of good faith of the individual leaving work, including the presence of a genuine desire to work. Failure to return to work after expiration of approved personal or medical leave, or both, shall be considered a voluntary resignation. After a temporary job assignment, failure of an individual to affirmatively request an additional assignment on the next succeeding workday, if required by the employment agreement, after completion of a given work assignment, shall constitute leaving work voluntarily. The disqualification shall begin the day following the separation and shall continue until after the individual has become reemployed and has had earnings from insured work of at least three times the individual's weekly benefit amount. An individual shall not be disqualified under this subsection if:

(1) The individual was forced to leave work because of illness or injury upon the advice of a licensed and practicing health care provider and, upon learning of the necessity for absence, immediately notified the employer thereof, or the employer consented to the absence, and after recovery from the illness or injury, when recovery was certified by a practicing health care provider, the individual returned to the employer and offered to perform services and the individual's regular work or comparable and suitable work was not available. As used in this paragraph "health care provider" means any person licensed by the proper licensing authority of any state to engage in the practice of medicine and surgery, osteopathy, chiropractic, dentistry, optometry, podiatry or psychology;

(2) the individual left temporary work to return to the regular employer;

(3) the individual left work to enlist in the armed forces of the United States, but was rejected or delayed from entry;

(4) the spouse of an individual who is a member of the armed forces of the United States who left work because of the voluntary or involuntary transfer of the individual's spouse from one job to another job, which is for the same employer or for a different employer, at a geographic location which makes it unreasonable for the individual to continue work at the individual's job. For the purposes of this provision the term "armed forces" means active duty in the army, navy, marine corps, air force, coast guard or any branch of the military reserves of the United States;
(5) the individual left work because of hazardous working conditions; in determining whether or not working conditions are hazardous for an individual, the degree of risk involved to the individual's health, safety and morals, the individual's physical fitness and prior training and the working conditions of workers engaged in the same or similar work for the same and other employers in the locality shall be considered; as used in this paragraph, "hazardous working conditions" means working conditions that could result in a danger to the physical or mental well-being of the individual; each determination as to whether hazardous working conditions exist shall include, but shall not be limited to, a consideration of: (A) The safety measures used or the lack thereof; and (B) the condition of equipment or lack of proper equipment; no work shall be considered hazardous if the working conditions surrounding the individual's work are the same or substantially the same as the working conditions generally prevailing among individuals performing the same or similar work for other employers engaged in the same or similar type of activity;

(6) the individual left work to enter training approved under section 236(a)(1) of the federal trade act of 1974, provided the work left is not of a substantially equal or higher skill level than the individual's past adversely affected employment, as defined for purposes of the federal trade act of 1974, and wages for such work are not less than 80% of the individual's average weekly wage as determined for the purposes of the federal trade act of 1974;

(7) the individual left work because of unwelcome harassment of the individual by the employer or another employee of which the employing unit had knowledge and that would impel the average worker to give up such worker's employment;

(8) the individual left work to accept better work; each determination as to whether or not the work accepted is better work shall include, but shall not be limited to, consideration of: (A) The rate of pay, the hours of work and the probable permanency of the work left as compared to the work accepted; (B) the cost to the individual of getting to the work left in comparison to the cost of getting to the work accepted; and (C) the distance from the individual's place of residence to the work accepted in comparison to the distance from the individual's residence to the work left;

(9) the individual left work as a result of being instructed or requested by the employer, a supervisor or a fellow employee to perform a service or commit an act in the scope of official job duties which is in violation of an ordinance or statute;

(10) the individual left work because of a substantial violation of the work agreement by the employing unit and, before the individual left, the individual had exhausted all remedies provided in such agreement for the settlement of disputes before terminating. For the purposes of this
paragraph, a demotion based on performance does not constitute a violation of the work agreement;
(11) after making reasonable efforts to preserve the work, the individual left work due to a personal emergency of such nature and compelling urgency that it would be contrary to good conscience to impose a disqualification; or
(12) (A) the individual left work due to circumstances resulting from domestic violence, including:
   (i) The individual's reasonable fear of future domestic violence at or en route to or from the individual's place of employment;
   (ii) the individual's need to relocate to another geographic area in order to avoid future domestic violence;
   (iii) the individual's need to address the physical, psychological and legal impacts of domestic violence;
   (iv) the individual's need to leave employment as a condition of receiving services or shelter from an agency which provides support services or shelter to victims of domestic violence; or
   (v) the individual's reasonable belief that termination of employment is necessary to avoid other situations which may cause domestic violence and to provide for the future safety of the individual or the individual's family.
   (B) An individual may prove the existence of domestic violence by providing one of the following:
      (i) A restraining order or other documentation of equitable relief by a court of competent jurisdiction;
      (ii) a police record documenting the abuse;
      (iii) documentation that the abuser has been convicted of one or more of the offenses enumerated in articles 34 and 35 of chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or articles 54 or 55 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2018 Supp. 21-6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments thereto, where the victim was a family or household member;
      (iv) medical documentation of the abuse;
      (v) a statement provided by a counselor, social worker, health care provider, clergy, shelter worker, legal advocate, domestic violence or sexual assault advocate or other professional who has assisted the individual in dealing with the effects of abuse on the individual or the individual's family; or
      (vi) a sworn statement from the individual attesting to the abuse.
   (C) No evidence of domestic violence experienced by an individual, including the individual's statement and corroborating evidence, shall be disclosed by the department of labor unless consent for disclosure is given by the individual.
(b) If the individual has been discharged or suspended for misconduct connected with the individual's work. The disqualification shall begin the day following the separation and shall continue until after the individual becomes reemployed and in cases where the disqualification is due to discharge for misconduct has had earnings from insured work of at least three times the individual's determined weekly benefit amount, except that if an individual is discharged for gross misconduct connected with the individual's work, such individual shall be disqualified for benefits until such individual again becomes employed and has had earnings from insured work of at least eight times such individual's determined weekly benefit amount. In addition, all wage credits attributable to the employment from which the individual was discharged for gross misconduct connected with the individual's work shall be canceled. No such cancellation of wage credits shall affect prior payments made as a result of a prior separation.

(1) For the purposes of this subsection, "misconduct" is defined as a violation of a duty or obligation reasonably owed the employer as a condition of employment including, but not limited to, a violation of a company rule, including a safety rule, if: (A) The individual knew or should have known about the rule; (B) the rule was lawful and reasonably related to the job; and (C) the rule was fairly and consistently enforced. The term "misconduct" does not include any violation of a duty, obligation or company rule, if the individual holds a medical cannabis license issued under section 12, and amendments thereto, and the possession of such license or the possession or use of cannabis in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto, is the basis for the violation.

(2) (A) Failure of the employee to notify the employer of an absence and an individual's leaving work prior to the end of such individual's assigned work period without permission shall be considered prima facie evidence of a violation of a duty or obligation reasonably owed the employer as a condition of employment.

(B) For the purposes of this subsection, misconduct shall include, but not be limited to, violation of the employer's reasonable attendance expectations if the facts show:

(i) The individual was absent or tardy without good cause;

(ii) the individual had knowledge of the employer's attendance expectation; and

(iii) the employer gave notice to the individual that future absence or tardiness may or will result in discharge.

(C) For the purposes of this subsection, if an employee disputes being absent or tardy without good cause, the employee shall present evidence that a majority of the employee's absences or tardiness were for good
cause. If the employee alleges that the employee's repeated absences or
tardiness were the result of health related issues, such evidence shall
include documentation from a licensed and practicing health care provider
as defined in subsection (a)(1).

(3) (A) The term "gross misconduct" as used in this subsection shall
be construed to mean conduct evincing extreme, willful or wanton
misconduct as defined by this subsection. Gross misconduct shall include,
but not be limited to: (i) Theft; (ii) fraud; (iii) intentional damage to
property; (iv) intentional infliction of personal injury; or (v) any conduct
that constitutes a felony. The term "gross misconduct" does not include
any conduct of an individual, if such individual holds a medical cannabis
license issued under section 12, and amendments thereto, and the
possession of such license or the possession or use of cannabis in
accordance with the human solution for Kansas act, section 1 et seq., and
amendments thereto, is the basis for such conduct.

(B) For the purposes of this subsection, the following shall be
conclusive evidence of gross misconduct:

(i) The use of alcoholic liquor, cereal malt beverage or a
nonprescribed controlled substance by an individual while working;

(ii) the impairment caused by alcoholic liquor, cereal malt beverage
or a nonprescribed controlled substance by an individual while working;

(iii) a positive breath alcohol test or a positive chemical test,
provided:

(a) The test was either:

(1) Required by law and was administered pursuant to the drug free
workplace act, 41 U.S.C. § 701 et seq.;
(2) administered as part of an employee assistance program or other
drug or alcohol treatment program in which the employee was
participating voluntarily or as a condition of further employment;
(3) requested pursuant to a written policy of the employer of which
the employee had knowledge and was a required condition of
employment;
(4) required by law and the test constituted a required condition of
employment for the individual's job; or
(5) there was reasonable suspicion to believe that the individual used,
had possession of, or was impaired by alcoholic liquor, cereal malt
beverage or a nonprescribed controlled substance while working;

(b) the test sample was collected either:

(1) As prescribed by the drug free workplace act, 41 U.S.C. § 701 et
seq.;
(2) as prescribed by an employee assistance program or other drug or
alcohol treatment program in which the employee was participating
voluntarily or as a condition of further employment;
as prescribed by the written policy of the employer of which the
employee had knowledge and which constituted a required condition of
employment;
(4) as prescribed by a test which was required by law and which
constituted a required condition of employment for the individual's job; or
(5) at a time contemporaneous with the events establishing probable
cause;
(c) the collecting and labeling of a chemical test sample was
performed by a licensed health care professional or any other individual
certified pursuant to paragraph (b)(3)(A)(iii)(f) or authorized to collect or
label test samples by federal or state law, or a federal or state rule or
regulation having the force or effect of law, including law enforcement
personnel;
(d) the chemical test was performed by a laboratory approved by the
United States department of health and human services or licensed by the
department of health and environment, except that a blood sample may be
tested for alcohol content by a laboratory commonly used for that purpose
by state law enforcement agencies;
(e) the chemical test was confirmed by gas chromatography, gas
chromatography-mass spectroscopy or other comparably reliable
analytical method, except that no such confirmation is required for a blood
alcohol sample or a breath alcohol test;
(f) the breath alcohol test was administered by an individual trained
to perform breath tests, the breath testing instrument used was certified
and operated strictly according to a description provided by the
manufacturers and the reliability of the instrument performance was
assured by testing with alcohol standards; and
(g) the foundation evidence establishes, beyond a reasonable doubt,
that the test results were from the sample taken from the individual;
(iv) an individual's refusal to submit to a chemical test or breath
alcohol test, provided:
(a) The test meets the standards of the drug free workplace act, 41
U.S.C. § 701 et seq.;
(b) the test was administered as part of an employee assistance
program or other drug or alcohol treatment program in which the
employee was participating voluntarily or as a condition of further
employment;
(c) the test was otherwise required by law and the test constituted a
required condition of employment for the individual's job;
(d) the test was requested pursuant to a written policy of the employer
of which the employee had knowledge and was a required condition of
employment; or
(e) there was reasonable suspicion to believe that the individual used,
possessed or was impaired by alcoholic liquor, cereal malt beverage or a nonprescribed controlled substance while working;

(v) an individual's dilution or other tampering of a chemical test.

(C) For purposes of this subsection:

(i) "Alcohol concentration" means the number of grams of alcohol per 210 liters of breath;

(ii) "alcoholic liquor" shall be defined as provided in K.S.A. 41-102, and amendments thereto;

(iii) "cereal malt beverage" shall be defined as provided in K.S.A. 41-2701, and amendments thereto;

(iv) "chemical test" shall include, but is not limited to, tests of urine, blood or saliva;

(v) "controlled substance" shall be defined as provided in K.S.A. 2018 Supp. 21-5701, and amendments thereto;

(vi) "required by law" means required by a federal or state law, a federal or state rule or regulation having the force and effect of law, a county resolution or municipal ordinance, or a policy relating to public safety adopted in an open meeting by the governing body of any special district or other local governmental entity;

(vii) "positive breath test" shall mean a test result showing an alcohol concentration of 0.04 or greater, or the levels listed in 49 C.F.R. part 40, if applicable, unless the test was administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment, in which case "positive chemical test" shall mean a test result showing an alcohol concentration at or above the levels provided for in the assistance or treatment program;

(viii) "positive chemical test" shall mean a chemical result showing a concentration at or above the levels listed in K.S.A. 44-501, and amendments thereto, or 49 C.F.R. part 40, as applicable, for the drugs or abuse listed therein, unless the test was administered as part of an employee assistance program or other drug or alcohol treatment program in which the employee was participating voluntarily or as a condition of further employment, in which case "positive chemical test" shall mean a chemical result showing a concentration at or above the levels provided for in the assistance or treatment program.

(4) An individual shall not be disqualified under this subsection if the individual is discharged under the following circumstances:

(A) The employer discharged the individual after learning the individual was seeking other work or when the individual gave notice of future intent to quit, except that the individual shall be disqualified after the time at which such individual intended to quit and any individual who commits misconduct after such individual gives notice to such individual's
intent to quit shall be disqualified;

(B) the individual was making a good-faith effort to do the assigned work but was discharged due to:

(i) Inefficiency;

(ii) unsatisfactory performance due to inability, incapacity or lack of training or experience;

(iii) isolated instances of ordinary negligence or inadvertence;

(iv) good-faith errors in judgment or discretion; or

(v) unsatisfactory work or conduct due to circumstances beyond the individual's control; or

(C) the individual's refusal to perform work in excess of the contract of hire.

(c) If the individual has failed, without good cause, to either apply for suitable work when so directed by the employment office of the secretary of labor, or to accept suitable work when offered to the individual by the employment office, the secretary of labor, or an employer, such disqualification shall begin with the week in which such failure occurred and shall continue until the individual becomes reemployed and has had earnings from insured work of at least three times such individual's determined weekly benefit amount. In determining whether or not any work is suitable for an individual, the secretary of labor, or a person or persons designated by the secretary, shall consider the degree of risk involved to health, safety and morals, physical fitness and prior training, experience and prior earnings, length of unemployment and prospects for securing local work in the individual's customary occupation or work for which the individual is reasonably fitted by training or experience, and the distance of the available work from the individual's residence. Notwithstanding any other provisions of this act, an otherwise eligible individual shall not be disqualified for refusing an offer of suitable employment, or failing to apply for suitable employment when notified by an employment office, or for leaving the individual's most recent work accepted during approved training, including training approved under section 236(a)(1) of the trade act of 1974, if the acceptance of or applying for suitable employment or continuing such work would require the individual to terminate approved training and no work shall be deemed suitable and benefits shall not be denied under this act to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (1) If the position offered is vacant due directly to a strike, lockout or other labor dispute; (2) if the remuneration, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality; (3) if as a condition of being employed, the individual would be required to join or to resign from or refrain from joining any labor organization; and (4) if the
individual left employment as a result of domestic violence, and the position offered does not reasonably accommodate the individual's physical, psychological, safety, or legal needs relating to such domestic violence.

(d) For any week with respect to which the secretary of labor, or a person or persons designated by the secretary, finds that the individual's unemployment is due to a stoppage of work which exists because of a labor dispute or there would have been a work stoppage had normal operations not been maintained with other personnel previously and currently employed by the same employer at the factory, establishment or other premises at which the individual is or was last employed, except that this subsection (d) shall not apply if it is shown to the satisfaction of the secretary of labor, or a person or persons designated by the secretary, that:

(1) The individual is not participating in or financing or directly interested in the labor dispute which caused the stoppage of work; and (2) the individual does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs any of whom are participating in or financing or directly interested in the dispute. If in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purpose of this subsection be deemed to be a separate factory, establishment or other premises. For the purposes of this subsection, failure or refusal to cross a picket line or refusal for any reason during the continuance of such labor dispute to accept the individual's available and customary work at the factory, establishment or other premises where the individual is or was last employed shall be considered as participation and interest in the labor dispute.

(e) For any week with respect to which or a part of which the individual has received or is seeking unemployment benefits under the unemployment compensation law of any other state or of the United States, except that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such unemployment benefits, this disqualification shall not apply.

(f) For any week with respect to which the individual is entitled to receive any unemployment allowance or compensation granted by the United States under an act of congress to ex-service men and women in recognition of former service with the military or naval services of the United States.

(g) For the period of five years beginning with the first day following the last week of unemployment for which the individual received benefits, or for five years from the date the act was committed, whichever is the
later, if the individual, or another in such individual's behalf with the
knowledge of the individual, has knowingly made a false statement or
representation, or has knowingly failed to disclose a material fact to obtain
or increase benefits under this act or any other unemployment
compensation law administered by the secretary of labor. In addition to the
penalties set forth in K.S.A. 44-719, and amendments thereto, an
individual who has knowingly made a false statement or representation or
who has knowingly failed to disclose a material fact to obtain or increase
benefits under this act or any other unemployment compensation law
administered by the secretary of labor shall be liable for a penalty in the
amount equal to 25% of the amount of benefits unlawfully received.
Notwithstanding any other provision of law, such penalty shall be
deposited into the employment security trust fund.

(h) For any week with respect to which the individual is receiving
compensation for temporary total disability or permanent total disability
under the workmen's compensation law of any state or under a similar law
of the United States.

(i) For any week of unemployment on the basis of service in an
instructional, research or principal administrative capacity for an
educational institution as defined in K.S.A. 44-703(v), and amendments
thereto, if such week begins during the period between two successive
academic years or terms or, when an agreement provides instead for a
similar period between two regular but not successive terms during such
period or during a period of paid sabbatical leave provided for in the
individual's contract, if the individual performs such services in the first of
such academic years or terms and there is a contract or a reasonable
assurance that such individual will perform services in any such capacity
for any educational institution in the second of such academic years or
terms.

(j) For any week of unemployment on the basis of service in any
capacity other than service in an instructional, research, or administrative
capacity in an educational institution, as defined in K.S.A. 44-703(v), and
amendments thereto, if such week begins during the period between two
successive academic years or terms if the individual performs such services in the first of
such academic years or terms and there is a reasonable assurance that the individual will perform such services in the
second of such academic years or terms, except that if benefits are denied
to the individual under this subsection and the individual was not offered
an opportunity to perform such services for the educational institution for
the second of such academic years or terms, such individual shall be
entitled to a retroactive payment of benefits for each week for which the
individual filed a timely claim for benefits and for which benefits were
denied solely by reason of this subsection.
(k) For any week of unemployment on the basis of service in any
capacity for an educational institution as defined in K.S.A. 44-703(v), and
amendments thereto, if such week begins during an established and
customary vacation period or holiday recess, if the individual performs
services in the period immediately before such vacation period or holiday
recess and there is a reasonable assurance that such individual will perform
such services in the period immediately following such vacation period or
holiday recess.

(l) For any week of unemployment on the basis of any services,
substantially all of which consist of participating in sports or athletic
events or training or preparing to so participate, if such week begins during
the period between two successive sport seasons or similar period if such
individual performed services in the first of such seasons or similar periods
and there is a reasonable assurance that such individual will perform such
services in the later of such seasons or similar periods.

(m) For any week on the basis of services performed by an alien
unless such alien is an individual who was lawfully admitted for
permanent residence at the time such services were performed, was
lawfully present for purposes of performing such services, or was
permanently residing in the United States under color of law at the time
such services were performed, including an alien who was lawfully present
in the United States as a result of the application of the provisions of
section 212(d)(5) of the federal immigration and nationality act. Any data
or information required of individuals applying for benefits to determine
whether benefits are not payable to them because of their alien status shall
be uniformly required from all applicants for benefits. In the case of an
individual whose application for benefits would otherwise be approved, no
determination that benefits to such individual are not payable because of
such individual's alien status shall be made except upon a preponderance
of the evidence.

(n) For any week in which an individual is receiving a governmental
or other pension, retirement or retired pay, annuity or other similar
periodic payment under a plan maintained by a base period employer and
to which the entire contributions were provided by such employer, except
that: (1) If the entire contributions to such plan were provided by the base
period employer but such individual's weekly benefit amount exceeds such
governmental or other pension, retirement or retired pay, annuity or other
similar periodic payment attributable to such week, the weekly benefit
amount payable to the individual shall be reduced, but not below zero, by
an amount equal to the amount of such pension, retirement or retired pay,
annuity or other similar periodic payment which is attributable to such
week; or (2) if only a portion of contributions to such plan were provided
by the base period employer, the weekly benefit amount payable to such
individual for such week shall be reduced, but not below zero, by the
prorated weekly amount of the pension, retirement or retired pay, annuity
or other similar periodic payment after deduction of that portion of the
pension, retirement or retired pay, annuity or other similar periodic
payment that is directly attributable to the percentage of the contributions
made to the plan by such individual; or (3) if the entire contributions to the
plan were provided by such individual, or by the individual and an
employer, or any person or organization, who is not a base period
employer, no reduction in the weekly benefit amount payable to the
individual for such week shall be made under this subsection; or (4)
whatever portion of contributions to such plan were provided by the base
period employer, if the services performed for the employer by such
individual during the base period, or remuneration received for the
services, did not affect the individual's eligibility for, or increased the
amount of, such pension, retirement or retired pay, annuity or other similar
periodic payment, no reduction in the weekly benefit amount payable to
the individual for such week shall be made under this subsection. No
reduction shall be made for payments made under the social security act or

(o) For any week of unemployment on the basis of services
performed in any capacity and under any of the circumstances described in
subsection (i), (j) or (k) which an individual performed in an educational
institution while in the employ of an educational service agency. For the
purposes of this subsection, the term "educational service agency" means a
governmental agency or entity which is established and operated
exclusively for the purpose of providing such services to one or more
educational institutions.

(p) For any week of unemployment on the basis of service as a school
bus or other motor vehicle driver employed by a private contractor to
transport pupils, students and school personnel to or from school-related
functions or activities for an educational institution, as defined in K.S.A.
44-703(v), and amendments thereto, if such week begins during the period
between two successive academic years or during a similar period between
two regular terms, whether or not successive, if the individual has a
contract or contracts, or a reasonable assurance thereof, to perform
services in any such capacity with a private contractor for any educational
institution for both such academic years or both such terms. An individual
shall not be disqualified for benefits as provided in this subsection for any
week of unemployment on the basis of service as a bus or other motor
vehicle driver employed by a private contractor to transport persons to or
from nonschool-related functions or activities.

(q) For any week of unemployment on the basis of services
performed by the individual in any capacity and under any of the
circumstances described in subsection (i), (j), (k) or (o) which are provided to or on behalf of an educational institution, as defined in K.S.A. 44-703(v), and amendments thereto, while the individual is in the employ of an employer which is a governmental entity, Indian tribe or any employer described in section 501(c)(3) of the federal internal revenue code of 1986 which is exempt from income under section 501(a) of the code.

(r) For any week in which an individual is registered at and attending an established school, training facility or other educational institution, or is on vacation during or between two successive academic years or terms. An individual shall not be disqualified for benefits as provided in this subsection provided:

(1) The individual was engaged in full-time employment concurrent with the individual's school attendance;

(2) the individual is attending approved training as defined in K.S.A. 44-703(s), and amendments thereto; or

(3) the individual is attending evening, weekend or limited day time classes, which would not affect availability for work, and is otherwise eligible under K.S.A. 44-705(c), and amendments thereto.

(s) For any week with respect to which an individual is receiving or has received remuneration in the form of a back pay award or settlement. The remuneration shall be allocated to the week or weeks in the manner as specified in the award or agreement, or in the absence of such specificity in the award or agreement, such remuneration shall be allocated to the week or weeks in which such remuneration, in the judgment of the secretary, would have been paid.

(1) For any such weeks that an individual receives remuneration in the form of a back pay award or settlement, an overpayment will be established in the amount of unemployment benefits paid and shall be collected from the claimant.

(2) If an employer chooses to withhold from a back pay award or settlement, amounts paid to a claimant while they claimed unemployment benefits, such employer shall pay the department the amount withheld. With respect to such amount, the secretary shall have available all of the collection remedies authorized or provided in K.S.A. 44-717, and amendments thereto.

(t) (1) Any applicant for or recipient of unemployment benefits who tests positive for unlawful use of a controlled substance or controlled substance analog shall be required to complete a substance abuse treatment program approved by the secretary of labor, secretary of commerce or secretary for children and families, and a job skills program approved by the secretary of labor, secretary of commerce or the secretary for children and families. Subject to applicable federal laws, any applicant for or recipient of unemployment benefits who fails to complete or refuses to
participate in the substance abuse treatment program or job skills program as required under this subsection shall be ineligible to receive unemployment benefits until completion of such substance abuse treatment and job skills programs. Upon completion of both substance abuse treatment and job skills programs, such applicant for or recipient of unemployment benefits may be subject to periodic drug screening, as determined by the secretary of labor. Upon a second positive test for unlawful use of a controlled substance or controlled substance analog, an applicant for or recipient of unemployment benefits shall be ordered to complete again a substance abuse treatment program and job skills program, and shall be terminated from unemployment benefits for a period of 12 months, or until such applicant for or recipient of unemployment benefits completes both substance abuse treatment and job skills programs, whichever is later. Upon a third positive test for unlawful use of a controlled substance or controlled substance analog, an applicant for or a recipient of unemployment benefits shall be terminated from receiving unemployment benefits, subject to applicable federal law.

(2) Any individual who has been discharged or refused employment for failing a preemployment drug screen required by an employer may request that the drug screening specimen be sent to a different drug testing facility for an additional drug screening. Any such individual who requests an additional drug screening at a different drug testing facility shall be required to pay the cost of drug screening.

(3) The provisions of this subsection shall not apply to any individual who holds a medical cannabis license issued under section 12, and amendments thereto.

(u) If the individual was found not to have a disqualifying adjudication or conviction under K.S.A. 39-970 or 65-5117, and amendments thereto, was hired and then was subsequently convicted of a disqualifying felony under K.S.A. 39-970 or 65-5117, and amendments thereto, and discharged pursuant to K.S.A. 39-970 or 65-5117, and amendments thereto. The disqualification shall begin the day following the separation and shall continue until after the individual becomes reemployed and has had earnings from insured work of at least three times the individual's determined weekly benefit amount.

(v) Notwithstanding the provisions of any subsection, an individual shall not be disqualified for such week of part-time employment in a substitute capacity for an educational institution if such individual's most recent employment prior to the individual's benefit year begin date was for a non-educational institution and such individual demonstrates application for work in such individual's customary occupation or for work for which the individual is reasonably fitted by training or experience.

Sec. 47. K.S.A. 44-1009 is hereby amended to read as follows: 44-
1009. (a) It shall be an unlawful employment practice:

(1) For an employer, because of the race, religion, color, sex, disability, national origin or ancestry of any person to refuse to hire or employ such person to bar or discharge such person from employment or to otherwise discriminate against such person in compensation or in terms, conditions or privileges of employment; to limit, segregate, separate, classify or make any distinction in regards to employees; or to follow any employment procedure or practice which, in fact, results in discrimination, segregation or separation without a valid business necessity.

(2) For a labor organization, because of the race, religion, color, sex, disability, national origin or ancestry of any person, to exclude or to expel from its membership such person or to discriminate in any way against any of its members or against any employer or any person employed by an employer.

(3) For any employer, employment agency or labor organization to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment or membership or to make any inquiry in connection with prospective employment or membership, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, religion, color, sex, disability, national origin or ancestry, or any intent to make any such limitation, specification or discrimination, unless based on a bona fide occupational qualification.

(4) For any employer, employment agency or labor organization to discharge, expel or otherwise discriminate against any person because such person has opposed any practices or acts forbidden under this act or because such person has filed a complaint, testified or assisted in any proceeding under this act.

(5) For an employment agency to refuse to list and properly classify for employment or to refuse to refer any person for employment or otherwise discriminate against any person because of such person's race, religion, color, sex, disability, national origin or ancestry; or to comply with a request from an employer for a referral of applicants for employment if the request expresses, either directly or indirectly, any limitation, specification or discrimination as to race, religion, color, sex, disability, national origin or ancestry.

(6) For an employer, labor organization, employment agency, or school which provides, coordinates or controls apprenticeship, on-the-job, or other training or retraining program, to maintain a practice of discrimination, segregation or separation because of race, religion, color, sex, disability, national origin or ancestry, in admission, hiring, assignments, upgrading, transfers, promotion, layoff, dismissal, apprenticeship or other training or retraining program, or in any other
terms, conditions or privileges of employment, membership, apprenticeship or training; or to follow any policy or procedure which, in fact, results in such practices without a valid business motive.

(7) For any person, whether an employer or an employee or not, to aid, abet, incite, compel or coerce the doing of any of the acts forbidden under this act, or attempt to do so.

(8) For an employer, labor organization, employment agency or joint labor-management committee to: (A) Limit, segregate or classify a job applicant or employee in a way that adversely affects the opportunities or status of such applicant or employee because of the disability of such applicant or employee; (B) participate in a contractual or other arrangement or relationship, including a relationship with an employment or referral agency, labor union, an organization providing fringe benefits to an employee or an organization providing training and apprenticeship programs that has the effect of subjecting a qualified applicant or employee with a disability to the discrimination prohibited by this act; (C) utilize standards criteria, or methods of administration that have the effect of discrimination on the basis of disability or that perpetuate the discrimination of others who are subject to common administrative control; (D) exclude or otherwise deny equal jobs or benefits to a qualified individual because of the known disability of an individual with whom the qualified individual is known to have a relationship or association; (E) not make reasonable accommodations to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, unless such employer, labor organization, employment agency or joint labor-management committee can demonstrate that the accommodation would impose an undue hardship on the operation of the business thereof; (F) deny employment opportunities to a job applicant or employee who is an otherwise qualified individual with a disability, if such denial is based on the need to make reasonable accommodation to the physical or mental impairments of the employee or applicant; (G) use qualification standards, employment tests or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the standard, test or other selection criteria, as used, is shown to be job-related for the position in question and is consistent with business necessity; or (H) fail to select and administer tests concerning employment in the most effective manner to ensure that, when such test is administered to a job applicant or employee who has a disability that impairs sensory, manual or speaking skills, the test results accurately reflect the skills, aptitude or whatever other factor of such applicant or employee that such test purports to measure, rather than reflecting the impaired sensory, manual or speaking skills of such employee or applicant (except where such skills are the
factors that the test purports to measure).

(9) For any employer to:

(A) Seek to obtain, to obtain or to use genetic screening or testing information of an employee or a prospective employee to distinguish between or discriminate against or restrict any right or benefit otherwise due or available to an employee or a prospective employee; or

(B) subject, directly or indirectly, any employee or prospective employee to any genetic screening or test.

(10) (A) For an employer, because a person holds a medical cannabis license issued under section 12, and amendments thereto, or possesses or uses cannabis or cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto, to: (i) Refuse to hire or employ a person; (ii) bar or discharge such person from employment; or (iii) otherwise discriminate against such person in compensation or in terms, conditions or privileges of employment without a valid business necessity.

(B) For a labor organization, because a person holds a medical cannabis license issued under section 12, and amendments thereto, or possesses or uses cannabis or cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto, to exclude or expel from its membership such person.

(C) Nothing in this paragraph shall be construed to prohibit a person from taking any action necessary to procure or retain any monetary benefit provided under federal law, or any rules or regulations adopted thereunder, or to obtain or maintain any license, certificate, registration or other legal status issued or bestowed under federal law, or any rules or regulations adopted thereunder.

(b) It shall not be an unlawful employment practice to fill vacancies in such way as to eliminate or reduce imbalance with respect to race, religion, color, sex, disability, national origin or ancestry.

(c) It shall be an unlawful discriminatory practice:

(1) For any person, as defined herein being the owner, operator, lessee, manager, agent or employee of any place of public accommodation to refuse, deny or make a distinction, directly or indirectly, in offering its goods, services, facilities, and accommodations to any person as covered by this act because of race, religion, color, sex, disability, national origin or ancestry, except where a distinction because of sex is necessary because of the intrinsic nature of such accommodation.

(2) For any person, whether or not specifically enjoined from discriminating under any provisions of this act, to aid, abet, incite, compel or coerce the doing of any of the acts forbidden under this act, or to attempt to do so.

(3) For any person, to refuse, deny, make a distinction, directly or
indirectly, or discriminate in any way against persons because of the race, religion, color, sex, disability, national origin or ancestry of such persons in the full and equal use and enjoyment of the services, facilities, privileges and advantages of any institution, department or agency of the state of Kansas or any political subdivision or municipality thereof.

Sec. 48. K.S.A. 44-1015 is hereby amended to read as follows: 44-1015. As used in this act, unless the context otherwise requires:

(a) "Commission" means the Kansas human rights commission.

(b) "Real property" means and includes:
(1) All vacant or unimproved land; and
(2) any building or structure which is occupied or designed or intended for occupancy, or any building or structure having a portion thereof which is occupied or designed or intended for occupancy.

(c) "Family" includes a single individual.

(d) "Person" means an individual, corporation, partnership, association, labor organization, legal representative, mutual company, joint-stock company, trust, unincorporated organization, trustee, trustee in bankruptcy, receiver and fiduciary.

(e) "To rent" means to lease, to sublease, to let and otherwise to grant for a consideration the right to occupy premises not owned by the occupant.

(f) "Discriminatory housing practice" means any act that is unlawful under K.S.A. 44-1016, 44-1017 or 44-1026, and amendments thereto, or section 32, and amendments thereto.

(g) "Person aggrieved" means any person who claims to have been injured by a discriminatory housing practice or believes that such person will be injured by a discriminatory housing practice that is about to occur.

(h) "Disability" has the meaning provided by K.S.A. 44-1002 and amendments thereto.

(i) "Familial status" means having one or more individuals less than 18 years of age domiciled with:
(1) A parent or another person having legal custody of such individual or individuals; or
(2) the designee of such parent or other person having such custody, with the written permission of such parent or other person.

Sec. 49. K.S.A. 2017 Supp. 65-1120, as amended by section 5 of chapter 65 of the 2018 Session Laws of Kansas, is hereby amended to read as follows: 65-1120. (a) *Grounds for disciplinary actions.* The board may deny, revoke, limit or suspend any license or authorization to practice nursing as a registered professional nurse, as a licensed practical nurse, as an advanced practice registered nurse or as a registered nurse anesthetist that is issued by the board or applied for under this act, or may require the licensee to attend a specific number of hours of continuing education in
addition to any hours the licensee may already be required to attend or
may publicly or privately censure a licensee or holder of a temporary
permit or authorization, if the applicant, licensee or holder of a temporary
permit or authorization is found after hearing:

(1) To be guilty of fraud or deceit in practicing nursing or in
procuring or attempting to procure a license to practice nursing;
(2) to have been guilty of a felony or to have been guilty of a
misdemeanor involving an illegal drug offense unless the applicant or
licensee establishes sufficient rehabilitation to warrant the public trust,
except that notwithstanding K.S.A. 74-120, and amendments thereto, no
license or authorization to practice nursing as a licensed professional
nurse, as a licensed practical nurse, as an advanced practice registered
nurse or registered nurse anesthetist shall be granted to a person with a
felony conviction for a crime against persons as specified in article 34 of
chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or article
54 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 74-120, 74-121,
and amendments thereto;
(3) has been convicted or found guilty or has entered into an agreed
disposition of a misdemeanor offense related to the practice of nursing as
determined on a case-by-case basis;
(4) to have committed an act of professional incompetency as defined
in subsection (e);
(5) to be unable to practice with skill and safety due to current abuse
of drugs or alcohol;
(6) to be a person who has been adjudged in need of a guardian or
conservator, or both, under the act for obtaining a guardian or conservator,
or both, and who has not been restored to capacity under that act;
(7) to be guilty of unprofessional conduct as defined by rules and
regulations of the board;
(8) to have willfully or repeatedly violated the provisions of the
Kansas nurse practice act or any rules and regulations adopted pursuant to
that act, including K.S.A. 65-1114 and 65-1122, and amendments thereto;
(9) to have a license to practice nursing as a registered nurse or as a
practical nurse denied, revoked, limited or suspended, or to be publicly or
privately censured, by a licensing authority of another state, agency of the
United States government, territory of the United States or country or to
have other disciplinary action taken against the applicant or licensee by a
licensing authority of another state, agency of the United States
government, territory of the United States or country. A certified copy of
the record or order of public or private censure, denial, suspension,
limitation, revocation or other disciplinary action of the licensing authority
of another state, agency of the United States government, territory of the
United States or country shall constitute prima facie evidence of such a
fact for purposes of this paragraph (9); or

(10) to have assisted suicide in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2017 2018 Supp. 21-5407, and amendments thereto, as established by any of the following:

(A) A copy of the record of criminal conviction or plea of guilty for a felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2017 2018 Supp. 21-5407, and amendments thereto.

(B) A copy of the record of a judgment of contempt of court for violating an injunction issued under K.S.A. 2017 2018 Supp. 60-4404, and amendments thereto.

(C) A copy of the record of a judgment assessing damages under K.S.A. 2017 2018 Supp. 60-4405, and amendments thereto.

(b) Proceedings. Upon filing of a sworn complaint with the board charging a person with having been guilty of any of the unlawful practices specified in subsection (a), two or more members of the board shall investigate the charges, or the board may designate and authorize an employee or employees of the board to conduct an investigation. After investigation, the board may institute charges. If an investigation, in the opinion of the board, reveals reasonable grounds for believing the applicant or licensee is guilty of the charges, the board shall fix a time and place for proceedings, which shall be conducted in accordance with the provisions of the Kansas administrative procedure act.

(c) Witnesses. No person shall be excused from testifying in any proceedings before the board under this act or in any civil proceedings under this act before a court of competent jurisdiction on the ground that such testimony may incriminate the person testifying, but such testimony shall not be used against the person for the prosecution of any crime under the laws of this state except the crime of perjury as defined in K.S.A. 2017 2018 Supp. 21-5903, and amendments thereto.

(d) Costs. If final agency action of the board in a proceeding under this section is adverse to the applicant or licensee, the costs of the board's proceedings shall be charged to the applicant or licensee as in ordinary civil actions in the district court, but if the board is the unsuccessful party, the costs shall be paid by the board. Witness fees and costs may be taxed by the board according to the statutes relating to procedure in the district court. All costs accrued by the board, when it is the successful party, and which the attorney general certifies cannot be collected from the applicant or licensee shall be paid from the board of nursing fee fund. All moneys collected following board proceedings shall be credited in full to the board of nursing fee fund.

(e) Professional incompetency defined. As used in this section, "professional incompetency" means:

(1) One or more instances involving failure to adhere to the
applicable standard of care to a degree which constitutes gross
negligence, as determined by the board;
(2) repeated instances involving failure to adhere to the applicable
standard of care to a degree which constitutes ordinary negligence, as
determined by the board; or
(3) a pattern of practice or other behavior which demonstrates a
manifest incapacity or incompetence to practice nursing.
(f) Criminal justice information. The board upon request shall receive
from the Kansas bureau of investigation such criminal history record
information relating to arrests and criminal convictions as necessary for
the purpose of determining initial and continuing qualifications of
licensees of and applicants for licensure by the board.
(g) The board shall not deny, revoke, limit or suspend an advanced
practice registered nurse's license or publicly or privately censure an
advanced practice registered nurse upon any of the following:
(1) The advanced practice registered nurse has:
(A) Advised a patient about the possible benefits and risks of using
medical cannabis or cannabis derivatives; or
(B) Advised a patient that using medical cannabis or cannabis
derivatives may mitigate the patient's symptoms; or
(2) the advanced practice registered nurse holds a medical cannabis
license or medical cannabis caregiver license issued under section 12, and
amendments thereto, possesses or has possessed, or uses or has used
medical cannabis or cannabis derivatives in accordance with the human solution
for Kansas act, section 1 et seq., and amendments thereto.
Sec. 50. K.S.A. 65-2836 is hereby amended to read as follows: 65-
2836. (a) A licensee's license may be revoked, suspended or limited, or the
licensee may be publicly censured or placed under probationary
conditions, or an application for a license or for reinstatement of a license
may be denied upon a finding of the existence of any of the following
grounds:
(a)(1) The licensee has committed fraud or misrepresentation in
applying for or securing an original, renewal or reinstated license.
(b)(2) The licensee has committed an act of unprofessional or
dishonorable conduct or professional incompetency, except that the board
may take appropriate disciplinary action or enter into a non-disciplinary
resolution when a licensee has engaged in any conduct or professional
practice on a single occasion that, if continued, would reasonably be
expected to constitute an inability to practice the healing arts with
reasonable skill and safety to patients or unprofessional conduct as defined
in K.S.A. 65-2837, and amendments thereto.
(e)(3) The licensee has been convicted of a felony or class A
misdemeanor, or substantially similar offense in another jurisdiction,
whether or not related to the practice of the healing arts. The licensee has
been convicted in a special or general court-martial, whether or not related
to the practice of the healing arts. The board shall revoke a licensee's
license following conviction of a felony or substantially similar offense in
another jurisdiction, or following conviction in a general court-martial
occurring after July 1, 2000, unless a $2/3$ majority of the board members
present and voting determine by clear and convincing evidence that such
licensee will not pose a threat to the public in such person's capacity as a
licensee and that such person has been sufficiently rehabilitated to warrant
the public trust. In the case of a person who has been convicted of a felony
or convicted in a general court-martial and who applies for an original
license or to reinstate a canceled license, the application for a license shall
be denied unless a $2/3$ majority of the board members present and voting on
such application determine by clear and convincing evidence that such
person will not pose a threat to the public in such person's capacity as a
licensee and that such person has been sufficiently rehabilitated to warrant
the public trust.

(d)(4) The licensee has used fraudulent or false advertisements.
(e)(5) The licensee is addicted to or has distributed intoxicating
liquors or drugs for any other than lawful purposes.
(f)(6) The licensee has willfully or repeatedly violated this act, the
pharmacy act of the state of Kansas or the uniform controlled substances
act, or any rules and regulations adopted pursuant thereto, or any rules and
regulations of the secretary of health and environment—which that are
relevant to the practice of the healing arts.
(g)(7) The licensee has unlawfully invaded the field of practice of any
branch of the healing arts in which the licensee is not licensed to practice.
(h)(8) The licensee has engaged in the practice of the healing arts
under a false or assumed name, or the impersonation of another
practitioner. The provisions of this subsection relating to an assumed name
shall not apply to licensees practicing under a professional corporation or
other legal entity duly authorized to provide such professional services in
the state of Kansas.
(i)(9) The licensee's ability to practice the healing arts with
reasonable skill and safety to patients is impaired by reason of physical or
mental illness, or condition or use of alcohol, drugs or controlled
substances. All information, reports, findings and other records relating to
impairment shall be confidential and not subject to discovery by or release
to any person or entity outside of a board proceeding.
(j)(10) The licensee has had a license to practice the healing arts
revoked, suspended or limited, has been censured or has had other
disciplinary action taken, or an application for a license denied, by the
proper licensing authority of another state, territory, District of Columbia,
The licensee has violated any lawful rule and regulation promulgated by the board or violated any lawful order or directive of the board previously entered by the board.

The licensee has failed to report or reveal the knowledge required to be reported or revealed under K.S.A. 65-28,122, and amendments thereto.

The licensee, if licensed to practice medicine and surgery, has failed to inform in writing a patient suffering from any form of abnormality of the breast tissue for which surgery is a recommended form of treatment, of alternative methods of treatment recognized by licensees of the same profession in the same or similar communities as being acceptable under like conditions and circumstances.

The licensee has cheated on or attempted to subvert the validity of the examination for a license.

The licensee has been found to be mentally ill, disabled, not guilty by reason of insanity, not guilty because the licensee suffers from a mental disease or defect or incompetent to stand trial by a court of competent jurisdiction.

The licensee has prescribed, sold, administered, distributed or given a controlled substance to any person for other than medically accepted or lawful purposes.

The licensee has violated a federal law or regulation relating to controlled substances.

The licensee has failed to furnish the board, or its investigators or representatives, any information legally requested by the board.

Sanctions or disciplinary actions have been taken against the licensee by a peer review committee, health care facility, a governmental agency or department or a professional association or society for acts or conduct similar to acts or conduct which would constitute grounds for disciplinary action under this section.

The licensee has failed to report to the board any adverse action taken against the licensee by another state or licensing jurisdiction, a peer review body, a health care facility, a professional association or society, a governmental agency, by a law enforcement agency or a court for acts or conduct similar to acts or conduct which would constitute grounds for disciplinary action under this section.

The licensee has surrendered a license or authorization to practice the healing arts in another state or jurisdiction, has surrendered the authority to utilize controlled substances issued by any state or federal agency, has agreed to a limitation to or restriction of privileges at any medical care facility or has surrendered the licensee's membership on any professional staff or in any professional association or society while under
investigation for acts or conduct similar to acts or conduct—which would constitute grounds for disciplinary action under this section.

(ⅲ)(22) The licensee has failed to report to the board surrender of the licensee's license or authorization to practice the healing arts in another state or jurisdiction or surrender of the licensee's membership on any professional staff or in any professional association or society while under investigation for acts or conduct similar to acts or conduct—which would constitute grounds for disciplinary action under this section.

(ⅳ)(23) The licensee has an adverse judgment, award or settlement against the licensee resulting from a medical liability claim related to acts or conduct similar to acts or conduct—which would constitute grounds for disciplinary action under this section.

(ⅸ)(24) The licensee has failed to report to the board any adverse judgment, settlement or award against the licensee resulting from a medical malpractice liability claim related to acts or conduct similar to acts or conduct—which would constitute grounds for disciplinary action under this section.

(ⅹ)(25) The licensee has failed to maintain a policy of professional liability insurance as required by K.S.A. 40-3402 or 40-3403a, and amendments thereto.

(ⅻ)(26) The licensee has failed to pay the premium surcharges as required by K.S.A. 40-3404, and amendments thereto.

((aa)(27) The licensee has knowingly submitted any misleading, deceptive, untrue or fraudulent representation on a claim form, bill or statement.

(bb)(28) The licensee as the supervising physician for a physician assistant has failed to adequately direct and supervise the physician assistant in accordance with the physician assistant licensure act or rules and regulations adopted under such act.

(ee)(29) The licensee has assisted suicide in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2018 Supp. 21-5407, and amendments thereto, as established by any of the following:

(A) A copy of the record of criminal conviction or plea of guilty for a felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2018 Supp. 21-5407, and amendments thereto.

(B) A copy of the record of a judgment of contempt of court for violating an injunction issued under K.S.A. 60-4404, and amendments thereto.

(C) A copy of the record of a judgment assessing damages under K.S.A. 60-4405, and amendments thereto.

(dd)(30) The licensee has given a worthless check or stopped payment on a debit or credit card for fees or moneys legally due to the board.
The licensee has knowingly or negligently abandoned medical records.

(b) The board shall not revoke, suspend or limit a physician's license, publicly censure a physician or place a physician's license under probationary conditions upon any of the following:

(1) The physician has:

(A) Advised a patient about the possible benefits and risks of using medical cannabis or cannabis derivatives;

(B) advised the patient that using medical cannabis or cannabis derivatives may mitigate the patient's symptoms; or

(C) signed a patient's application for a medical cannabis license in accordance with section 4, and amendments thereto; or

(2) the physician holds a medical cannabis license or medical cannabis caregiver license issued under section 12, and amendments thereto, possess or has possessed, or uses or has used cannabis or cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto.

Sec. 51. K.S.A. 65-28a05 is hereby amended to read as follows: 65-28a05. (a) A licensee's license may be revoked, suspended or limited, or the licensee may be publicly or privately censured, or an application for a license or for reinstatement of a license may be denied upon a finding of the existence of any of the following grounds:

(1) The licensee has committed an act of unprofessional conduct as defined by rules and regulations adopted by the board;

(2) the licensee has obtained a license by means of fraud, misrepresentations or concealment of material facts;

(3) the licensee has committed an act of professional incompetency as defined by rules and regulations adopted by the board;

(4) the licensee has been convicted of a felony;

(5) the licensee has violated any provision of this act, and amendments thereto;

(6) the licensee has violated any lawful order or rule and regulation of the board;

(7) the licensee has been found to be mentally ill, disabled, not guilty by reason of insanity, not guilty because the licensee suffers from a mental disease or defect or is incompetent to stand trial by a court of competent jurisdiction;

(8) the licensee has violated a federal law or regulation relating to controlled substances;

(9) the licensee has failed to report to the board any adverse action taken against the licensee by another state or licensing jurisdiction, a peer review body, a health care facility, a professional association or society, a governmental agency, by a law enforcement agency or a court for acts or
conduct similar to acts or conduct which would constitute grounds for
disciplinary action under this section;

\( \text{(i)(10)} \) the licensee has surrendered a license or authorization to
practice as a physician assistant in another state or jurisdiction, has
surrendered the authority to utilize controlled substances issued by any
state or federal agency, has agreed to a limitation to or restriction of
privileges at any medical care facility or has surrendered the licensee's
membership on any professional staff or in any professional association or
society while under investigation for acts or conduct similar to acts or conduct
which would constitute grounds for disciplinary action under this section;

\( \text{(k)(11)} \) the licensee has failed to report to the board the surrender of
the licensee's license or authorization to practice as a physician assistant in
another state or jurisdiction or the surrender of the licensee's membership
on any professional staff or in any professional association or society
while under investigation for acts or conduct which would constitute grounds for disciplinary action under this section;

\( \text{(l)(12)} \) the licensee has an adverse judgment, award or settlement
against the licensee resulting from a medical liability claim related to acts
or conduct similar to acts or conduct which would constitute grounds for disciplinary action under this section;

\( \text{(m)(13)} \) the licensee has failed to report to the board any adverse
judgment, settlement or award against the licensee resulting from a
medical malpractice liability claim related to acts or conduct similar to acts
or conduct which would constitute grounds for disciplinary action
under this section;

\( \text{(n)(14)} \) the licensee's ability to practice with reasonable skill and
safety to patients is impaired by reason of physical or mental illness, or
condition or use of alcohol, drugs or controlled substances. All
information, reports, findings and other records relating to impairment
shall be confidential and not subject to discovery by or release to any
person or entity outside of a board proceeding;

\( \text{(o)(15)} \) the licensee has exceeded or has acted outside the scope of
authority given the physician assistant by the supervising physician or by
this act; or

\( \text{(p)(16)} \) the licensee has assisted suicide in violation of K.S.A. 21-
3406, prior to its repeal, or K.S.A. 2018 Supp. 21-5407, and amendments
thereto, as established by any of the following:

\( \text{(A)} \) A copy of the record of criminal conviction or plea of guilty
for a felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A.
2018 Supp. 21-5407, and amendments thereto.

\( \text{(B)} \) A copy of the record of a judgment of contempt of court for
violating an injunction issued under K.S.A. 60-4404, and amendments thereto.

(3)(C) A copy of the record of a judgment assessing damages under K.S.A. 60-4405, and amendments thereto.

(b) The board shall not revoke, suspend or limit a physician assistant's license, publicly or privately censure a physician assistant or deny an application for a license or for reinstatement of a license upon any of the following:

(1) The physician assistant has:
   (A) Advised a patient about the possible benefits and risks of using medical cannabis or cannabis derivatives; or
   (B) advised the patient that using medical cannabis or cannabis derivatives may mitigate the patient's symptoms; or

(2) the physician assistant holds a medical cannabis license or medical cannabis caregiver license issued under section 12, and amendments thereto, possess or has possessed, or uses or has used cannabis or cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto.

Sec. 52. K.S.A. 65-28b08 is hereby amended to read as follows: 65-28b08. (a) The board may deny, revoke, limit or suspend any license or authorization issued to a certified nurse-midwife to engage in the independent practice of midwifery that is issued by the board or applied for under this act, or may publicly censure a licensee or holder of a temporary permit or authorization, if the applicant or licensee is found after a hearing:

(1) To be guilty of fraud or deceit while engaging in the independent practice of midwifery or in procuring or attempting to procure a license to engage in the independent practice of midwifery;

(2) to have been found guilty of a felony or to have been found guilty of a misdemeanor involving an illegal drug offense unless the applicant or licensee establishes sufficient rehabilitation to warrant the public trust, except that notwithstanding K.S.A. 74-120, and amendments thereto, no license or authorization to practice and engage in the independent practice of midwifery shall be granted to a person with a felony conviction for a crime against persons as specified in article 34 of chapter 21 of the Kansas Statutes Annotated, prior to its repeal, or article 54 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, or K.S.A. 2018 Supp. 21-6104, 21-6325, 21-6326 or 21-6418, and amendments thereto;

(3) to have committed an act of professional incompetence as defined in subsection (c);

(4) to be unable to practice the healing arts with reasonable skill and safety by reason of impairment due to physical or mental illness or condition or use of alcohol, drugs or controlled substances. All
information, reports, findings and other records relating to impairment
shall be confidential and not subject to discovery or release to any person
or entity outside of a board proceeding. The provisions of this paragraph
providing confidentiality of records shall expire on July 1, 2022, unless the
legislature reviews and reenacts such provisions pursuant to K.S.A. 45-
229, and amendments thereto, prior to July 1, 2022;
(5) to be a person who has been adjudged in need of a guardian or
conservator, or both, under the act for obtaining a guardian or conservator,
or both, and who has not been restored to capacity under that act;
(6) to be guilty of unprofessional conduct as defined by rules and
regulations of the board;
(7) to have willfully or repeatedly violated the provisions of the
Kansas nurse practice act or any rules and regulations adopted pursuant to
that act;
(8) to have a license to practice nursing as a registered nurse or as a
practical nurse denied, revoked, limited or suspended, or to have been
publicly or privately censured, by a licensing authority of another state,
agency of the United States government, territory of the United States or
country, or to have other disciplinary action taken against the applicant or
licensee by a licensing authority of another state, agency of the United
States government, territory of the United States or country. A certified
copy of the record or order of public or private censure, denial, suspension,
limitation, revocation or other disciplinary action of the licensing authority
of another state, agency of the United States government, territory of the
United States or country shall constitute prima facie evidence of such a
fact for purposes of this paragraph; or
(9) to have assisted suicide in violation of K.S.A. 21-3406, prior to its
repeal, or K.S.A. 2018 Supp. 21-5407, and amendments thereto, as
established by any of the following:
(A) A copy of the record of criminal conviction or plea of guilty to a
felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2018
Supp. 21-5407, and amendments thereto;
(B) a copy of the record of a judgment of contempt of court for
violating an injunction issued under K.S.A. 60-4404, and amendments
thereto; or
(C) a copy of the record of a judgment assessing damages under
K.S.A. 60-4405, and amendments thereto.
(b) No person shall be excused from testifying in any proceedings
before the board under this act or in any civil proceedings under this act
before a court of competent jurisdiction on the ground that such testimony
may incriminate the person testifying, but such testimony shall not be used
against the person for the prosecution of any crime under the laws of this
state, except the crime of perjury as defined in K.S.A. 2018 Supp. 21-
5903, and amendments thereto.

(c) As used in this section, "professional incompetency" means:

(1) One or more instances involving failure to adhere to the applicable standard of care to a degree which constitutes gross negligence, as determined by the board;

(2) repeated instances involving failure to adhere to the applicable standard of care to a degree which constitutes ordinary negligence, as determined by the board; or

(3) a pattern of practice or other behavior which demonstrates a manifest incapacity or incompetence to engage in the independent practice of midwifery.

(d) The board, upon request, shall receive from the Kansas bureau of investigation such criminal history record information relating to arrests and criminal convictions, as necessary, for the purpose of determining initial and continuing qualifications of licensees and applicants for licensure by the board.

(e) The provisions of this section shall become effective on January 1, 2017. The board shall not deny, revoke, limit or suspend any license or authorization issued to a certified nurse-midwife or publicly censure a certified nurse-midwife upon any of the following:

(1) The certified nurse-midwife has:

(A) Advised a patient about the possible benefits and risks of using medical cannabis or cannabis derivatives; or

(B) advised the patient that using medical cannabis or cannabis derivatives may mitigate the patient's symptoms; or

(2) the certified nurse-midwife holds a medical cannabis license or medical cannabis caregiver license issued under section 12, and amendments thereto, possess or has possessed, or uses or has used cannabis or cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto.

Sec. 53. K.S.A. 2018 Supp. 79-3606 is hereby amended to read as follows: 79-3606. The following shall be exempt from the tax imposed by this act:

(a) All sales of motor-vehicle fuel, cannabis and cannabis derivatives in accordance with the human solution for Kansas act, section 1 et seq., and amendments thereto, or other articles upon which a sales or excise tax has been paid, not subject to refund, under the laws of this state except cigarettes and electronic cigarettes as defined by K.S.A. 79-3301, and amendments thereto, including consumable material for such electronic cigarettes, cereal malt beverages and malt products as defined by K.S.A. 79-3817, and amendments thereto, including wort, liquid malt, malt syrup and malt extract, that is not subject to taxation under the provisions of K.S.A. 79-41a02, and amendments thereto, motor vehicles taxed pursuant
to K.S.A. 79-5117, and amendments thereto, tires taxed pursuant to K.S.A. 65-3424d, and amendments thereto, drycleaning and laundry services taxed pursuant to K.S.A. 65-34,150, and amendments thereto, and gross receipts from regulated sports contests taxed pursuant to the Kansas professional regulated sports act, and amendments thereto;

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

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

(d) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any public or private nonprofit hospital or public hospital authority, public or private elementary or secondary school, a public or private nonprofit educational institution, state correctional institution including a privately constructed correctional institution contracted for state use and ownership, that would be exempt from taxation under the provisions of this act if purchased directly by such hospital or public hospital authority, school, educational institution or a state correctional institution; and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any political subdivision of the state or district described in subsection (s), the total cost of which is paid from funds of such political subdivision or district and that would be
exempt from taxation under the provisions of this act if purchased directly
by such political subdivision or district. Nothing in this subsection or in
the provisions of K.S.A. 12-3418, and amendments thereto, shall be
deemed to exempt the purchase of any construction machinery, equipment
or tools used in the constructing, equipping, reconstructing, maintaining,
repairing, enlarging, furnishing or remodeling facilities for any political
subdivision of the state or any such district. As used in this subsection,
K.S.A. 12-3418 and 79-3640, and amendments thereto, "funds of a
political subdivision" shall mean general tax revenues, the proceeds of any
bonds and gifts or grants-in-aid. Gifts shall not mean funds used for the
purpose of constructing, equipping, reconstructing, repairing, enlarging,
furnishing or remodeling facilities that are to be leased to the donor. When
any political subdivision of the state, district described in subsection (s),
public or private nonprofit hospital or public hospital authority, public or
private elementary or secondary school, public or private nonprofit
educational institution, state correctional institution including a privately
constructed correctional institution contracted for state use and ownership
shall contract for the purpose of constructing, equipping, reconstructing,
maintaining, repairing, enlarging, furnishing or remodeling facilities, it
shall obtain from the state and furnish to the contractor an exemption
certificate for the project involved, and the contractor may purchase
materials for incorporation in such project. The contractor shall furnish the
number of such certificate to all suppliers from whom such purchases are
made, and such suppliers shall execute invoices covering the same bearing
the number of such certificate. Upon completion of the project the
contractor shall furnish to the political subdivision, district described in
subsection (s), hospital or public hospital authority, school, educational
institution or department of corrections concerned a sworn statement, on a
form to be provided by the director of taxation, that all purchases so made
were entitled to exemption under this subsection. As an alternative to the
foregoing procedure, any such contracting entity may apply to the
secretary of revenue for agent status for the sole purpose of issuing and
furnishing project exemption certificates to contractors pursuant to rules
and regulations adopted by the secretary establishing conditions and
standards for the granting and maintaining of such status. All invoices
shall be held by the contractor for a period of five years and shall be
subject to audit by the director of taxation. If any materials purchased
under such a certificate are found not to have been incorporated in the
building or other project or not to have been returned for credit or the sales
or compensating tax otherwise imposed upon such materials that will not
be so incorporated in the building or other project reported and paid by
such contractor to the director of taxation not later than the 20th day of the
month following the close of the month in which it shall be determined
that such materials will not be used for the purpose for which such certificate was issued, the political subdivision, district described in subsection (s), hospital or public hospital authority, school, educational institution or the contractor contracting with the department of corrections for a correctional institution concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

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

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

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

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

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

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

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

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

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

(n) all sales of tangible personal property that is consumed in the
compounding of tangible personal property, the treating of by-products or
wastes derived from any such production process, the providing of
services or the irrigation of crops for ultimate sale at retail within or
without the state of Kansas; and any purchaser of such property may
obtain from the director of taxation and furnish to the supplier an
exemption certificate number for tangible personal property for
consumption in such production, manufacture, processing, mining,
drilling, refining, compounding, treating, irrigation and in providing such
services;

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

(p) all sales of drugs dispensed pursuant to a prescription order by a
licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-
1626, and amendments thereto. As used in this subsection, "drug" means a
compound, substance or preparation and any component of a compound,
substance or preparation, other than food and food ingredients, dietary
supplements or alcoholic beverages, recognized in the official United
States pharmacopeia, official homeopathic pharmacopoeia of the United
States or official national formulary, and supplement to any of them,
intended for use in the diagnosis, cure, mitigation, treatment or prevention
of disease or intended to affect the structure or any function of the body,
except that for taxable years commencing after December 31, 2013, this
subsection shall not apply to any sales of drugs used in the performance or
induction of an abortion, as defined in K.S.A. 65-6701, and amendments
thereto;

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

(r) all sales of oxygen delivery equipment, kidney dialysis equipment,
enteral feeding systems, prosthetic devices and mobility enhancing
equipment prescribed in writing by a person licensed to practice the
healing arts, dentistry or optometry, and in addition to such sales, all sales
of hearing aids, as defined by K.S.A. 74-5807(c), and amendments thereto,
and repair and replacement parts therefor, including batteries, by a person
licensed in the practice of dispensing and fitting hearing aids pursuant to
the provisions of K.S.A. 74-5808, and amendments thereto. For the
purposes of this subsection: (1) "Mobility enhancing equipment" means
equipment including repair and replacement parts to same, but does not
include durable medical equipment, which is primarily and customarily
used to provide or increase the ability to move from one place to another
and which is appropriate for use either in a home or a motor vehicle; is not
generally used by persons with normal mobility; and does not include any
motor vehicle or equipment on a motor vehicle normally provided by a
motor vehicle manufacturer; and (2) "prosthetic device" means a
replacement, corrective or supportive device including repair and
replacement parts for same worn on or in the body to artificially replace a
missing portion of the body, prevent or correct physical deformity or
malfunction or support a weak or deformed portion of the body;
(s) except as provided in K.S.A. 2018 Supp. 82a-2101, and
amendments thereto, all sales of tangible personal property or services
purchased directly or indirectly by a groundwater management district
organized or operating under the authority of K.S.A. 82a-1020 et seq., and
amendments thereto, by a rural water district organized or operating under
the authority of K.S.A. 82a-612, and amendments thereto, or by a water
supply district organized or operating under the authority of K.S.A. 19-
3501 et seq., 19-3522 et seq. or 19-3545, and amendments thereto, which
property or services are used in the construction activities, operation or
maintenance of the district;
(t) all sales of farm machinery and equipment or aquaculture
machinery and equipment, repair and replacement parts therefor and
services performed in the repair and maintenance of such machinery and
equipment. For the purposes of this subsection the term "farm machinery
and equipment or aquaculture machinery and equipment" shall include a
work-site utility vehicle, as defined in K.S.A. 8-126, and amendments
thereto, and is equipped with a bed or cargo box for hauling materials, and
shall also include machinery and equipment used in the operation of
Christmas tree farming but shall not include any passenger vehicle, truck,
truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as
such terms are defined by K.S.A. 8-126, and amendments thereto. "Farm
machinery and equipment" includes precision farming equipment that is
portable or is installed or purchased to be installed on farm machinery and
equipment. "Precision farming equipment" includes the following items
used only in computer-assisted farming, ranching or aquaculture
production operations: Soil testing sensors, yield monitors, computers,
monitors, software, global positioning and mapping systems, guiding
systems, modems, data communications equipment and any necessary
mounting hardware, wiring and antennas. Each purchaser of farm
machinery and equipment or aquaculture machinery and equipment
exempted herein must certify in writing on the copy of the invoice or sales
ticket to be retained by the seller that the farm machinery and equipment
or aquaculture machinery and equipment purchased will be used only in
farming, ranching or aquaculture production. Farming or ranching shall
include the operation of a feedlot and farm and ranch work for hire and the
operation of a nursery;
(u) all leases or rentals of tangible personal property used as a
dwelling if such tangible personal property is leased or rented for a period
of more than 28 consecutive days;
(v) all sales of tangible personal property to any contractor for use in
preparing meals for delivery to homebound elderly persons over 60 years
of age and to homebound disabled persons or to be served at a group-
sitting at a location outside of the home to otherwise homebound elderly
persons over 60 years of age and to otherwise homebound disabled
persons, as all or part of any food service project funded in whole or in
part by government or as part of a private nonprofit food service project
available to all such elderly or disabled persons residing within an area of
service designated by the private nonprofit organization, and all sales of
tangible personal property for use in preparing meals for consumption by
indigent or homeless individuals whether or not such meals are consumed
at a place designated for such purpose, and all sales of food products by or
on behalf of any such contractor or organization for any such purpose;
(w) all sales of natural gas, electricity, heat and water delivered
through mains, lines or pipes: (1) To residential premises for
noncommercial use by the occupant of such premises; (2) for agricultural
use and also, for such use, all sales of propane gas; (3) for use in the
severing of oil; and (4) to any property which is exempt from property
taxation pursuant to K.S.A. 79-201b, Second through Sixth. As used in this
paragraph, "severing" means the same as defined in K.S.A. 79-4216(k),
and amendments thereto. For all sales of natural gas, electricity and heat
delivered through mains, lines or pipes pursuant to the provisions of
subsection (w)(1) and (w)(2), the provisions of this subsection shall expire
on December 31, 2005;
(x) 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 occurring prior to January 1, 2006;
(y) all sales of materials and services used in the repairing, servicing,
altering, maintaining, manufacturing, remanufacturing, or modification of
railroad rolling stock for use in interstate or foreign commerce under
authority of the laws of the United States;
(z) all sales of tangible personal property and services purchased
directly by a port authority or by a contractor therefor as provided by the
provisions of K.S.A. 12-3418, and amendments thereto;
(aa) all sales of materials and services applied to equipment that is
transported into the state from without the state for repair, service,
alteration, maintenance, remanufacture or modification and that is
subsequently transported outside the state for use in the transmission of
liquids or natural gas by means of pipeline in interstate or foreign
commerce under authority of the laws of the United States;
(bb) all sales of used mobile homes or manufactured homes. As used
in this subsection: (1) "Mobile homes" and "manufactured homes" mean
the same as defined in K.S.A. 58-4202, and amendments thereto; and (2)
"sales of used mobile homes or manufactured homes" means sales other
than the original retail sale thereof;
(cc) all sales of tangible personal property or services purchased prior
to January 1, 2012, except as otherwise provided, for the purpose of and in
conjunction with constructing, reconstructing, enlarging or remodeling a
business or retail business that meets the requirements established in
K.S.A. 74-50,115, and amendments thereto, and the sale and installation of
machinery and equipment purchased for installation at any such business
or retail business, and all sales of tangible personal property or services
purchased on or after January 1, 2012, for the purpose of and in
conjunction with constructing, reconstructing, enlarging or remodeling a
business that meets the requirements established in K.S.A. 74-50,115(e),
and amendments thereto, and the sale and installation of machinery and
equipment purchased for installation at any such business. When a person
shall contract for the construction, reconstruction, enlargement or
remodeling of any such business or retail business, such person shall
obtain from the state and furnish to the contractor an exemption certificate
for the project involved, and the contractor may purchase materials,
machinery and equipment for incorporation in such project. The contractor
shall furnish the number of such certificates to all suppliers from whom
such purchases are made, and such suppliers shall execute invoices
covering the same bearing the number of such certificate. Upon
completion of the project the contractor shall furnish to the owner of the
business or retail business a sworn statement, on a form to be provided by
the director of taxation, that all purchases so made were entitled to
exemption under this subsection. All invoices shall be held by the
contractor for a period of five years and shall be subject to audit by the
director of taxation. Any contractor or any agent, employee or
subcontractor thereof, who shall use or otherwise dispose of any materials,
machinery or equipment purchased under such a certificate for any
purpose other than that for which such a certificate is issued without the
payment of the sales or compensating tax otherwise imposed thereon, shall
be guilty of a misdemeanor and, upon conviction therefor, shall be subject
to the penalties provided for in K.S.A. 79-3615(h), and amendments
thereto. As used in this subsection, "business" and "retail business" mean
the same as defined in K.S.A. 74-50,114, and amendments thereto. Project
exemption certificates that have been previously issued under this
subsection by the department of revenue pursuant to K.S.A. 74-50,115,
and amendments thereto, but not including K.S.A. 74-50,115(e), and
amendments thereto, prior to January 1, 2012, and have not expired will be
effective for the term of the project or two years from the effective date of
the certificate, whichever occurs earlier. Project exemption certificates that
are submitted to the department of revenue prior to January 1, 2012, and
are found to qualify will be issued a project exemption certificate that will
be effective for a two-year period or for the term of the project, whichever
occurs earlier;
(dd) all sales of tangible personal property purchased with food
stamps issued by the United States department of agriculture;
(ee) all sales of lottery tickets and shares made as part of a lottery
operated by the state of Kansas;
(ff) on and after July 1, 1988, all sales of new mobile homes or
manufactured homes to the extent of 40% of the gross receipts, determined
without regard to any trade-in allowance, received from such sale. As used
in this subsection, "mobile homes" and "manufactured homes" mean the
same as defined in K.S.A. 58-4202, and amendments thereto;
(gg) all sales of tangible personal property purchased in accordance
with vouchers issued pursuant to the federal special supplemental food
program for women, infants and children;
(hh) all sales of medical supplies and equipment, including durable
medical equipment, purchased directly by a nonprofit skilled nursing home
or nonprofit intermediate nursing care home, as defined by K.S.A. 39-923,
and amendments thereto, for the purpose of providing medical services to
residents thereof. This exemption shall not apply to tangible personal
property customarily used for human habitation purposes. As used in this
subsection, "durable medical equipment" means equipment including
repair and replacement parts for such equipment, that can withstand
repeated use, is primarily and customarily used to serve a medical purpose,
genernally is not useful to a person in the absence of illness or injury and is
not worn in or on the body, but does not include mobility enhancing
equipment as defined in subsection (r), oxygen delivery equipment, kidney
dialysis equipment or enteral feeding systems;
(ii) all sales of tangible personal property purchased directly by a
nonprofit organization for nonsectarian comprehensive multidiscipline
youth development programs and activities provided or sponsored by such
organization, and all sales of tangible personal property by or on behalf of
any such organization. This exemption shall not apply to tangible personal
property customarily used for human habitation purposes;
(jj) all sales of tangible personal property or services, including the
renting and leasing of tangible personal property, purchased directly on
behalf of a community-based facility for people with intellectual disability
or mental health center organized pursuant to K.S.A. 19-4001 et seq., and
amendments thereto, and licensed in accordance with the provisions of K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, and all sales of tangible personal property or services purchased by contractors during the time period from July, 2003, through June, 2006, for the purpose of constructing, equipping, maintaining or furnishing a new facility for a community-based facility for people with intellectual disability or mental health center located in Riverton, Cherokee County, Kansas, that would have been eligible for sales tax exemption pursuant to this subsection if purchased directly by such facility or center. This exemption shall not apply to tangible personal property customarily used for human habitation purposes;

(kk) (1) (A) all sales of machinery and equipment that are used in this state as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility;
(B) all sales of installation, repair and maintenance services performed on such machinery and equipment; and
(C) all sales of repair and replacement parts and accessories purchased for such machinery and equipment.

(2) For purposes of this subsection:
(A) "Integrated production operation" means an integrated series of operations engaged in at a manufacturing or processing plant or facility to process, transform or convert tangible personal property by physical, chemical or other means into a different form, composition or character from that in which it originally existed. Integrated production operations shall include: (i) Production line operations, including packaging operations; (ii) preproduction operations to handle, store and treat raw materials; (iii) post production handling, storage, warehousing and distribution operations; and (iv) waste, pollution and environmental control operations, if any;
(B) "production line" means the assemblage of machinery and equipment at a manufacturing or processing plant or facility where the actual transformation or processing of tangible personal property occurs;
(C) "manufacturing or processing plant or facility" means a single, fixed location owned or controlled by a manufacturing or processing business that consists of one or more structures or buildings in a contiguous area where integrated production operations are conducted to manufacture or process tangible personal property to be ultimately sold at retail. Such term shall not include any facility primarily operated for the purpose of conveying or assisting in the conveyance of natural gas, electricity, oil or water. A business may operate one or more manufacturing or processing plants or facilities at different locations to manufacture or process a single product of tangible personal property to be ultimately sold at retail;
(D) "manufacturing or processing business" means a business that utilizes an integrated production operation to manufacture, process, fabricate, finish or assemble items for wholesale and retail distribution as part of what is commonly regarded by the general public as an industrial manufacturing or processing operation or an agricultural commodity processing operation. (i) Industrial manufacturing or processing operations include, by way of illustration but not of limitation, the fabrication of automobiles, airplanes, machinery or transportation equipment, the fabrication of metal, plastic, wood or paper products, electricity power generation, water treatment, petroleum refining, chemical production, wholesale bottling, newspaper printing, ready mixed concrete production, and the remanufacturing of used parts for wholesale or retail sale. Such processing operations shall include operations at an oil well, gas well, mine or other excavation site where the oil, gas, minerals, coal, clay, stone, sand or gravel that has been extracted from the earth is cleaned, separated, crushed, ground, milled, screened, washed or otherwise treated or prepared before its transmission to a refinery or before any other wholesale or retail distribution. (ii) Agricultural commodity processing operations include, by way of illustration but not of limitation, meat packing, poultry slaughtering and dressing, processing and packaging farm and dairy products in sealed containers for wholesale and retail distribution, feed grinding, grain milling, frozen food processing, and grain handling, cleaning, blending, fumigation, drying and aeration operations engaged in by grain elevators or other grain storage facilities. (iii) Manufacturing or processing businesses do not include, by way of illustration but not of limitation, nonindustrial businesses whose operations are primarily retail and that produce or process tangible personal property as an incidental part of conducting the retail business, such as retailers who bake, cook or prepare food products in the regular course of their retail trade, grocery stores, meat lockers and meat markets that butcher or dress livestock or poultry in the regular course of their retail trade, contractors who alter, service, repair or improve real property, and retail businesses that clean, service or refurbish and repair tangible personal property for its owner;

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

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

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

(A) To receive, transport, convey, handle, treat or store raw materials in preparation of its placement on the production line;

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

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

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

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

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

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

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

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

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

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

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

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

(4) The following machinery, equipment and materials shall be deemed to be exempt even though it may not otherwise qualify as
machinery and equipment used as an integral or essential part of an integrated production operation: (A) Computers and related peripheral equipment that are utilized by a manufacturing or processing business for engineering of the finished product or for research and development or product design; (B) machinery and equipment that is utilized by a manufacturing or processing business to manufacture or rebuild tangible personal property that is used in manufacturing or processing operations, including tools, dies, molds, forms and other parts of qualifying machinery and equipment; (C) portable plants for aggregate concrete, bulk cement and asphalt including cement mixing drums to be attached to a motor vehicle; (D) industrial fixtures, devices, support facilities and special foundations necessary for manufacturing and production operations, and materials and other tangible personal property sold for the purpose of fabricating such fixtures, devices, facilities and foundations. An exemption certificate for such purchases shall be signed by the manufacturer or processor. If the fabricator purchases such material, the fabricator shall also sign the exemption certificate; (E) a manufacturing or processing business' laboratory equipment that is not located at the plant or facility, but that would otherwise qualify for exemption under subsection (3)(E); (F) all machinery and equipment used in surface mining activities as described in K.S.A. 49-601 et seq., and amendments thereto, beginning from the time a reclamation plan is filed to the acceptance of the completed final site reclamation.

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

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

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

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

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

(E) furniture and other furnishings;

(F) buildings, other than exempt machinery and equipment that is
permanently affixed to or becomes a physical part of the building, and any
other part of real estate that is not otherwise exempt;
(G) building fixtures that are not integral to the manufacturing
operation, such as utility systems for heating, ventilation, air conditioning,
communications, plumbing or electrical;
(H) machinery and equipment used for general plant heating, cooling
and lighting;
(I) motor vehicles that are registered for operation on public
highways; or
(J) employee apparel, except safety and protective apparel that is
purchased by an employer and furnished gratuitously to employees who
are involved in production or research activities.
(6) Subsections (3) and (5) shall not be construed as exclusive listings
of the machinery and equipment that qualify or do not qualify as an
integral or essential part of an integrated production operation. When
machinery or equipment is used as an integral or essential part of
production operations part of the time and for nonproduction purposes at
other times, the primary use of the machinery or equipment shall
determine whether or not such machinery or equipment qualifies for
exemption.
(7) The secretary of revenue shall adopt rules and regulations
necessary to administer the provisions of this subsection;
(ll) all sales of educational materials purchased for distribution to the
public at no charge by a nonprofit corporation organized for the purpose of
encouraging, fostering and conducting programs for the improvement of
public health, except that for taxable years commencing after December
31, 2013, this subsection shall not apply to any sales of such materials
purchased by a nonprofit corporation which performs any abortion, as
defined in K.S.A. 65-6701, and amendments thereto;
(mm) all sales of seeds and tree seedlings; fertilizers, insecticides,
herbicides, germicides, pesticides and fungicides; and services, purchased
and used for the purpose of producing plants in order to prevent soil
erosion on land devoted to agricultural use;
(nn) except as otherwise provided in this act, all sales of services
rendered by an advertising agency or licensed broadcast station or any
member, agent or employee thereof;
(oo) all sales of tangible personal property purchased by a community
action group or agency for the exclusive purpose of repairing or
weatherizing housing occupied by low-income individuals;
(pp) all sales of drill bits and explosives actually utilized in the
exploration and production of oil or gas;
(qq) all sales of tangible personal property and services purchased by
a nonprofit museum or historical society or any combination thereof,
including a nonprofit organization that is organized for the purpose of stimulating public interest in the exploration of space by providing educational information, exhibits and experiences, that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(rr) all sales of tangible personal property that will admit the purchaser thereof to any annual event sponsored by a nonprofit organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, except that for taxable years commencing after December 31, 2013, this subsection shall not apply to any sales of such tangible personal property purchased by a nonprofit organization which performs any abortion, as defined in K.S.A. 65-6701, and amendments thereto;

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

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

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

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

(1) The American heart association, Kansas affiliate, inc. for the purposes of providing education, training, certification in emergency cardiac care, research and other related services to reduce disability and death from cardiovascular diseases and stroke;

(2) the Kansas alliance for the mentally ill, inc. for the purpose of advocacy for persons with mental illness and to education, research and support for their families;

(3) the Kansas mental illness awareness council for the purposes of advocacy for persons who are mentally ill and for education, research and support for them and their families;

(4) the American diabetes association Kansas affiliate, inc. for the purpose of eliminating diabetes through medical research, public education focusing on disease prevention and education, patient education including information on coping with diabetes, and professional education and
training;
(5) the American lung association of Kansas, inc. for the purpose of eliminating all lung diseases through medical research, public education including information on coping with lung diseases, professional education and training related to lung disease and other related services to reduce the incidence of disability and death due to lung disease;
(6) the Kansas chapters of the Alzheimer's disease and related disorders association, inc. for the purpose of providing assistance and support to persons in Kansas with Alzheimer's disease, and their families and caregivers;
(7) the Kansas chapters of the Parkinson's disease association for the purpose of eliminating Parkinson's disease through medical research and public and professional education related to such disease;
(8) the national kidney foundation of Kansas and western Missouri for the purpose of eliminating kidney disease through medical research and public and private education related to such disease;
(9) the heartstrings community foundation for the purpose of providing training, employment and activities for adults with developmental disabilities;
(10) the cystic fibrosis foundation, heart of America chapter, for the purposes of assuring the development of the means to cure and control cystic fibrosis and improving the quality of life for those with the disease;
(11) the spina bifida association of Kansas for the purpose of providing financial, educational and practical aid to families and individuals with spina bifida. Such aid includes, but is not limited to, funding for medical devices, counseling and medical educational opportunities;
(12) the CHWC, Inc., for the purpose of rebuilding urban core neighborhoods through the construction of new homes, acquiring and renovating existing homes and other related activities, and promoting economic development in such neighborhoods;
(13) the cross-lines cooperative council for the purpose of providing social services to low income individuals and families;
(14) the dreams work, inc., for the purpose of providing young adult day services to individuals with developmental disabilities and assisting families in avoiding institutional or nursing home care for a developmentally disabled member of their family;
(15) the KSDS, Inc., for the purpose of promoting the independence and inclusion of people with disabilities as fully participating and contributing members of their communities and society through the training and providing of guide and service dogs to people with disabilities, and providing disability education and awareness to the general public;
(16) the lyme association of greater Kansas City, Inc., for the purpose of providing support to persons with lyme disease and public education relating to the prevention, treatment and cure of lyme disease;

(17) the dream factory, inc., for the purpose of granting the dreams of children with critical and chronic illnesses;

(18) the Ottawa Suzuki strings, inc., for the purpose of providing students and families with education and resources necessary to enable each child to develop fine character and musical ability to the fullest potential;

(19) the international association of lions clubs for the purpose of creating and fostering a spirit of understanding among all people for humanitarian needs by providing voluntary services through community involvement and international cooperation;

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

(21) the American cancer society, inc., for the purpose of eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer, through research, education, advocacy and service;

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

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

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

(ww) all sales of tangible personal property purchased by the habitat for humanity for the exclusive use of being incorporated within a housing project constructed by such organization;

(xx) all sales of tangible personal property and services purchased by a nonprofit zoo that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, or on behalf of such zoo by an entity itself exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986 contracted with to operate such zoo and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo that would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit zoo or the entity operating such zoo. Nothing in this subsection shall be deemed to exempt the purchase of any construction
machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any nonprofit zoo. When any nonprofit zoo shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to the nonprofit zoo concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, the nonprofit zoo concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

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

(zz) all sales of machinery and equipment purchased by over-the-air, free access radio or television station that is used directly and primarily for the purpose of producing a broadcast signal or is such that the failure of the machinery or equipment to operate would cause broadcasting to cease.

For purposes of this subsection, machinery and equipment shall include, but not be limited to, that required by rules and regulations of the federal communications commission, and all sales of electricity which are
essential or necessary for the purpose of producing a broadcast signal or is
such that the failure of the electricity would cause broadcasting to cease;

(aaa) all sales of tangible personal property and services purchased by
a religious organization that is exempt from federal income taxation
pursuant to section 501(c)(3) of the federal internal revenue code, and used
exclusively for religious purposes, and all sales of tangible personal
property or services purchased by a contractor for the purpose of
constructing, equipping, reconstructing, maintaining, repairing, enlarging,
furnishing or remodeling facilities for any such organization that would be
exempt from taxation under the provisions of this section if purchased
directly by such organization. Nothing in this subsection shall be deemed
to exempt the purchase of any construction machinery, equipment or tools
used in the constructing, equipping, reconstructing, maintaining, repairing,
enlarging, furnishing or remodeling facilities for any such organization.
When any such organization shall contract for the purpose of constructing,
equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
remodeling facilities, it shall obtain from the state and furnish to the
contractor an exemption certificate for the project involved, and the
contractor may purchase materials for incorporation in such project. The
contractor shall furnish the number of such certificate to all suppliers from
whom such purchases are made, and such suppliers shall execute invoices
covering the same bearing the number of such certificate. Upon
completion of the project the contractor shall furnish to such organization
concerned a sworn statement, on a form to be provided by the director of
taxation, that all purchases so made were entitled to exemption under this
subsection. All invoices shall be held by the contractor for a period of five
years and shall be subject to audit by the director of taxation. If any
materials purchased under such a certificate are found not to have been
incorporated in the building or other project or not to have been returned
for credit or the sales or compensating tax otherwise imposed upon such
materials that will not be so incorporated in the building or other project
reported and paid by such contractor to the director of taxation not later
than the 20th day of the month following the close of the month in which it
shall be determined that such materials will not be used for the purpose for
which such certificate was issued, such organization concerned shall be
liable for tax on all materials purchased for the project, and upon payment
thereof it may recover the same from the contractor together with
reasonable attorney fees. Any contractor or any agent, employee or
subcontractor thereof, who shall use or otherwise dispose of any materials
purchased under such a certificate for any purpose other than that for
which such a certificate is issued without the payment of the sales or
compensating tax otherwise imposed upon such materials, shall be guilty
of a misdemeanor and, upon conviction therefor, shall be subject to the
penalties provided for in K.S.A. 79-3615(h), and amendments thereto.
Sales tax paid on and after July 1, 1998, but prior to the effective date of
this act upon the gross receipts received from any sale exempted by the
amendatory provisions of this subsection shall be refunded. Each claim for
a sales tax refund shall be verified and submitted 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 sales tax paid as
determined under the provisions of this subsection. All 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 or the
director's designee;

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

(ccc) on and after July 1, 1999, all sales of tangible personal property
and services purchased by a primary care clinic or health center the
primary purpose of which is to provide services to medically underserved
individuals and families, and that is exempt from federal income taxation
pursuant to section 501(c)(3) of the federal internal revenue code, and all
sales of tangible personal property or services purchased by a contractor
for the purpose of constructing, equipping, reconstructing, maintaining,
repairing, enlarging, furnishing or remodeling facilities for any such clinic
or center that would be exempt from taxation under the provisions of this
section if purchased directly by such clinic or center, except that for
taxable years commencing after December 31, 2013, this subsection shall
not apply to any sales of such tangible personal property and services
purchased by a primary care clinic or health center which performs any
abortion, as defined in K.S.A. 65-6701, and amendments thereto. Nothing
in this subsection shall be deemed to exempt the purchase of any
construction machinery, equipment or tools used in the constructing,
equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
remodeling facilities for any such clinic or center. When any such clinic or
center shall contract for the purpose of constructing, equipping,
reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
facilities, it shall obtain from the state and furnish to the contractor an
exemption certificate for the project involved, and the contractor may
purchase materials for incorporation in such project. The contractor shall
furnish the number of such certificate to all suppliers from whom such
purchases are made, and such suppliers shall execute invoices covering the
same bearing the number of such certificate. Upon completion of the
project the contractor shall furnish to such clinic or center concerned a
sworn statement, on a form to be provided by the director of taxation, that
all purchases so made were entitled to exemption under this subsection.
All invoices shall be held by the contractor for a period of five years and
shall be subject to audit by the director of taxation. If any materials
purchased under such a certificate are found not to have been incorporated
in the building or other project or not to have been returned for credit or
the sales or compensating tax otherwise imposed upon such materials that
will not be so incorporated in the building or other project reported and
paid by such contractor to the director of taxation not later than the 20th
day of the month following the close of the month in which it shall be
determined that such materials will not be used for the purpose for which
such certificate was issued, such clinic or center concerned shall be liable
for tax on all materials purchased for the project, and upon payment
thereof it may recover the same from the contractor together with
reasonable attorney fees. Any contractor or any agent, employee or
subcontractor thereof, who shall use or otherwise dispose of any materials
purchased under such a certificate for any purpose other than that for
which such a certificate is issued without the payment of the sales or
compensating tax otherwise imposed upon such materials, shall be guilty
of a misdemeanor and, upon conviction therefor, shall be subject to the
penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

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

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

(ff) all sales of material handling equipment, racking systems and
other related machinery and equipment that is used for the handling,
movement or storage of tangible personal property in a warehouse or
distribution facility in this state; all sales of installation, repair and
maintenance services performed on such machinery and equipment; and
all sales of repair and replacement parts for such machinery and
equipment. For purposes of this subsection, a warehouse or distribution facility means a single, fixed location that consists of buildings or structures in a contiguous area where storage or distribution operations are conducted that are separate and apart from the business’ retail operations, if any, and that do not otherwise qualify for exemption as occurring at a manufacturing or processing plant or facility. Material handling and storage equipment shall include aeration, dust control, cleaning, handling and other such equipment that is used in a public grain warehouse or other commercial grain storage facility, whether used for grain handling, grain storage, grain refining or processing, or other grain treatment operation;

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

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

(iii) all sales of personal property and services purchased by an organization that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and such personal property and services are used by any such organization in the collection, storage and distribution of food products to nonprofit organizations that distribute such food products to persons pursuant to a food distribution program on a charitable basis without fee or charge, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities used for the collection and storage of such food products for any such organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices
covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after July 1, 2005, but prior to the effective date of this act upon the gross receipts received from any sale exempted by the amendatory provisions of this subsection shall be refunded. Each claim for a sales tax refund shall be verified and submitted 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 sales tax paid as determined under the provisions of this subsection. All 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 or the director's designee;

(jjj) all sales of dietary supplements dispensed pursuant to a prescription order by a licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-1626, and amendments thereto. As used in this subsection, "dietary supplement" means any product, other than tobacco, intended to supplement the diet that: (1) Contains one or more of the following dietary ingredients: A vitamin, a mineral, an herb or other botanical, an amino acid, a dietary substance for use by humans to supplement the diet by increasing the total dietary intake or a concentrate, metabolite, constituent, extract or combination of any such ingredient; (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap or
liquid form, or if not intended for ingestion, in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and (3) is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required pursuant to 21 C.F.R. § 101.36;

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

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

(nnn) all sales of tangible personal property and services purchased by the west Sedgwick county-sunrise rotary club and sunrise charitable fund for the purpose of constructing a boundless playground which is an integrated, barrier free and developmentally advantageous play environment for children of all abilities and disabilities;

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

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

(qqq) all sales of tangible personal property and services purchased by TLC for children and families, inc., hereinafter referred to as TLC, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and such property and services are used for the purpose of providing emergency shelter and treatment for abused and neglected children as well as meeting additional critical needs for children, juveniles and family, and all sales of any such
property by or on behalf of TLC for any such purpose; and all sales of
tangible personal property or services purchased by a contractor for the
purpose of constructing, maintaining, repairing, enlarging, furnishing or
remodeling facilities for the operation of services for TLC for any such
purpose that would be exempt from taxation under the provisions of this
section if purchased directly by TLC. Nothing in this subsection shall be
deemed to exempt the purchase of any construction machinery, equipment
or tools used in the constructing, maintaining, repairing, enlarging,
furnishing or remodeling such facilities for TLC. When TLC contracts for
the purpose of constructing, maintaining, repairing, enlarging, furnishing
or remodeling such facilities, it shall obtain from the state and furnish to
the contractor an exemption certificate for the project involved, and the
contractor may purchase materials for incorporation in such project. The
contractor shall furnish the number of such certificate to all suppliers from
whom such purchases are made, and such suppliers shall execute invoices
covering the same bearing the number of such certificate. Upon
completion of the project the contractor shall furnish to TLC a sworn
statement, on a form to be provided by the director of taxation, that all
purchases so made were entitled to exemption under this subsection. All
invoices shall be held by the contractor for a period of five years and shall
be subject to audit by the director of taxation. If any materials purchased
under such a certificate are found not to have been incorporated in the
building or other project or not to have been returned for credit or the sales
or compensating tax otherwise imposed upon such materials that will not
be so incorporated in the building or other project reported and paid by
such contractor to the director of taxation not later than the 20th day of the
month following the close of the month in which it shall be determined
that such materials will not be used for the purpose for which such
certificate was issued, TLC shall be liable for tax on all materials
purchased for the project, and upon payment thereof it may recover the
same from the contractor together with reasonable attorney fees. Any
contractor or any agent, employee or subcontractor thereof, who shall use
or otherwise dispose of any materials purchased under such a certificate
for any purpose other than that for which such a certificate is issued
without the payment of the sales or compensating tax otherwise imposed
upon such materials, shall be guilty of a misdemeanor and, upon
conviction therefor, shall be subject to the penalties provided for in K.S.A.
79-3615(h), and amendments thereto;

(rrr) all sales of tangible personal property and services purchased by
any county law library maintained pursuant to law and sales of tangible
personal property and services purchased by an organization that would
have been exempt from taxation under the provisions of this subsection if
purchased directly by the county law library for the purpose of providing
legal resources to attorneys, judges, students and the general public, and
all sales of any such property by or on behalf of any such county law
library;
(sss) all sales of tangible personal property and services purchased by
catholic charities or youthville, hereinafter referred to as charitable family
providers, which is exempt from federal income taxation pursuant to
section 501(c)(3) of the federal internal revenue code of 1986, and which
such property and services are used for the purpose of providing
emergency shelter and treatment for abused and neglected children as well
as meeting additional critical needs for children, juveniles and family, and
all sales of any such property by or on behalf of charitable family
providers for any such purpose; and all sales of tangible personal property
or services purchased by a contractor for the purpose of constructing,
maintaining, repairing, enlarging, furnishing or remodeling facilities for
the operation of services for charitable family providers for any such
purpose which would be exempt from taxation under the provisions of this
section if purchased directly by charitable family providers. Nothing in
this subsection shall be deemed to exempt the purchase of any construction
machinery, equipment or tools used in the constructing, maintaining,
repairing, enlarging, furnishing or remodeling such facilities for charitable
family providers. When charitable family providers contracts for the
purpose of constructing, maintaining, repairing, enlarging, furnishing or
remodeling such facilities, it shall obtain from the state and furnish to the
contractor an exemption certificate for the project involved, and the
contractor shall furnish the number of such certificate to all suppliers from
whom such purchases are made, and such suppliers shall execute invoices
covering the same bearing the number of such certificate. Upon
completion of the project the contractor shall furnish to charitable family
providers a sworn statement, on a form to be provided by the director of
taxation, that all purchases so made were entitled to exemption under this
subsection. All invoices shall be held by the contractor for a period of five
years and shall be subject to audit by the director of taxation. If any
materials purchased under such a certificate are found not to have been
incorporated in the building or other project or not to have been returned
for credit or the sales or compensating tax otherwise imposed upon such
materials that will not be so incorporated in the building or other project
reported and paid by such contractor to the director of taxation not later
than the 20th day of the month following the close of the month in which it
shall be determined that such materials will not be used for the purpose for
which such certificate was issued, charitable family providers shall be
liable for tax on all materials purchased for the project, and upon payment
thereof it may recover the same from the contractor together with
reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(ttt) all sales of tangible personal property or services purchased by a contractor for a project for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility owned by a nonprofit museum that has been granted an exemption pursuant to subsection (qq), which such home or facility is located in a city that has been designated as a qualified hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and amendments thereto, and which such project is related to the purposes of K.S.A. 75-5071 et seq., and amendments thereto, and that would be exempt from taxation under the provisions of this section if purchased directly by such nonprofit museum. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility for any such nonprofit museum. When any such nonprofit museum shall contract for the purpose of restoring, constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling a home or facility for any such nonprofit museum, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such nonprofit museum a sworn statement on a form to be provided by the director of taxation that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in a home or facility or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such nonprofit museum
shall be liable for tax on all materials purchased for the project, and upon
payment thereof it may recover the same from the contractor together with
reasonable attorney fees. Any contractor or any agent, employee or
subcontractor thereof, who shall use or otherwise dispose of any materials
purchased under such a certificate for any purpose other than that for
which such a certificate is issued without the payment of the sales or
compensating tax otherwise imposed upon such materials, shall be guilty
of a misdemeanor and, upon conviction therefor, shall be subject to the
penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(uuu) all sales of tangible personal property and services purchased
by Kansas children's service league, hereinafter referred to as KCSL,
which is exempt from federal income taxation pursuant to section 501(c)
(3) of the federal internal revenue code of 1986, and which such property
and services are used for the purpose of providing for the prevention and
treatment of child abuse and maltreatment as well as meeting additional
critical needs for children, juveniles and family, and all sales of any such
property by or on behalf of KCSL for any such purpose; and all sales of
tangible personal property or services purchased by a contractor for the
purpose of constructing, maintaining, repairing, enlarging, furnishing or
remodeling facilities for the operation of services for KCSL for any such
purpose that would be exempt from taxation under the provisions of this
section if purchased directly by KCSL. Nothing in this subsection shall be
deemed to exempt the purchase of any construction machinery, equipment
or tools used in the constructing, maintaining, repairing, enlarging,
furnishing or remodeling such facilities for KCSL. When KCSL contracts
for the purpose of constructing, maintaining, repairing, enlarging,
furnishing or remodeling such facilities, it shall obtain from the state and
furnish to the contractor an exemption certificate for the project involved,
and the contractor may purchase materials for incorporation in such
project. The contractor shall furnish the number of such certificate to all
suppliers from whom such purchases are made, and such suppliers shall
execute invoices covering the same bearing the number of such certificate.
Upon completion of the project the contractor shall furnish to KCSL a
sworn statement, on a form to be provided by the director of taxation, that
all purchases so made were entitled to exemption under this subsection.
All invoices shall be held by the contractor for a period of five years and
shall be subject to audit by the director of taxation. If any materials
purchased under such a certificate are found not to have been incorporated
in the building or other project or not to have been returned for credit or
the sales or compensating tax otherwise imposed upon such materials that
will not be so incorporated in the building or other project reported and
paid by such contractor to the director of taxation not later than the 20th
day of the month following the close of the month in which it shall be
determined that such materials will not be used for the purpose for which such certificate was issued, KCSL shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(vvv) all sales of tangible personal property or services, including the renting and leasing of tangible personal property or services, purchased by jazz in the woods, inc., a Kansas corporation that is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing jazz in the woods, an event benefitting children-in-need and other nonprofit charities assisting such children, and all sales of any such property by or on behalf of such organization for such purpose;

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

(xxx) all sales of personal property and services purchased by the booth theatre foundation, inc., an organization, which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, and which such personal property and services are used by any such organization in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling of the booth theatre, and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling the booth theatre for such organization, that would be exempt from taxation under the provisions of this section if purchased directly by such organization. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for any such organization. When any such organization shall contract for the purpose of constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing or remodeling facilities, it shall obtain from the state and furnish to the contractor an
exemption certificate for the project involved, and the contractor may
purchase materials for incorporation in such project. The contractor shall
furnish the number of such certificate to all suppliers from whom such
purchases are made, and such suppliers shall execute invoices covering the
same bearing the number of such certificate. Upon completion of the
project the contractor shall furnish to such organization concerned a sworn
statement, on a form to be provided by the director of taxation, that all
purchases so made were entitled to exemption under this subsection. All
invoices shall be held by the contractor for a period of five years and shall
be subject to audit by the director of taxation. If any materials purchased
under such a certificate are found not to have been incorporated in such
facilities or not to have been returned for credit or the sales or
compensating tax otherwise imposed upon such materials that will not be
so incorporated in such facilities reported and paid by such contractor to
the director of taxation not later than the 20th day of the month following
the close of the month in which it shall be determined that such materials
will not be used for the purpose for which such certificate was issued, such
organization concerned shall be liable for tax on all materials purchased
for the project, and upon payment thereof it may recover the same from
the contractor together with reasonable attorney fees. Any contractor or
any agent, employee or subcontractor thereof, who shall use or otherwise
dispose of any materials purchased under such a certificate for any purpose
other than that for which such a certificate is issued without the payment
of the sales or compensating tax otherwise imposed upon such materials,
shall be guilty of a misdemeanor and, upon conviction therefor, shall be
subject to the penalties provided for in K.S.A. 79-3615(h), and
amendments thereto. Sales tax paid on and after January 1, 2007, but prior
to the effective date of this act upon the gross receipts received from any
sale which would have been exempted by the provisions of this subsection
had such sale occurred after the effective date of this act shall be refunded.
Each claim for a sales tax refund shall be verified and submitted 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 sales
tax paid as determined under the provisions of this subsection. All 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 or
the director's designee;
(yyy) all sales of tangible personal property and services purchased
by TLC charities foundation, inc., hereinafter referred to as TLC charities,
which is exempt from federal income taxation pursuant to section 501(c)
(3) of the federal internal revenue code of 1986, and which such property
and services are used for the purpose of encouraging private philanthropy
to further the vision, values, and goals of TLC for children and families, inc.; and all sales of such property and services by or on behalf of TLC charities for any such purpose and all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for TLC charities for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by TLC charities. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for TLC charities. When TLC charities contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to TLC charities a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be incorporated into the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, TLC charities shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

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

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

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

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

(dddd) all sales of tangible personal property or services purchased
by or on behalf of goodwill industries or Easter seals of Kansas, inc., both
of which are exempt from federal income taxation pursuant to section
501(c)(3) of the federal internal revenue code, for the purpose of providing
education, training and employment opportunities for people with
disabilities and other barriers to employment;

(eeee) all sales of tangible personal property or services purchased by
or on behalf of all American beef battalion, inc., which is exempt from
federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, for the purpose of providing
education, promoting and participating as a contact group through the beef cattle industry in order to
carry out such projects that provide support and morale to members of the
United States armed forces and military services;

ffff all sales of tangible personal property and services purchased by
sheltered living, inc., which is exempt from federal income taxation
pursuant to section 501(c)(3) of the federal internal revenue code of 1986,
and which such property and services are used for the purpose of
providing residential and day services for people with developmental
disabilities or intellectual disability, or both, and all sales of any such
property by or on behalf of sheltered living, inc., for any such purpose; and
all sales of tangible personal property or services purchased by a
contractor for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling homes and facilities for sheltered living, inc., for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by sheltered living, inc. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities for sheltered living, inc. When sheltered living, inc., contracts for the purpose of rehabilitating, constructing, maintaining, repairing, enlarging, furnishing or remodeling such homes and facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project the contractor shall furnish to sheltered living, inc., a sworn statement, on a form to be provided by the director of taxation, that all purchases so made by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in the building or other project or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials will not be so incorporated in the building or other project reported and paid by such contractor to the director of taxation not later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, sheltered living, inc., shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who shall use or otherwise dispose of any materials purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(gggg) all sales of game birds for which the primary purpose is use in hunting;

(hhhh) all sales of tangible personal property or services purchased on or after July 1, 2014, for the purpose of and in conjunction with constructing, reconstructing, enlarging or remodeling a business identified
under the North American industry classification system (NAICS) subsectors 1123, 1124, 112112, 112120 or 112210, and the sale and installation of machinery and equipment purchased for installation at any such business. The exemption provided in this subsection shall not apply to projects that have actual total costs less than $50,000. When a person contracts for the construction, reconstruction, enlargement or remodeling of any such business, such person shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials, machinery and equipment for incorporation in such project. The contractor shall furnish the number of such certificates to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to the owner of the business a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. Any contractor or any agent, employee or subcontractor of the contractor, who shall use or otherwise dispose of any materials, machinery or equipment purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed thereon, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

(iii) all sales of tangible personal property or services purchased by a contractor for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the operation of services for Wichita children's home for any such purpose that would be exempt from taxation under the provisions of this section if purchased directly by Wichita children's home. Nothing in this subsection shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities for Wichita children's home. When Wichita children's home contracts for the purpose of constructing, maintaining, repairing, enlarging, furnishing or remodeling such facilities, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to Wichita children's home a sworn statement, on a form to be
provided by the director of taxation, that all purchases so made were
entitled to exemption under this subsection. All invoices shall be held by
the contractor for a period of five years and shall be subject to audit by the
director of taxation. If any materials purchased under such a certificate are
found not to have been incorporated in the building or other project or not
to have been returned for credit or the sales or compensating tax otherwise
imposed upon such materials that will not be so incorporated in the
building or other project reported and paid by such contractor to the
director of taxation not later than the 20th day of the month following the
close of the month in which it shall be determined that such materials will
not be used for the purpose for which such certificate was issued, Wichita
children's home shall be liable for the tax on all materials purchased for the
project, and upon payment, it may recover the same from the contractor
together with reasonable attorney fees. Any contractor or any agent,
employee or subcontractor, who shall use or otherwise dispose of any
materials purchased under such a certificate for any purpose other than that
for which such a certificate is issued without the payment of the sales or
compensating tax otherwise imposed upon such materials, shall be guilty
of a misdemeanor and, upon conviction, shall be subject to the penalties
provided for in K.S.A. 79-3615(h), and amendments thereto;
(jjjj) all sales of tangible personal property or services purchased by
or on behalf of the beacon, inc., that is exempt from federal income
taxation pursuant to section 501(c)(3) of the federal internal revenue code,
for the purpose of providing those desiring help with food, shelter, clothing
and other necessities of life during times of special need;
(kkkk) all sales of tangible personal property and services purchased
by or on behalf of reaching out from within, inc., which is exempt from
federal income taxation pursuant to section 501(c)(3) of the federal
internal revenue code, for the purpose of sponsoring self-help programs for
incarcerated persons that will enable such incarcerated persons to become
role models for non-violence while in correctional facilities and productive
family members and citizens upon return to the community; and
(llll) all sales of tangible personal property and services purchased by
Gove county healthcare endowment foundation, inc., which is exempt from
federal income taxation pursuant to section 501(c)(3) of the federal
internal revenue code of 1986, and which such property and services are
used for the purpose of constructing and equipping an airport in Quinter,
Kansas, and all sales of tangible personal property or services purchased
by a contractor for the purpose of constructing and equipping an airport in
Quinter, Kansas, for such organization, that would be exempt from
taxation under the provisions of this section if purchased directly by such
organization. Nothing in this subsection shall be deemed to exempt the
purchase of any construction machinery, equipment or tools used in the
constructing or equipping of facilities for such organization. When such organization shall contract for the purpose of constructing or equipping an
airport in Quinter, Kansas, it shall obtain from the state and furnish to the contractor an exemption certificate for the project involved, and the contractor may purchase materials for incorporation in such project. The contractor shall furnish the number of such certificate to all suppliers from whom such purchases are made, and such suppliers shall execute invoices covering the same bearing the number of such certificate. Upon completion of the project, the contractor shall furnish to such organization concerned a sworn statement, on a form to be provided by the director of taxation, that all purchases so made were entitled to exemption under this subsection. All invoices shall be held by the contractor for a period of five years and shall be subject to audit by the director of taxation. If any materials purchased under such a certificate are found not to have been incorporated in such facilities or not to have been returned for credit or the sales or compensating tax otherwise imposed upon such materials that will not be so incorporated in such facilities reported and paid by such contractor to the director of taxation no later than the 20th day of the month following the close of the month in which it shall be determined that such materials will not be used for the purpose for which such certificate was issued, such organization concerned shall be liable for tax on all materials purchased for the project, and upon payment thereof it may recover the same from the contractor together with reasonable attorney fees. Any contractor or any agent, employee or subcontractor thereof, who purchased under such a certificate for any purpose other than that for which such a certificate is issued without the payment of the sales or compensating tax otherwise imposed upon such materials, shall be guilty of a misdemeanor and, upon conviction therefor, shall be subject to the penalties provided for in K.S.A. 79-3615(h), and amendments thereto. The provisions of this subsection shall expire and have no effect on and after July 1, 2019.

Sec. 54. K.S.A. 2018 Supp. 79-5201 is hereby amended to read as follows: 79-5201. As used in this act article 52 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto:

(a) "Marijuana" means any marijuana, whether real or counterfeit, as defined by K.S.A. 2018 Supp. 21-5701, and amendments thereto, which is held, possessed, transported, transferred, sold or offered to be sold in violation of the laws of Kansas;

(b) "Controlled substance" means any drug or substance, whether real or counterfeit, as defined by K.S.A. 2018 Supp. 21-5701, and amendments thereto, which is held, possessed, transported, transferred, sold or offered to be sold in violation of the laws of Kansas. Such term shall not include marijuana;

(e)(b) "dealer" means any person who, in violation of Kansas law,
manufactures, produces, ships, transports or imports into Kansas or in any manner acquires or possesses more than 28 grams of marijuana, or more than one gram of any controlled substance, or 10 or more dosage units of any controlled substance which is not sold by weight;

(d)(c) "domestic marijuana plant" means any cannabis plant at any level of growth which is harvested or tended, manicured, irrigated, fertilized or where there is other evidence that it has been treated in any other way in an effort to enhance growth;

(d) "marijuana" means any marijuana, whether real or counterfeit, as defined by K.S.A. 2018 Supp. 21-5701, and amendments thereto, that is held, possessed, transported, transferred, sold or offered to be sold in violation of the laws of Kansas; and

(e) "medical cannabis" means cannabis or cannabis derivatives as defined in section 2, and amendments thereto.

Sec. 55. K.S.A. 79-5210 is hereby amended to read as follows: 79-5210. Nothing in this act requires persons registered under article 16 of chapter 65 of the Kansas Statutes Annotated or otherwise lawfully in possession of marijuana, medical cannabis or a controlled substance to pay the tax required under this act.


Sec. 57. This act shall take effect and be in force from and after its publication in the statute book.