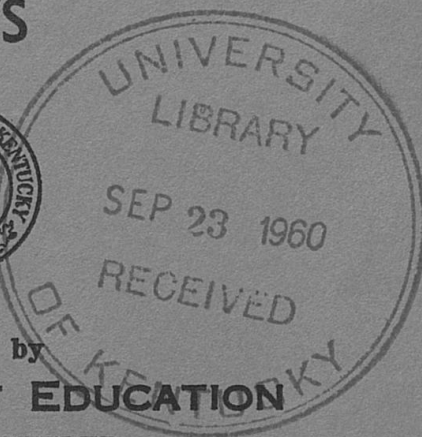
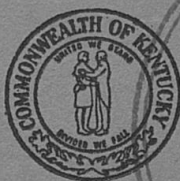


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SUPPLEMENT
to the
1958 Edition
of the
KENTUCKY
COMMON SCHOOL
LAWS



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DEPARTMENT OF EDUCATION
WENDELL P. BUTLER
Superintendent of Public Instruction

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FOREWORD

The laws affecting education passed by the 1960 Session of the Legislature are contained herein.

Kentucky Revised Statutes sections which have been amended or repealed are listed.

It is suggested that sections which have been repealed or amended be so marked in the 1958 Edition of the KENTUCKY COMMON SCHOOL LAWS. It can then be readily determined what laws are in effect.

There are included, also, Decisions of the Court of Appeals of Kentucky which have been decided since the 1958 Edition of the School Laws was published.

This bulletin, together with the 1958 Edition of the School Laws, furnishes a complete set of laws and court decisions to date.

WENDELL P. BUTLER
Superintendent of Public Instruction

TABLE OF CONTENTS

| Chapter | Page |
|--|------|
| I Legislation for Amending Constitution..... | 213 |
| II General Provisions | 218 |
| III Department of Education..... | 245 |
| IV State Support of Education..... | 248 |
| V Conduct of Schools..... | 262 |
| VI Compulsory Attendance | 263 |
| VII School Districts | 264 |
| VIII School Employes, Teachers' Retirement and Tenure..... | 265 |
| IX School Property and Buildings..... | 275 |
| X Vocational Education and Rehabilitation..... | 284 |
| XI State Universities and Colleges..... | 285 |
| XII City Universities and Colleges..... | 289 |
| XIII Negro Vocational and Higher Education..... | 291 |
| XIV Education of the Deaf, Dumb and Blind..... | 292 |
| XV Educational Decisions of the Court of Appeals..... | 294 |

CHAPTER 1

AN ACT OF THE 1960 SESSION OF THE GENERAL ASSEMBLY OF KENTUCKY APPROVING HOUSE BILL 1 OF THE EXTRAORDINARY SESSION OF THE GENERAL ASSEMBLY OF KENTUCKY HELD IN THE YEAR 1959 FOR THE PURPOSE OF SECURING THE SENSE OF THE PEOPLE OF THE STATE AS TO THE NECESSITY AND EXPEDIENCY OF CALLING A CONVENTION FOR THE PURPOSE OF REVISING OR AMENDING THE PRESENT STATE CONSTITUTION

Page

213 AN ACT relating to the taking of the sense of the people of the state as to the necessity and expediency of calling a Constitutional Convention for the purpose of revising or amending the Constitution of the Commonwealth of Kentucky, and such amendments as may have been made to the same, as provided by Section 258 of the present Constitution of Kentucky.

218 Be it enacted by the General Assembly of the Commonwealth of Kentucky:

245 That, whereas, at the Extraordinary Session of the General Assembly of Kentucky held in the year 1959, House Bill No. 1 was enacted by the General Assembly of the Commonwealth of Kentucky, which is in words and figures as follows, to wit:

248 "HOUSE BILL NO. 1

262 "AN ACT relating to the taking of the sense of the people of the state as to the necessity and expediency of calling a Constitutional Convention for the purpose of revising or amending the Constitution of the Commonwealth of Kentucky, and such amendments as may have been made to the same, as provided by Section 258 of the present Constitution of Kentucky.

263 "Be it enacted by the General Assembly of the Commonwealth of Kentucky:

264 "Section 1. That the sense of the people of the state as to the necessity and expediency of calling a convention for the purpose of revising or amending the present Constitution, and such amendments as may have been made to the same, shall be taken as herein provided and as provided in Section 258 of the Constitution of Kentucky.

265 "Section 2. When this act is passed at the present session of the General Assembly by a majority of all members elected to each house of the present General Assembly, that is, when a majority of all the members of each house shall concur by a yea and nay vote, to be entered upon their respective journals, this act shall be spread upon the respective journals of each house as a law.

275 "Section 3. If the next General Assembly shall, in like manner,

concur in this act after it becomes a law as herein provided, it shall provide for having a poll opened in each voting precinct in this state by the officers provided by law for holding general elections at the next ensuing regular election to be held for state officers which does not occur within ninety days from the final passage of such law, at which time and places the votes of the qualified voters shall be taken for and against calling the convention, in the same manner provided by law for taking votes in other state elections. The vote for and against said proposition shall be certified to the Secretary of State by the same officers and in the same manner as in state elections. If it shall appear that a majority voting on the proposition was in favor of calling a convention, and if the total number of votes for the calling of the convention is equal to one-fourth of the number of qualified voters who voted in the last preceding general election in this state, the Secretary of State shall certify the same to the General Assembly at its next regular session, at which session a law shall be enacted calling a convention to revise or amend the present Constitution of this state, and such amendments as may have been made thereto, only with respect to the subjects set out in Section 4 of this act, and no others. Nothing in this act shall be construed to permit any change in the Bill of Rights.

“Section 4. The convention provided to be called by this act shall be limited in its consideration to the following subjects and shall consider no others:

- “(1) The organization and powers of municipal, county and other local governments.
- “(2) The judicial department and courts.
- “(3) Compensation of public officers and employes.
- “(4) The order of succession of persons entitled to act as Governor and the circumstances under which the Governor is disqualified to act.
- “(5) Misfeasance, malfeasance and nonfeasance of public officers.
- “(6) Official oaths.
- “(7) The Railroad Commission.
- “(8) The legislative department.
- “(9) The mode of revision or amendment of the Constitution.

"(10) Incompatibility of offices.

"(11) Terms and tenure of state officers other than Governor and Lieutenant Governor.

"(12) Removal of limitations on the holding of real estate.

"Section 5. Before any Constitution agreed upon by a convention that may be called pursuant to this act and to Section 258 of the present Constitution shall take effect and become operative, the same shall be submitted to the qualified voters of this Commonwealth, after at least ninety days' notice, and ratified by a majority of those voting." and,

Whereas, the said law above copied was spread at large upon the respective journals of the General Assembly for said session,

Now, therefore, be it further enacted by the General Assembly of the Commonwealth of Kentucky, that:

Section 1. This, the Regular Session of the General Assembly, held in the year 1960, does hereby concur in House Bill No. 1 enacted at the Extraordinary Session of the General Assembly of the Commonwealth of Kentucky held in the year 1959.

Section 2. That the sense of the people of the state as to the necessity and expediency of calling a convention for the purpose of revising or amending the present Constitution, and such amendments as may have been made to the same, shall be taken as herein provided and as provided in Section 258 of the Constitution of Kentucky.

Section 3. A poll shall be opened in each voting precinct in this state by the officers provided by law for holding general elections at the regular election to be held November 8, 1960, at which time and places the votes of the qualified voters shall be taken for and against calling the convention in the same manner provided by law for taking votes in other state elections.

Section 4. The Secretary of State, not less than fifty days before the regular election to be held November 8, 1960, shall certify the question of calling a convention to the county clerk of each county and the county clerk shall have the question as so certified placed on the ballot as provided in the general election laws. The question submitted to the voters shall be as follows:

"Are you in favor of calling a convention for the purpose of re-

vising or amending the Constitution of the Commonwealth of Kentucky and such amendments as may have been made to same, limiting said convention to the consideration of the following subjects, and no others: (1) The organization and powers of municipal, county and other local governments; (2) The judicial department and courts; (3) Compensation of public officers and employes; (4) The order of succession of persons entitled to act as Governor and the circumstances under which the Governor is disqualified to act; (5) Misfeasance, malfeasance and nonfeasance of public officers; (6) Official oaths; (7) The Railroad Commission; (8) The legislative department; (9) The mode of revision or amendment of the Constitution; (10) Incompatibility of offices; (11) Terms and tenure of state officers other than Governor and Lieutenant Governor; (12) Removal of limitations on the holding of real estate; providing that no change shall be made in the Bill of Rights; and providing further than any Constitution agreed upon by the convention shall not become effective until submitted to the voters of the Commonwealth for their approval, by a majority of those voting?"

Opposite and to the right of said question shall first be printed the word "Yes" with a square opposite that word, and immediately below the word "Yes" shall be printed the word "No" with a square opposite that word.

Section 5. Before a vote is taken upon the question of calling a convention the Secretary of State shall cause notice of the election and the purpose therefor to be published at least four times in two newspapers of general circulation published in this state, and shall also cause to be published at the same time and in the same manner the fact that the question set out in Section 4 of this act will be submitted to the voters for their acceptance or rejection at the regular election to be held November 8, 1960. The publication shall be made so that the last publication will be at least ninety days preceding the election at which said question is to be voted on.

Section 6. The vote for and against said proposition shall be certified to the Secretary of State by the same officers and in the same manner as in state elections. If it shall appear that a majority voting on the proposition was in favor of calling a convention, and if the total number of votes for the calling of the convention is equal to one-fourth of the number of qualified voters who voted in the last preceding general election in this state, the Secretary of State shall

certify the same to the General Assembly at its next regular session, at which session a law shall be enacted calling a convention to revise or amend the present Constitution of this state, and such amendments as have been made thereto, only with respect to the subjects set out in Section 4 of this act, and no others.

Section 7. Before any Constitution agreed upon by a convention that may be called pursuant to this act and to Section 258 of the present Constitution shall take effect and become operative, the same shall be submitted to the qualified voters of this Commonwealth, after at least ninety days' notice, and ratified by a majority of those voting.

Section 8. When this act is passed at the present session of the General Assembly by a majority of all members elected to each house of the present General Assembly, that is, when a majority of all the members of each house shall concur by a ye and nay vote, to be entered upon their respective journals, this act shall be spread upon the respective journals of each house as a law.

CHAPTER II

GENERAL PROVISIONS

| Amended KRS | Added KRS | New KRS | Repealed KRS | Corrected KRS | |
|-----------------|--------------|---------------|-----------------|------------------|--------|
| 61.450 | 323.050 | | | | |
| 61.460 | 323.060 | 64.410 | 132.690 | 136.210 | 64.620 |
| 132.030 | 323.080 | 304.171 | 132.710 | 136.220 | |
| 132.190 | 337.510 | | 152.320 | 323.040 | |
| 132.215 | 337.520 | | 152.370 | 323.070 | |
| 132.260 | 337.530 | | 152.390 | 323.220 | |
| 132.670 | 337.990 | | 171.145 | 323.240 | |
| 134.300 | 424.110 | | | 424.200 | |
| 136.120 (1) (2) | 424.120 | | | 424.350 | |
| 136.180 | 424.130 | | | | |
| 136.190 | 424.140 | | | | |
| 136.200 | 424.150 | | | | |
| 186.600 | 424.160 | | | | |
| 189.370 | 424.220 | amends 61.290 | | | |
| 189.380 | 424.260 | | | | |
| 189.550 | 424.270 | | | | |
| 323.010 | 424.290 | | | | |
| 323.020 | 424.360 | | | | |
| 323.030 | 424.990 | | | | |

SOCIAL SECURITY

61.450 Contributions by state employes. (1) (a) Every employe of the state whose services are covered by an agreement entered into under KRS 61.430 shall be required to pay for the period of such coverage, into the contribution fund established by KRS 61.470, contributions, with respect to wages received during the calendar years 1951 to 1953, both inclusive, equal to one and one-half per cent of such wages; with respect to wages received during the calendar years of 1954 to 1956, both inclusive, not to exceed two per cent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth per cent of such wages; with respect to wages received during the calendar year 1959, not to exceed two and one-half per cent of such wages; with respect to wages received during the calendar years 1960 to 1962,

both inclusive, not to exceed three per cent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half per cent of such wages, with respect to wages received during the calendar years 1966 to 1968, both inclusive, not to exceed four per cent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half per cent of such wages. Such liability shall arise in consideration of the employe's retention in the service of the state, or his entry upon such service, after March 14, 1951.

(b) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.

(2) The contribution imposed by this section shall be collected by deducting the amount of the contribution from wages as and when paid, but failure to make such deduction shall not relieve the employe from liability for such contribution.

(3) If more or less than the correct amount of the contribution imposed by this section is paid or deducted with respect to any remuneration, proper adjustments, or refund if adjustment is impracticable, shall be made, without interest, in such manner and at such times as the state agency shall prescribe.

(1951, ex. s., c. 3; § 5; 1958, c. 135, §3; 1960, c. 85, § 1; effective June 16, 1960.)

61.460 Plans for coverage of employes of political subdivisions.

(1) Each political subdivision of the state is hereby authorized to submit for approval by the state agency a plan for extending the benefits of Title II of the Social Security Act, in conformity with applicable provisions of such Act, to employes of such political subdivision. Each such plan and any amendment thereof shall be approved by the state agency if it finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the state agency, except that no such plan shall be approved unless:

(a) It is in conformity with the requirements of the Social Security Act and with the agreement entered into under KRS 61.430;

(b) It provides that all services which constitute employment and are performed in the employ. of the political subdivision by employes thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds neces-

sary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

(d) It provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration thereof;

(e) It provides that the political subdivisions will make such reports, in such form and containing such information, as the state agency may from time to time require, and will comply with such provisions as the state agency or the Federal Security Administrator may from time to time find necessary to assure the correctness and verification of such reports; and

(f) It authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency, and as may be consistent with the provisions of the Social Security Act.

(2) The state agency shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1), and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3) (a) Each political subdivision for which a plan has been approved under this section is authorized to, and shall, pay into the contribution fund, with respect to wages, at such time or times as the state agency may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the state agency under KRS 61.430, and, furthermore, in anticipation of the due date of any payments of contributions required herein, is authorized to, and shall, make such advancements as the state agency, by regulation or contract, may require;

(b) Each political subdivision is authorized to, and shall, make such payments as are determined by the state agency to be necessary for the purpose of defraying the expenses incurred by the state agency in administering KRS 61.410 to 61.500 for the benefit of those employes covered under any plan approved under subsection (1) of this section, but in no event shall such amount be greater than five per cent of the contributions required under paragraph (a) of this subsection. Such

payments shall be made into the State Treasury and shall be credited to a separate trust and agency fund to be used by the state agency solely for the purpose stated herein;

(c) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employe's retention in, or entry upon, employment after the effective date of KRS 61.140 to 61.500, to impose upon each of its employes, as to services which are covered by an approved plan, a contribution, with respect to wages received during the calendar years 1951 to 1953, both inclusive, equal to one and one-half per cent of such wages; with respect to wages received during the calendar years 1954 to 1956, both inclusive, not to exceed two per cent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth per cent of such wages; with respect to wages received during the calendar year 1959, not to exceed two and one-half per cent of such wages; with respect to wages received during the calendar years 1960 to 1962, both inclusive, not to exceed three per cent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half per cent of such wages; with respect to wages received during the calendar years 1966 to 1968, both inclusive, not to exceed four per cent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half per cent of such wages. Contributions so collected shall be paid into the contribution fund in partial discharge of the liability of such political subdivision under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employe or employer of liability therefor.

(d) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.

(4) Delinquent payments due under paragraph (a) of subsection (3), with interest at the rate of six per centum per annum, may be recovered by action in the Franklin Circuit Court against the political subdivision liable therefor, or may, at the request of the state agency, be deducted from any other moneys payable to such subdivision by any department or agency of the state. (1951, ex. s., c. 3, § 6; 1958, c. 135, § 4; 1960, c. 85, § 2; effective June 16, 1960)

COMPENSATION OF OFFICERS

- 64.410 (1749) How fee-bills made out; provisions concerning.** (1) The fee-bills of every officer shall be made out at length, in figures and in plain English, and signed by the officer in his official capacity.
- (2) No officer shall demand or receive for his services:
- (a) Any other or greater fee than is allowed by law;
 - (b) Any fee for services rendered when the law has not fixed a compensation therefor;
 - (c) Any fee for services not actually rendered.
- (3) Where there are more plaintiffs or defendants than one in an action and they sever in their pleadings or otherwise, so that part of them cause an officer to render separate services for him or them, for which the others ought not to be liable, the fees for such services shall be charged separately to those for whom the service is rendered.
- (4) No officer in making out his fee-bill shall omit the name of any person properly chargeable therewith, or insert the name of a person not properly chargeable.
- (5) Fees against a person acting in a trust capacity shall be made out against him in such capacity and he shall only be liable therefor to the extent of the trust funds in his hands liable to the payment thereof.
- (6) No fee-bill shall be made out, or compensation allowed hereafter, for any ex officio services rendered by any officer.

64.620 Limit on compensation of local officers and employes. With the exception of the office or mayor of any city of the first class, the compensation of any officer or employe of a county, city, political subdivision, local governmental unit or district, or of any city or county board or commission, for services rendered in one or more offices or positions of employment shall not exceed the constitutional limit for officers, which is \$7,200 per annum, provided, however, that nothing herein contained shall apply to any officer or employe exclusively engaged in performance of a proprietary function for any of such governmental units. (1950, c. 123, § 18; 1958, c. 40; effective June 19, 1958)

PROPERTY SUBJECT TO TAXATION

132.030 [4019a-1; 4019a-2] Domestic bank deposits. (1) Every person having on September 1 of any year a deposit in any bank, trust company or combined bank and trust company organized under the laws of this state, or in any national bank of this state, shall pay

(1) an annual tax to the state equal to one-thousandth of one per cent upon the amount of the deposit, and no deduction therefrom shall be made for any indebtedness. The tax shall be paid to the Department of Revenue by the bank or company with which the deposit is made, as the agent of the depositor, on or before November 1 next following the date of the report provided for in KRS 132.040.

(2) No other tax shall be assessed by the state or any county, city or other taxing district on such deposits or against the depositor on account of such deposits. (1949 ex. s., c. 4, § 1; 1960, c. 186, § 1; effective June 16, 1960)

132.190 [4019a-5; 4020; 4020a-1; 4023] Property subject to taxation; situs. (1) The property subject to taxation, unless exempted by the Constitution, shall be as follows:

(a) All real and personal property within this state, including intangible personal property of nonresidents and corporations not organized under the laws of this state that has acquired a business situs within this state, except that twenty-five domestic fowls to each family shall be exempt from taxation for any purpose.

(b) All intangible personal property of individuals residing in this state and of corporations organized under the laws of this state unless it has acquired a business situs without this state.

(2) The property enumerated in paragraph (b) of subsection (1) of this section shall be considered and estimated in fixing the valuation of corporate franchises.

(3) Property shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale.

(4) The situs of intangible personal property for purposes of taxation shall be at the residence of the real or beneficial owner, and not at the residence of the fiduciary or agent having custody or possession. Any intangible property owned by a resident shall be taxable in this state, unless by the date of assessment he has changed his place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state. The fact that a person again abides within this state within six months from so changing his actual place of abode shall be prima facie evidence that he did not intend permanently to have his actual place of abode without this state. A person so changing his actual place of abode and not intending permanently to continue it without this state and not having listed his property for taxation as a resident of this state shall, for the purpose of having his property assessed for taxation

within this state, be deemed to have resided, on the day when his property should have been so assessed, at his last actual or habitual place of abode within this state. The fact that a person does not claim or exercise the right to vote at public elections within this state shall not of itself constitute him a nonresident of this state.

(5) An administrator, executor, trustee, committee, curator, or agent residing in this state shall not be liable for taxes on intangible personal property held by him if the real or beneficial owner of the property resides outside of this state. This exemption shall not apply in the case of an executor or administrator in the exercise of his office as personal representative while the estate of a deceased person is in process of settlement and before the share of the nonresident legatee or beneficiary is set apart to him, or before the legatee or beneficiary is entitled to be paid his share.

(6) Nothing contained in this section shall affect the liability for franchise taxes payable by corporations organized under the laws of this state; nor the method of taxation of banks and trust companies provided in KRS 136.270; nor the method of taxation of building and loan associations provided in KRS 136.300; and nothing contained in this section shall alter or repeal KRS 136.030. (1948, c. 33; 1960, c. 186, § 3; effective June 16, 1960)

LEVY AND ASSESSMENT OF PROPERTY

(Affects teachers' retirement)

132.215 Right to receive income; rate of tax. (1) To the extent that the present right to receive income for the period of a life or lives, or other indeterminate period, may be held to be subject to assessment and taxation, the basis of the assessment value shall be the fair cash value.

(2) To the extent that a present right to receive income from any source for a life or lives or other indeterminate period, including the right to receive installment payments, even though for a determinate period, under the terms of a life insurance policy, payable by reason of the death of the insured, may be held to be subject to assessment for ad valorem taxes, the owner or person enjoying such right on January 1 of each year shall pay a tax to the state of five cents upon each one hundred dollars of the fair cash value of his right on the assessment date. No other tax shall be assessed by the state or by any county, city, school district, or other taxing district on any such right, or against the holder of any such right on account thereof. (1946, c. 39; 1960 c. 186, § 4; effective June 16, 1960)

ASSESSMENT OF PARKING TRAILERS AND WAREHOUSE PERSONAL PROPERTY

132.260 [4777a-1; 4777a-2; 4777a-3; 4777a-5] **Reporting property in storage, housetrailer and mobile homes; right to inspect and investigate.** (1) Every warehouse company and every person engaged in the business of furnishing storage for personal property shall by February 1, 1961, and February 1 of each year thereafter, make a report to the county tax commissioner, giving, as far as possible, accurate and complete information as to all property held by them on January 1, 1961, and January 1 of each year thereafter, and the names and residences of the owners of all property so held on that date.

(2) Every person providing rental space for the parking of house-trailers and mobile homes shall by February 1, 1961, and by February 1 of each year thereafter, report the name of the owner and type and size of all housetrailer and mobile homes not registered in this state under KRS 186.655 on his premises on January 1, 1961, and January 1 of each year thereafter to the county tax commissioner of the county in which the property is located.

(3) The reports required by subsections (1) and (2) shall be made in accordance with the forms prescribed by the Department of Revenue and shall be signed and verified by the chief officer or person in charge of the business.

(4) The county tax commissioner may make a personal inspection and investigation of property held in storage and premises on which housetrailer or mobile homes are located, for the purpose of identifying and assessing such property. No person in charge of such premises shall refuse to permit the inspection and investigation. (1949, ex. s., c. 4, § 8; 1960, c. 186, § 6; effective June 16, 1960)

REAPPRAISAL OF PROPERTY

132.670 Reappraisal projects. Whenever a city or county by order of its legislative body petitions the department for a reappraisal of the properties therein and the department, after investigation, determines that a reappraisal is necessary, the department shall, according to the comparative need therefor, provide personnel and other assistance to aid the city assessor or county tax commissioner in accomplishing this result. The Department of Revenue shall prescribe methods and specifications for the reappraisal of property. Personnel authorized to assist in making a city or county reappraisal under this section may be given the same authority as a deputy tax commissioner or deputy city assessor. Cities, counties, and other taxing districts may make

appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such reappraisal projects. Whenever a county by order of its legislative body petitions the department for property identification mapping of the properties therein the department may provide personnel and other assistance to aid the county tax commissioner in accomplishing this result. The Department of Revenue shall prescribe methods and specifications for the mapping of property. Personnel authorized to assist in making property identification maps under this section may be given the same authority as a deputy tax commissioner. Cities, counties, and other taxing districts may make appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such mapping projects. (1949, ex. s., c. 5, § 3; 1956, c. 5; 1960, c. 186, § 15; effective June 16, 1960)

REVALUATION OF REAL PROPERTY

132.690 Quadrennial revaluation of real property. (1) All taxable real property or interest therein subject to assessment by the county tax commissioner shall be revalued during the second year of each term of office by the county tax commissioner in accordance with standards prescribed by the Department of Revenue.

(2) The right of any individual to appeal the assessment on his property in any year as provided in KRS 133.120 shall in no way be affected by this statute.

(3) Should the county tax commissioner fail to revalue property as required by this statute the Department of Revenue shall have the authority to order an emergency revaluation in the same manner as provided for emergency assessments by KRS 132.660. Any county tax commissioner willfully violating the provisions of this section shall be subject to removal from office as provided by KRS 132.370 (3). (1960, c. 186, § 16; effective December 4, 1961)

134.300 Sheriff; monthly reports county court, monthly payments to treasurer. (1) The sheriff shall, by the tenth day of each month, or more often if required by the county court to prevent the sheriff from having funds in his possession in excess of the amount of his bond, report under oath to the county court the amount of state and county taxes he has collected during the month preceding, together with all fines, forfeitures, or money on any other account that has been received or collected by him for the preceding month. He

shall show in this report the amount collected for and belonging to each particular fund for which the revenue or money may be intended, and the disposition of such revenue or money collected by him. The reports shall be filed and recorded in separate books furnished by the county court for that purpose, and they shall be open for inspection in the office of the county clerk.

(2) At the time of making the report to the county court, the sheriff shall pay to the county treasurer, or other officer designated by the fiscal court, all funds belonging to the county that were collected by him during the period covered in the report. He shall take a receipt from the county treasurer for the amount so paid, in duplicate, one duplicate to be retained by the sheriff and the other to be delivered by him to the county judge, who shall file it in his office.

(3) Any sheriff failing to pay over taxes collected by him and due the county, as provided by law, shall be required by the fiscal court to pay a penalty of one per cent for each thirty-day period or fraction thereof plus interest at the legal rate per annum on such taxes. The fiscal court in its settlement with the sheriff shall charge him with such penalties and interest.

(4) The county judge may grant an extension of time, not to exceed fifteen days, for filing the report required by KRS 134.300(1) and the reports for all other levies made by the fiscal court whenever, in his judgment, good cause therefor exists. The extension shall be in writing and shall be recorded in the office of the county court clerk. The extension when granted shall suspend the penalty and interest for the duration of the extension. The penalty and interest shall apply at the expiration of the extension.

SHERIFF COLLECT TAX ON MOTOR VEHICLES

132.710 Contract with sheriff to collect tax on motor vehicles; notice of lien. (1) Any city of the first, second, or third class that has adopted the county assessment pursuant to KRS 132.285 for property situated within such city or any independent school district may contract with the county sheriff for the collection of ad valorem taxes on motor vehicles. The sheriff shall receive as compensation the actual cost of collecting and reporting funds due any city or independent school district, not to exceed four per cent of said taxes. The compensation of the sheriff for collecting all taxes shall not exceed that which is authorized by KRS 134.290. In collecting city and school

taxes pursuant to contract, the sheriff shall have the same powers as applicable to state and county taxes.

(2) Any city or independent school district which has contracted with the county sheriff as authorized in subsection (1) may direct the sheriff to prepare a notice of lien and file the same in the same manner as provided for other taxing districts in KRS 134.415.

(3) Any city or independent school district for which the county sheriff does not collect any ad valorem taxes may prepare a notice of lien for tax on a motor vehicle and request the county clerk to file and record the notice for the same fee and in the same manner as provided by KRS 134.415. (1960, c. 186, § 20; effective March 1, 1961)

PUBLIC SERVICE FRANCHISE

136.120 [842a-3; 4077; 4082] Public service franchise tax; classification; assessment; certification; annual listing for assessment; payment. (1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, bus line company, regular route common carrier trucking company, air transport company, pipeline company, common carrier water transportation, and every other like company or business performing any public service shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services. (1942, c. 80, §§ 1, 2; 1960, c. 186, Art. II, § 2; effective March 25, 1960)

CERTIFICATES OF EVALUATIONS

136.180 [4083; 4084; 4102] Notice and certification of valuation. The Department of Revenue shall, immediately after fixing the

assessed value of the operating property and other property of a public service corporation for taxation, notify the corporation of the valuation, and the amount of assessment for state and local purposes. When the valuation has been finally determined, the department shall immediately certify to the county clerk of each county in which any of the operating property or nonoperating tangible property assessment of the corporation is liable to local taxation, the amount thereof liable for county, city, or district tax. The certificate shall be filed by each county clerk in his office, and by him certified to the proper collecting officer of the county, city, or taxing district for collection. (1960, c. 186, Art. II, § 7; effective March 25, 1960)

TAXING DISTRICT BOUNDARIES

136.190 [4099; 4399-16] Boundary report of cities and taxing districts. (1) The superintendent of schools in each district in which any individual, group of individuals or corporation, operates public utility or other franchise taxpaying property assessed under KRS 136.120 shall, on or before the first day of January, 1957, furnish to the county clerk of the county in which the district is situated, to each franchise taxpayer within the district, and to the Department of Revenue the boundary of his school district. The superintendent of schools in each district in which any franchise-paying corporation, individual, or group of individual operates shall, on or before the first day of January, 1958, and each year thereafter, furnish to the county clerk, to each franchise taxpayer within the district, and to the Department of Revenue any changes made in the boundary of his school district during the immediate preceding twelve months.

(2) The engineer of cities of the first class and the city clerk of cities of the second, third, fourth, fifth, and sixth classes shall notify the county clerk, each franchise taxpayer within the city, and the Department of Revenue of their boundaries in the same manner as required of the superintendent of schools in subsection (1).

(3) The responsible governing official or the chairman of the governing body of any taxing district other than the county, school district, or city shall notify the county clerk, each franchise taxpayer within the district, and the Department of Revenue of their boundaries in the same manner as required of the superintendent of schools in subsection (1). (1956, c. 170; 1960, c. 186, Art. II, § 8; effective March 25, 1960)

RAILROAD BRIDGE ASSESSMENT

136.200 [4102] Allocation of railroad bridge assessment. The assessment of railroad bridges spanning any river that constitutes a boundary of the state shall be allocated to the counties in which they are located, and the local tax derived therefrom shall be applied to each city, county, or taxing district in which the bridges are located. (1960, c. 186, Art. II, § 9; effective March 25, 1960)

RESEARCH ON EFFECTIVE USE OF COAL

152.320 Establishment of research program. The Department of Economic Development shall formulate and execute an extensive over-all research program designed to develop new and more effective uses for coal and other natural resources and to improve and expand existing uses for coal and other natural resources. (1960, c. 127, § 2; effective June 16, 1960)

152.370 Advisory committee. (1) To advise the department on the program established by KRS 152.310 to 152.390, the Resources Research and Development Advisory Committee is established. One of the members shall be the Superintendent of Public Instruction, and one shall be a representative of organized labor, to be appointed by the Governor. Members representing the coal industry and other members shall be appointed by the Governor.

(2) The members of the committee shall receive no salary for services performed on the committee, but may be reimbursed for necessary travel expenses incurred in connection with attendance at official meetings of the committee or of subcommittees. 1960, c. 127, § 7; effective June 16, 1960)

152.390 Extension of program into state schools. In cooperation with the Superintendent of Public Instruction and the governing bodies of the state institutions of higher learning, the department shall, wherever feasible, make plans and provisions for extending the program established by KRS 152.310 to 152.390 into the regular courses of instruction in chemistry in the public high schools and junior colleges, and state universities and colleges. (1960, c. 127, § 9; effective June 16, 1960)

LIBRARY SERVICE FOR THE BLIND

171.145 Authority to provide library services for blind. For the benefit of blind readers of Kentucky, the library extension division may make available books and other reading matter in Braille, talking

books or other medium of reading used by the blind. To this end, the division is authorized to provide library services for the blind of the Commonwealth through contract, agreement or otherwise with the Library of Congress or any regional library thereof. (1960, c. 58; effective June 16, 1960)

SCHOOL AND CHURCH BUS DRIVERS

186.600 [2739m-38] Age limit of drivers of school and church buses and public passenger-carrying vehicles. No person under the age of eighteen shall drive a motor vehicle while it is in use as a school bus for the transportation of pupils to or from school, or a church bus for the transportation of children to or from church, or drive a motor vehicle while it is in use as a public passenger-carrying vehicle. (1944, c. 60; 1948, c. 208, § 9; 1950, c. 176, § 4; 1960, c. 123, § 1; effective June 16, 1960)

189.370 [2739g-46a; 2739g-69l] Passing stopped school and church buses prohibited. (1) Whenever any school bus or church bus used in the transportation of children is stopped upon a highway for the purpose of receiving or discharging passengers, the operator of a vehicle approaching from any direction shall bring his vehicle to a complete stop and shall not start up or attempt to pass until the bus has completed receiving or discharging passengers and has been put into motion.

(2) Subsection (1) shall be applicable only in the event the bus bears on the front and rear a plainly visible sign containing the words "School Bus" or "Church Bus," whichever is appropriate, in letters not less than six inches in height, which can be covered when the vehicle is not in use as a school or church bus. (1950, c. 96, § 1; 1960, c. 123, § 2; effective June 16, 1960)

189.380 [2739g-50; 2739g-69p] Signals. (1) No person shall turn a vehicle from a direct course upon a highway unless and until such movement can be made with reasonable safety, and only after a clearly audible signal has been given by sounding the horn if any pedestrian shall be affected by the movement. No person shall so turn any vehicle without giving an appropriate signal in the manner hereinafter provided in the event any other vehicle may be affected by such movement.

(2) A signal of the intention to turn right or left shall be given continuously for not less than the last one hundred feet traveled by the vehicle before turning.

3) No person shall stop or suddenly decrease the speed of a vehicle without first giving an appropriate signal in the manner provided herein to the operator of any vehicle immediately in the rear when there is opportunity to give such signal

(4) All signals required herein shall be given either by means of the hand and arm or by a signal lamp or lamps or a mechanical signal device, except that the operator of a motor vehicle used for the transportation of persons for hire with taxicabs excluded, the operator of a school or church bus, and the operator of any vehicle so constructed or loaded that a hand and arm signal would not be visible both to the front and rear of such vehicle shall indicate an intention to turn by use of a signal lamp or lamps or mechanical signal device and must indicate an intention to stop or suddenly decrease speed by illuminating at least one red or yellow light with the word "Stop" on it on the rear of the vehicle.

(5) All signals herein required given by hand and arm shall be given from the left side of the vehicle in the following manner, and such signals shall indicate as follows:

- (a) left turn—hand and arm extended horizontally;
 - (b) right turn—hand and arm extended upward;
 - (c) stop or decrease speed—hand and arm extended downward.
- (1950, c. 54; 1960 c. 123, § 3; effective June 16, 1960)

189.550 [1376r-10] School or church buses to stop at railroad crossings. Operators of motor vehicles transporting children to or from school or church shall stop their motor vehicles before crossing over any steam or electric interurban railroad main tracks at a grade. The stop shall be made at not less than ten feet nor more than thirty feet from the nearest railroad over which the highway crosses, except where the crossing is protected by gates or a flagman employed by the railroad. After making the stop, the operator shall carefully look in each direction for approaching cars or trains and shall not start his vehicle until it is ascertained that no cars or trains are approaching in either direction. (1960, c. 123, §4; effective June 16, 1960)

GOVERNMENTAL AGENCY AND MUTUAL INSURANCE

304.171 Membership. (1) Each holder of one or more policies issued by a domestic mutual insurer, other than a contract of reinsurance, is a member of the insurer with the rights and obligations of such membership, and each such policy shall effectively so stipulate.

(2) Any governmental agency, public or private corporation,

firm, board, association, estate, trustee, fiduciary or persons in this state or elsewhere, may make application, enter into agreement for and hold policies or contracts in or with and be a member of any domestic, foreign or alien mutual insurer. Any officer, representative, or trustee, receiver or legal representative of any such member or policy holder, shall be recognized as acting for or on its behalf for the purpose of such contracts or membership, but shall not be personally liable upon such contract by reason for acting in such representative capacity. (1950 c. 21, § 1)

QUALIFICATIONS OF ARCHITECTS

323.010 Definitions. As used in this chapter, unless the context requires otherwise; (1) "Board" means the State Board of Examiners and Registration of Architects of Kentucky;

(2) An "architect" is a natural person proficient in the art of planning, designing, specifying, supervising and administering the construction of buildings and who is licensed to practice architecture;

(3) The "practice of architecture" consists of performing or offering to perform any professional service involving consultations, planning, designing, specifying, responsible supervision or administration of the construction of any building or additions or alterations thereto;

(4) A "building" is a structure erected as a shelter for human beings, their activities and possessions. (1960, c. 218, § 1; effective June 16, 1960)

323.020 [73-1] Practice of architecture without license prohibited. Except as otherwise provided hereinafter, no person shall practice architecture in the Commonwealth of Kentucky without first obtaining a license under the provisions of this chapter, it being the purpose of this chapter to safeguard the life, health, property and welfare of the public. (1960, c. 218, § 2; effective June 16, 1960)

323.030 [73-6] Exceptions to KRS 323.020. (1) A nonresident licensed to practice architecture in his own state or country but not in the Commonwealth and having no established place of business in the Commonwealth may act solely as a consulting associate of an architect licensed in the Commonwealth.

(2) An architect acting solely as an officer or employe of the United States Government is not required to be licensed in the Commonwealth.

(3) A licensed professional engineer may prepare plans and

specifications for and supervise the construction of structures as an incident to the practice of his own profession.

(4) If the drawings and specifications are signed by the authors thereof with the true titles of their occupations as may be required by law, this chapter does not apply to:

(a) any building which is to be used for farm purposes only;

(b) any building containing not more than 20,000 square feet total floor area, except:

1. an asylum, hospital, nursing or convalescent home, or home for the aged, regardless of capacity;

2. a school or educational institution, regardless of capacity;

3. a residential building containing more than twelve bedrooms;

4. a place of assembly, regardless of capacity;

5. a mercantile building having a capacity in excess of one hundred persons;

6. an industrial building having a capacity in excess of one hundred persons; and

7. an office building having a capacity in excess of one hundred persons;

(c) alterations to any building to which this chapter does not apply, if the alterations do not involve changes affecting structural safety. (1960, c. 218, § 3; effective June 16, 1960)

323.050 [73-5] Qualifications for license. (1) To obtain a license to practice architecture in Kentucky an applicant must satisfactorily pass an examination as prescribed by the board, except as otherwise provided in this chapter.

(2) Every applicant for examination shall fulfill the following requirements:

(a) must be of good moral character; and

(b) must be a citizen of the United States of America and at least twenty-five years of age; and either

(c) must be a graduate of an accredited school of architecture with at least three years' additional architectural experience satisfactory to the board; or;

(d) must be a graduate of an accredited high school or have had education equivalent thereto as determined by the board, and, in addition, at least five years' varied architectural experience satisfactory to the board

(3) Examinations shall be given at least semi-annually, the time and place to be established by the board. (1960, c. 218, § 4; effective June 16, 1960)

323.060 [73-5] Persons who may be licensed without examination.

Any person who is a licensed architect in another state or country where the qualifications prescribed at the time of licensing were, in the opinion of the board, equal to those prescribed in the Commonwealth at the date of application, and where reciprocal licensing privileges satisfactory to the board are granted to licensees of the Commonwealth, may be granted a license without an examination. (1960, c. 218, § 5; effective June 16, 1960)

323.080 [73-11; 73-13] Fees. (1) Fees for the following services shall be established by the rules of the board, and in no case shall they exceed the following schedule:

- (a) for an examination ----- \$50.00
- (b) for a license certificate ----- 25.00
- (c) for the restoration of an expired license ----- 25.00
- (d) for a license to an architect satisfactorily licensed
in another state or country ----- 50.00

(2) The proper fee as prescribed above shall be paid to the board, and shall not be refunded in whole or in part. (1960, c. 218, § 6; effective June 16, 1960)

PUBLIC WORKS AND LABOR

337.510 [2290c-2] Schedule of prevailing wages to be included in specifications. Before advertising for bids or entering into any contract for construction of public works, every public authority shall ascertain from the department the prevailing rates of wages of laborers, workmen, mechanics, helpers, assistants and apprentices for the class of work called for in the construction of such public works in the locality where the work is to be performed. This schedule of wages shall be attached to and made a part of the specifications for the work and shall be printed on the bidding blanks and made a part of every contract for the construction of public works. (1960, c. 56, § 1; effective June 16, 1960)

337.520 [2290c-3] Determination of prevailing wages. (1) In the Department of Industrial Relations there shall be a Prevailing Wage Board consisting of the Commissioner of Industrial Relations, one member representing industry and one member representing labor. The members representing industry and labor shall be appointed for periods of not more than four years by the Governor from a list of prospective members recommended by bona fide associations representative of industry and labor, and shall receive only their actual

necessary expenses incurred in carrying out their duties. The commissioner shall act as chairman of the board. Two-thirds of the members shall constitute a quorum, and recommendations, reports or orders of the board shall require a vote of a majority of the members of the board. The board shall meet each month on the first Monday after the first day of the month, said meetings to be held in the offices of the Department of Industrial Relations, Frankfort, Kentucky. The chairman from time to time shall establish regulations not inconsistent with this section, governing the mode of procedure of the board and associations filing wage contracts with the board.

(2) The board shall require the filing of all wage contracts of all laborers, workmen, mechanics, helpers, assistants and apprentices in this state which have been agreed to between bona fide organizations of labor and an employer or associations of employers. Such contracts shall be filed within ten days after they are signed.

(3) The board shall establish prevailing wages at the same rate that prevails or will prevail in the locality under collective agreements or understandings between bona fide organizations of labor and their employers or associations of employers if there are such agreements or understandings in the locality applying to a sufficient number of employes to furnish a reasonable basis for considering those rates to be the prevailing rates in the locality. The wage rates to be used by the public authority in a contract for the construction of public works shall be the prevailing wage as of the date the public works project is advertised and offered for bid. If contracts are not awarded within ninety days from the date of offering for bid the public authority shall reascertain the prevailing rate of wages from the department before the contract is awarded. The schedule or scale of prevailing wages shall be incorporated in and made a part of each contract.

(4) The wages paid for a legal day's work to laborers, workmen, mechanics, helpers, assistants and apprentices engaged in the construction of public works by contract shall not be less than the prevailing wages paid in the same trade or occupation in the locality. (1960, c. 56, §2; effective June 18, 1960)

337.530 [2290c-4] Contractor to pay prevailing wages and post rates payroll records. (1) Where the Prevailing Wage Board has established and prescribed a prevailing rate of wages, the contract executed between a public authority and the successful bidder or contractor shall contain a provision requiring the successful bidder and all of his subcontractors to pay the rate of wages so established. The

successful bidder or contractor and all subcontractors shall strictly comply with these provisions of the contract.

(2) All contractors and subcontractors required by KRS 337.510 to 337.550 and by contracts with any public authority to pay not less than the prevailing rate of wages, shall pay such wages in legal tender without any deductions. These provisions shall not apply where the employer and employe enter into an agreement in writing at the beginning of or during any term of employment covering deductions for food, sleeping accommodations or any similar item if this agreement is submitted by the employer to the department and is approved by the department as fair and reasonable. All contractors and subcontractors affected by the terms of KRS 337.510 to 337.550 shall keep full and accurate payroll records covering all disbursements of wages to their employes to whom they are required to pay not less than the prevailing rate of wages. Such records shall indicate the hours worked each day by each employe in each classification of work and the amount paid each employe for his work in each classification. They shall be open to the inspection and transcript of the commissioner or his authorized representative at any reasonable time, and every employer shall furnish to the commissioner or his authorized representative on demand a sworn statement of them. The commissioner may require the statement to be upon forms prescribed or approved by him. These payroll records shall not be destroyed or removed from this State for one year following the completion of the improvement in connection with which they are made.

(3) Each contractor and subcontractor subject to the provisions of KRS 337.510 to 337.550 shall post and keep posted in a conspicuous place or places at the site of the construction work a copy or copies of prevailing rates of wages and working hours prescribed in the contract with the public authority, showing the rates of wages prescribed and the working hours for each class of laborers, workmen, mechanics, helpers, assistants and apprentices employed by him in the work of constructing the public works provided for in the contract with the public authority. (1960, c. 56, § 3; effective June 16, 1960)

337.990 Penalties. (9) Any person who violates KRS 337.530 shall be fined not more than one hundred dollars.

(10) Any contractor or subcontractor who violates any wage or work hours provisions in any contract under KRS 337.510 to 337.550 shall be fined not more than one hundred dollars for each offense. Said contractor or subcontractor shall make full restitution to all em-

ployes to whom he is legally indebted by reason of said violation. Further, said contractor or subcontractor shall be barred from bidding on, or working on, any and all public works contracts, either in his name or in the name of any other company, firm, or other entity in which he might be interested until such restitution is complete. Each day of violation shall constitute a separate offense, and the violation as affects each individual worker shall constitute a separate offense.

(11) Any public authority who wilfully fails to comply or to require compliance with KRS 337.510 to 337.550 shall be fined not more than one hundred dollars for each offense.

(1944, c. 63, § 2; 1960, c. 56, § 4; effective June 16, 1960)

NEWSPAPERS AS LEGAL ADVERTISEMENT

424.110 Definitions. (1) "Publication area" means the city, county, district or other local area for which an advertisement is required by law to be made. An advertisement shall be deemed to be for a particular city, county, district or other local area if it concerns an official activity of such city, county, district or other area or of any governing body, board, commission, officer, agency or court thereof, or if the matter of which advertisement is made concerns particularly the people of such city, county, district or other area.

(2) "Advertisement" means any matter required by law to be published. (1958, c. 42, § 1; 1960, c. 168, § 1; effective June 16, 1960)

424.120 Qualifications of newspapers. (1) Except as provided in subsection (2), whenever an advertisement for a publication area is required by law to be published in a newspaper, the publication must be made in a newspaper that meets the following requirements:

(a) It must be published in the publication area. A newspaper shall be deemed to be published in the area if it maintains a known office in the area for the purpose of gathering news and soliciting advertisements and other general business of newspaper publications, and has a second-class mailing permit issued for that office. A newspaper printed outside of Kentucky shall not be eligible to publish advertisements for any county or publication area within the county, other than for the city in which its main office is located, if there is a newspaper printed in the county that has a substantial general circulation throughout the county and that otherwise meets the requirements of this section; and

(b) It must be of regular issue and have the largest bona fide circulation in the publication area. A newspaper shall be deemed to

be of regular issue if it is published regularly, as frequently as once a week, for at least fifty weeks during the calendar year as prescribed by its mailing permit, and has been so published in the area for the immediately preceding one-year period. A newspaper shall be deemed to be of bona fide circulation in the publication area if it is circulated generally in the area, and maintains a definite price or consideration not less than fifty per cent of its published price, and is paid for by not less than sixty per cent of those to whom distribution is made; and

(c) It must bear a title or name, consist of not less than four pages without a cover, and be of a type to which the general public resorts for passing events of a political, religious, commercial and social nature, and for current happenings, announcements, miscellaneous reading matter, advertisements, and other notices. The news content must be at least twenty-five per cent of the total column space in more than one-half of its issues during any twelve-month period.

(2) If, in the case of a publication area smaller than the county in which it is located, there is no newspaper published in the area, the publication shall be made in a newspaper published in the county that is qualified under this section to publish advertisements for the county. If, in any county, there is no newspaper meeting the requirements of this section for publishing advertisements for such county or for any publication area within the county shall be published in a newspaper of the latest bona fide circulation in that county, published in and qualified to publish advertisements for an adjoining county in Kentucky. This subsection is intended to supersede any statute that provides or contemplates that newspaper publication may be dispensed with if there is no newspaper printed or publisher or of general circulation in the particular publication area.

(3) If a publication area consists of a district, other than a city, which extends into more than one county, the part of the district in each county shall be considered to be a separate publication area for the purposes of this section, and an advertisement for each such separate publication area shall be published in a newspaper qualified under this section to publish advertisements for such area. (1958, c. 42, § 2; 1960, c. 168, § 1; effective June 16, 1960)

424.140 Times and periods of publication. (1) Except as otherwise provided in KRS 424.110 to 424.370 and notwithstanding any provision of existing law providing for different times or periods of publication, the times and periods of publications of advertisements required by law to be made in a newspaper shall be as follows:

(a) When an advertisement is of a completed act, such as an ordinance, resolution, regulation, order, rule, report, statement, or certificate and the purpose of the publication is not to inform the public or the members of any class of persons that they may or shall do an act or exercise a right within a designated period or upon or by a designated date, the advertisement shall be published one time only and within thirty days after completion of the act. However, a failure to comply with this paragraph shall not subject a person to any of the penalties provided by KRS 424.990 unless such failure continues for a period of ten days after notice to comply has been given him by registered letter.

(b) When an advertisement is for the purpose of informing the public or the members of any class of persons that on or before a certain day they may or shall file a petition or exceptions or a remonstrance or protest or objection, or resist the granting of an application or petition, or present or file a claim, or submit a bid, the advertisement shall be published at least once, but may be published two or more times, provided that one publication occurs not less than seven days nor more than twenty-one days before the occurrence of the act or event.

(c) When an advertisement is for the purpose of informing the public and the advertisement is of a sale of property or is a notice of delinquent taxes, the advertisement shall be published once a week for three successive weeks. The provisions of this sub-paragraph shall not be construed to require the advertisement of notice of delinquent state taxes which are collected by the state.

(d) Any advertisement not coming within the scope of paragraph (a) or (b) or (c) of this subsection, such as one for the purpose of informing the public or the members of any class of persons of the holding of an election, or of a public hearing, or of an examination, or of an opportunity for inspection, or of the due date of a tax or special assessment, shall be published at least once but may be published two or more times, provided that one publication occurs not less than seven days nor more than twenty-one days before the occurrence of the act or event, or in the case of an inspection period, the inspection period commences.

(e) If the particular statute requiring that an advertisement be published provides that the day upon or by which, or the period within which, an act may or shall be done or a right exercised, or an event may or shall take place, is to be determined by computing time from the day of publication of an advertisement, the advertisement shall

be published at least once, promptly, in accordance with the statute, and the computation of time shall be from the day of initial publication.

(2) This section is not intended to supersede or affect any statute providing for notice of the fact that an adversary action in court has been commenced. (1958, c. 42, § 3; 1960, c. 168, § 1; effective June 16, 1960)

424.140 Contents or form of advertisements. (1) Any advertisement of a hearing, meeting or examination shall state the time, place and purpose of the same.

(2) Any advertisement of an election shall state the time and purpose of the election, and if the election is upon a public question the advertisement shall state the substance of the question.

(3) Any advertisement for bids or of a sale shall describe what is to be bid for or sold, the time and place of the sale or for the receipt of bids, and any special terms of the sale.

(4) Where any statute provides that, within a specified period of time after action by any governmental agency, unit or body, members of the public or anyone interested in or affected by such action shall or may act, and it is provided by statute that notice of such governmental action be published, the advertisement shall state the time and place when and where action may be taken. (1958, c. 42, §4; 1960, c. 168, §1; effective June 16, 1960)

424.150 Person responsible for publishing. When any statute providing for newspaper publication of an advertisement does not designate the person responsible for causing the publication to be made, the responsible person shall be:

(1) Where the advertisement is of the filing of a petition or application, the person by whom the same is filed.

(2) Where the advertisement is of an activity or act of:

(a) An individual public officer, the officer himself;

(b) A city, the city clerk if there be one; if not, the mayor or the chairman of the board of trustees;

(c) A county, the county court clerk;

(d) A district, or a board, commission or agency of a city, county or district, the chief administrative or executive officer or agent thereof;

(e) A court, the clerk thereof;

(f) A state department or agency, the head thereof. (1958, c. 42, § 5; 1960, c. 168, § 1; effective June 16, 1960)

424.160 Rates. (1) For all newspaper advertising required by law, the publisher is entitled to receive payment for each insertion at a rate per linear inch, single column, computed as solid eight-point measure. The rate shall not exceed that paid by general advertisers for comparable matter, but in no case shall it be less than \$1.00 per linear inch for weekly newspapers and \$1.50 per linear inch for daily newspapers.

(2) Whenever by law or by the nature of the matter to be published a display form of advertisement is required, or whenever the person or officer responsible for causing an advertisement to be published determines in his discretion that a display form is practicable or feasible, and so directs the newspaper, the advertisement shall be published in display form and the newspaper shall be entitled to receive therefor its established display rate.

(3) Whenever it is provided by statute that an advertisement shall be published of the filing of a petition or application seeking official action, the filing, if required by other than a governmental official or agency, shall not be deemed complete unless there is deposited with the petition or application an amount sufficient to pay the cost of publication.

(4) The expense of advertisements in judicial proceedings shall be taxed as costs by the clerk of the court. (1958, c. 42, § 6; c. 168, §1; effective June 16, 1960)

424.220 Financial statements. Excepting officers of a city of the first class, a county containing such a city, a public agency of such a city or county, or a joint agency of such a city and county, or a school district of such a city or county, and excepting officers of a city of the second class that is required by law to publish an annual audit of its financial affairs, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board of commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held or disbursed by him during the fiscal year just closed, unless he has complied with KRS 424.230. The statement shall show the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disburse-

ment, for what purpose expended, and to whom paid, except that only the totals of amounts paid to each person need to be shown. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. The officers shall, within sixty days after the close of the fiscal year, cause the statement to be published in full in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district, as the case may be. Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county court clerk of the county. Within thirty days after publication the officer shall file with the Auditor of Public Accounts a copy of the newspaper containing the statement. 1958, c. 42, §12; 1960, c. 168, §1; effective June 16, 1960)

424.260 Bids for materials, supplies, equipment or services.

Except where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county or district, or board or commission of a city or county, may make a contract for materials, supplies or equipment, or for contractual services other than professional, involving an expenditure of more than \$1,000.00 without first making newspaper advertisement for bids; provided, however, that this requirement shall not apply in an emergency if the chief executive officer of such city, county or district has duly certified that an emergency exists, and has filed a copy of such certificate with the chief financial officer of such city, county, or district. (1958, c. 42, § 16; 1960, c. 168, § 1; effective June 16, 1960)

424.270 Local administrative regulations. No general regulation of uniform application throughout the publication area promulgated by any officer, board or commission of a city, county or district, which is intended to impose liabilities or restrictions upon the public shall be valid unless and until it, or a notice of such promulgation, together with a statement where the original regulation may be examined by the public, has been advertised by newspaper publication. (1958, c. 42, § 17; 1960, c. 168, §1; effective June 16, 1960)

424.290 Election ballot facsimiles. Not less than three days before any primary or regular election the county court clerk shall cause to be published in a newspaper a facsimile of the ballot or ballots, or when voting machines are to be used, of the face of the voting ma-

chines showing the ballot labels in place. Where the ballots or voting machine faces differ for various precincts within the county, a facsimile of each different ballot or voting machine face shall be published, with appropriate identification. The cost of publication shall be paid by the county, except that the cost of publishing any ballot or voting machine face that is limited to a city election or a district election other than a school district election, shall be paid by the city or the district as the case may be. (1958, c. 42, § 19, 1960, c. 168, § 1; effective June 16, 1960)

424.360 Invitation to bid on municipal bonds. No sale of general obligation bonds or revenue bonds of any governmental unit or political subdivision, or agency thereof, shall be made except upon newspaper advertisements for bids, published for the publication area constituted by the political subdivision or government unit and published to afford statewide notice. If the bonds are in principal amount of fifty thousand dollars or more, an advertisement for bids shall also be published in a publication have general circulation among bond-buyers. (1958, c. 42, § 26; 1960, c. 168, § 1; effective June 16, 1960)

424.990 Penalties. Any person who violates any provision of KRS 424.110 to 424.370 shall be fined not less than \$50 nor more than \$500. In addition, any officer who fails to comply with any of the provisions of KRS 424.220, 424.230, 424.240, 424.250, 424.290 or 424.330 shall, for each such failure, be subject to a forfeiture of not less than \$50 nor more than \$500, in the discretion of the court, which may be recovered only once, in a civil action brought by any citizen of the city, county or district for which the officer serves. The costs of all proceedings, including a reasonable fee for the attorney of the citizen bringing the action, shall be assessed against the unsuccessful party. (1958, c. 42, § 28; 1960, c. 168, § 1; effective June 16, 1960)

CHAPTER III
DEPARTMENT OF EDUCATION

NEW KRS

156.022

156.472

156.474

156.476

156.022 Division of Surplus Property. (1) There shall be established a Division of Surplus Property in the Department of Education.

(2) The Division of Surplus Property is authorized and empowered to receive, warehouse, and distribute surplus property under the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and other federal laws relating to surplus property. The division shall comply with federal laws and regulations in the administration of surplus property received through federal agencies, and shall establish with the approval of the State Board of Education such rules and regulations necessary for compliance with minimum standards established therein.

(3) All functions, personnel, funds, records, equipment, and facilities heretofore in the Division of Property Utilization shall be transferred to the Division of Surplus Property and the Division of Property Utilization is hereby abolished. (1960, c. 68, Art III, § 1, 2, 3; effective March 17, 1960)

156.472 Textbook adoptions and purchases for model and practice schools. (1) This section accords the same rights and privileges to the model and practice schools of the Morehead State College, the Eastern Kentucky State College, the Western Kentucky State College, the Murray State College, the Kentucky State College, and the University of Kentucky that are granted to the county and independent school districts as the textbook adoptions and purchases. The board of regents of the five State Colleges and the board of trustees of the University of Kentucky, upon the recommendations of their presidents, may make textbook adoptions from the state multiple list of textbooks, as approved and listed by the State Textbook Commission. All regulations of the State Board of Education and the statutory laws, which are ap-

plicable to textbook adoptions by the county and independent school districts, shall apply to textbook adoptions for the model and practice schools.

(2) The Superintendent of Public Instruction, subject to the approval of the State Board of Education, shall purchase from the publishers whose books have been adopted for use in the model and practice schools and distribute them without cost to the pupils enrolled in grades one through eight. All regulations of the State Board of Education and statutory laws, which are applicable to the purchase and distribution of free textbooks for and to the pupils attending the free public schools in the county and independent school districts in grades one through eight, shall apply to the purchase and distribution of free textbooks for and to the pupils attending the model and practice schools in grades one through eight. (1960, c. 99, §1; effective June 16, 1960)

156.474 Multiple textbook adoption. (1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe the conditions whereby a school district may make multiple textbook adoptions for the different school subjects by grades. The school district shall make application to the Superintendent of Public Instruction for permission to make multiple textbook adoptions. The Superintendent of Public Instruction shall make or have made an adequate study to evaluate the district's conditions. If in his judgment the prevailing conditions within the school district warrant multiple textbook adoptions, the State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may grant the school district permission to make such textbook adoptions from the state multiple list of textbooks as approved and listed by the State Textbook Commission.

(2) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe the rules and regulations to govern the purchase of the multiple-adopted textbooks for the school district. The Superintendent of Public Instruction, subject to the approval of the State Board of Education, may purchase the textbooks from the publishers whose books have been adopted by the school district for grades one through eight and distribute them without cost to the pupils attending the free public schools in the school district. (1960, c. 99, § 2; effective June 16, 1960)

156.476 Textbooks for children with impaired vision. The State Board of Education, upon the recommendation of the Superintendent

of Public Instruction, may select and approve a list of suitable textbooks and other materials printed in clear type of 18 to 24 points in the different subject areas for children with impaired vision who are attending the free public schools of the Commonwealth of Kentucky in grades one through twelve. The listing of such textbooks and materials shall not be subject to the official textbook bids, filing fees, textbook sampling, and the stipulated list prices, lowest wholesale prices, exchange prices, and the standards and specifications required for the textbooks approved and listed by the State Textbook Commission for regular use by the pupils attending the free public schools of the State of Kentucky. The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe rules and regulations for determining the pupils eligible for such books, the number of books to be purchased, and the general administration of the program. The Superintendent of Public Instruction, subject to the approval of the State Board of Education, may purchase these books from the approved state list of books from the publishers whose books have been listed by the State Board of Education and distribute them without cost to the pupils with impaired vision attending the free public schools of the state. All textbooks purchased under this section for the pupils with impaired vision are the property of the state. (1960, c. 99, § 3; effective June 16, 1960)

CHAPTER IV

STATE SUPPORT OF EDUCATION

| Amended KRS | | New KRS | Corrected KRS |
|-------------|---------|---------|---------------|
| 157.320 | 157.390 | 157.014 | 157.280 |
| 157.350 | 157.400 | 157.016 | |
| 157.360 | 157.420 | 157.305 | |
| 157.370 | 157.430 | | |
| 157.380 | | | |

157.014 Commission on Public Education. (1) In order to provide for the continuous study and evaluation of the Commonwealth's system of public education, there is hereby created a commission to be known as the Commission on Public Education. The commission's staff constitutes an agency independent of state administrative departments.

(2) The commission shall consist of nine members known for their interest in and knowledge of the state's education system, said members to be appointed by the Governor. Not more than four of these members shall be educators. Three members shall be appointed for a term of two years; three for a term of three years; and three for a term of four years. These appointments shall be effective July 1, 1960. At the expiration of these terms appointments shall be for terms of four years. Appointments shall be made by the Governor to fill existing vacancies.

(3) The commission shall study the problems and evaluate programs of public education within the Commonwealth. Such studies and evaluations shall include but not be limited to present policies concerning public school transportation, free textbooks programs, school personnel, public school physical plants. The commission shall submit an annual report to the Governor and such special reports on its findings as the Governor may require.

(4) The chairman and vice-chairman of the commission shall be elected at the first meeting and each year thereafter. The commission may appoint an executive committee empowered to act for the commission in all matters. Meetings will be held at least four times a year, but special meetings may be called at the discretion of the chairman. Commission members will be paid twenty-five dollars per diem plus expenses for each regular or special meeting which they attend.

(5) The commission shall cause to be made such audits of the State Board of Education and of independent and county school districts as it shall deem necessary in order to properly inform itself as to whether funds are used efficiently and in accordance with law. The commission shall evaluate and publish such audits whenever it considers such evaluation and publication to be in the public interest. (1960, c. 141, § 1; effective March 25, 1960)

157.016 Executive director and staff. The commission shall appoint an executive director who shall serve at the pleasure of the commission. His salary shall be fixed by the commission within the limits of the funds made available to the commission. The executive director may employ, with the approval of the commission, such staff as may be necessary to conduct studies and evaluations of programs of public education as provided in KRS 157.014. (1960, c. 141, § 2; effective March 25, 1960)

CORRECTED SECTION

157.280 Furnishing of special education facilities by a district other than that of child's residence; transportation; tuition; recovery of excess per capita cost. (1) If a child resident of one school district, because of his handicap attends a class or school for any of such types of children in another school district, the school district in which he resides shall pay to the school district maintaining the school or class he attends, his tuition in a sum equal to the per capita cost of educating normal children in the district of his residence. If the normal per capita cost in the school district maintaining such special education services is greater than the normal per capita cost in the district of the child's residence, then the school district which provides the special education to the child may claim the difference as part of the excess per capita cost, for the purposes of KRS 157.300.

(2) The school board of the school district in which any child resides shall pay for his transportation to the class in the other school district, unless the school board of the other district provides his transportation to the class, in which case the cost of transportation may, for purposes of KRS 157.300, be included as a part of the excess per capita cost in the school district providing the special education services. (1948, c. 4, § 9)

PRIVATE SCHOOLS FOR EXCEPTIONAL CHILDREN

157.305 Qualification of private schools for education of exceptional children; conditions. (1) In lieu of the statutory requirements

concerning education of exceptional children and until such time as the local boards of education are able to provide adequate instruction and facilities for exceptional children in their respective districts, private schools that are now established and are providing instruction and facilities for exceptional children may qualify as State schools for exceptional children.

(2) To qualify as a State school for the exceptional children a private school shall:

(a) Submit to the State Board of Education with its application for such qualification the names and addresses of the governing body of the school. The State Board of Education may approve or disapprove the governing body as it exists or may appoint such additional members thereto as it deems advisable;

(b) Submit the type of instruction and program now being provided, the qualifications of the instructors employed and the facilities now available. The State Board of Education may approve or disapprove the program personnel or facilities now existing or it may make its approval contingent on such recommended improvements as it deems advisable.

(3) Once a school has qualified as a state school for exceptional children, the State Board of Education upon the recommendation of the Superintendent of Public Instruction may allow to such school one hundred dollars annually per exceptional child in average daily attendance; provided that such school meets and continues to meet the standards promulgated by the State Board of Education for schools qualifying under this section.

(4) To carry out the provisions of this section there is hereby appropriated from the General Fund in the State Treasury seventy-five thousand dollars for the fiscal year 1960-61 and seventy-five thousand dollars for the fiscal year 1961-62. (1960, c. 107, § 1; effective June 16,

FOUNDATION PROGRAM

157.320 Definitions for KRS 157.310 to 157.440. As used in KRS 157.310 to 157.440, unless the context otherwise requires:

(1) "Average daily attendance" means the aggregate days attended by pupils in a public school, divided by the actual number of days the school is in session for the year;

(2) "Average daily membership" means the aggregate days of membership of pupils in a public school divided by the actual number of days the school is in session for the year;

(3) "Board" means the board of education of any county or independent school district;

(4) "Classroom unit" means the unit for measuring educational needs for foundation program purposes;

(5) "District" means any school district as defined by law;

(6) "Elementary school" means a school consisting of grades one through eight, or any appropriate combination of grades within this range, as determined by the plan of organization for schools authorized by the district board;

(7) "Foundation program" means the level of educational services and facilities, as defined in KRS 157.310 to 157.440, which is to be provided in each district from the required local tax effort and the public school foundation program fund;

(8) "Isolated school" means an elementary or secondary school which had fewer than one hundred pupils in average daily attendance during the previous school year and which meets such standards for isolation as shall be prescribed by the regulations of the State Board of Education, based on factors to include distance by the nearest passable road from another appropriate school center which is able to receive the pupils, and the time for transportation necessary to attend another school;

(9) "Public school foundation program fund" means the fund created by KRS 157.330 for use in financing education in public elementary and secondary schools;

(10) "Regulations of the State Board of Education" means those regulations which the State Board of Education may adopt upon the recommendation and with the advice of the Superintendent of Public Instruction. The Superintendent of Public Instruction shall recommend for adoption of the State Board of Education such rules and regulations as he deems necessary for carrying out the purposes of KRS 157.310 to 157.440;

(11) "Required local tax effort" means the amount of money required to be provided by a district from local revenue sources;

(12) "Secondary school" means a school consisting of grades seven through twelve, or any appropriate combination of grades within this range as determined by the plan of organization for schools authorized by the district board. When grades seven through nine or ten are organized separately as a junior high school, or grades ten through twelve are organized separately as a senior high school and are conducted in separate school plant facilities, each shall be con-

sidered a separate secondary school for the purposes of KRS 157.310 to 157.440;

(13) "Single salary schedule" means a schedule adopted by a local board and approved by the State Board of Education upon recommendation of the Superintendent of Public Instruction which is based on training, experience and such other factors as the State Board of Education may approve and which does not discriminate between salaries paid elementary and secondary teachers; and

(14) "Teacher" means any regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, director of pupil personnel, or other member of the teaching or professional staff engaged in the service of the public elementary and secondary school for whom certification is required as a condition of employment. (1954, c. 214, § 2; 1960, c. 145, § 1; effective June 16, 1960)

157.350 Eligibility of districts for participation in foundation program fund. Each district which meets the following requirements shall be eligible to share in the distribution of funds from the public school foundation program funds:

(1) Employs and compensates all teachers for not less than 185 days, provided, that the State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall prescribe procedures whereby this requirement may be reduced during any year for any district which employs teachers for less than 185 days, in which case the eligibility of a district for participation in the public school foundation program shall be in proportion to the length of time teachers actually are employed;

(2) Operates all schools for a term as provided in KRS 158.070 and regulations of the State Board of Education, provided, however, that if the school term is less than 185 days for any reason approved by the State Board of Education on recommendation of the Superintendent of Public Instruction the eligibility of a district for participation in the public school foundation program fund shall be in proportion to the length of term the schools actually operate;

(3) Compensates all teachers on the basis of a single salary schedule and in conformity with the provisions of KRS 157.310 to 157.440;

(4) Makes the required local tax effort except as otherwise provided by subsection (3) of KRS 157.400;

(5) Includes no nonresident pupils in its average daily attendance, except by written agreement with the district of the pupils' legal

residence. (1954, c. 214, § 5; 1956, c. 106, § 2; 1960, c. 145, § 2; effective June 16, 1960)

157.360 Allotment of classroom units by Superintendent of Public Instruction. (1) In determining the cost of the foundation program for each district, the Superintendent of Public Instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for special instructional services for exceptional children, classroom units for superintendents, principals and their certificated assistants and special instructional services personnel, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) In allotting classroom units for elementary and secondary schools, one classroom unit shall be included for each twenty-seven pupils in average daily attendance; provided, however, that one classroom unit shall be included for each isolated one-teacher school and one unit shall be included for each twenty-five pupils in average daily attendance at all other isolated schools; provided, however, that one twenty-seventh of a classroom unit shall be included for each pupil in average daily attendance at Lincoln Institute if such attendance is under provisions of a written contract between Lincoln Institute and the district of the pupils legal residence.

(3) Allotments of classroom units in accordance with subsection (1) of this section shall be made on the average daily attendance for the previous school year; provided, however, that if the average daily attendance in any district for the first two months of the current school year is greater than the average daily attendance of the district for the first two months of the previous school year, upon application of the district board, made prior to December 1, the total number of classroom units allotted the district shall be increased by the percent of increase; and provided further, that if the average daily attendance of any district shall have been reduced more than three percent during the previous school year due to such factors as epidemics, inclement weather, or disaster, upon application of the district superintendent, made before July 1 of that year, the number of classroom units allotted the district for the ensuing school year shall be increased by the difference in percent between the ratio of the average daily attendance to the average daily membership for the scholastic year just ended, and the ratio of the average daily attendance to the average

daily membership for the two highest of the three preceding scholastic years.

(4) In allotting classroom units for vocational education, one classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the state plan of vocational education as approved by the State Board of Education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach evening, part-time, or short unit classes for less than a school day or a school year that meet the regulations of the state plan of vocational education as approved by the State Board of Education.

(5) In allotting classroom units for special instructional services for exceptional children, one classroom unit shall be included for each teacher approved to teach such children in accordance with the provisions of law and regulations of the State Board of Education.

(6) In allotting classroom units for superintendents, principals, their certificated assistants, and special instructional service personnel, the total number of classroom units allotted in subsections (2), (4), and (5) shall be divided by eight and the quotient shall be the number of classroom units allotted to the district for superintendents, principals, their certificated assistants and such special instructional service personnel as are authorized by regulations of the State Board of Education.

(7) In allotting classroom units for supervisors of instruction, one-half of a classroom unit shall be allotted each district which is allotted twenty-five through forty-nine classroom units under subsections (2), (4), and (5); one unit shall be allotted each district which is allotted fifty to one hundred classroom units, one unit shall be allotted for each one hundred classroom units, or major fraction thereof, in districts allotted more than one hundred classroom units under these subsections.

(8) In allotting classroom units for directors of pupil personnel, one classroom unit shall be allotted each district which is allotted thirty-six to one hundred and sixty-six classroom units under subsection (2) and for a unit for each additional two hundred and sixty-six classroom units or fraction thereof allotted under subsection (2). For districts having fewer than thirty-six classroom units, a proportionate fraction of a classroom unit shall be allotted.

(9) In allotting classroom units under subsections (1) through (8) the Superintendent of Public Instruction, under regulations of the State

Board of Education, may allot units on the basis of an area larger than a district for educational services which cannot be adequately and economically provided on a district basis. (1954, c. 214, § 6; 1960, c. 145, § 3; effective June 16, 1960)

157.370 Allotment of transportation units. (1) In determining the cost of the foundation program for each district, the Superintendent of Public Instruction shall determine the average cost per pupil per day of transporting pupils in districts having a similar density of transported pupils per square mile of area served by not less than nine different density groups.

(2) The annual cost of transportation shall include all current costs for each district plus annual depreciation of pupil transportation vehicles calculated in accordance with the regulations of the State Board of Education for such districts that operate district-owned vehicles.

(3) The aggregate and average daily attendance of transported pupils shall include all public school pupils transported at public expense who live one mile or more from school, provided that handicapped children may be included who live less than this distance from school. The aggregate and average daily attendance referred to in this subsection shall be the aggregate and average daily attendance of transported pupils the prior year adjusted for current year increases in accordance with State Board of Education regulations.

(4) The square miles of area served by transportation shall be determined by subtracting from the total area in square miles of the district the area not served by transportation, determined in accordance with the regulations of the State Board of Education provided that if one district authorizes another district to provide transportation for a part of its area, such area served shall be deducted from the area served by that district and added to the area served by the district providing the transportation.

(5) The density of transported pupils per square mile of area served for each district shall be determined by dividing the average daily attendance of transported pupils by the number of square miles of area served by transportation.

(6) The Superintendent of Public Instruction shall determine the average cost per pupil per day of transporting pupils in districts having a similar density by constructing a smoothed graphy of cost for all density groups as provided in subsection (1). This graphy shall be used to construct a scale showing the average costs of transportation

for districts having a similar density of transported pupils. Such costs shall be determined separately for county school districts and independent school districts, provided that no independent school district will receive an average cost per pupil per day in excess of the minimum received by any county district or districts. These costs shall be the cost per pupil per day of transported pupils included in the foundation program and such costs shall be recalculated each biennium.

(7) The scale of transportation costs included in the foundation program for county and independent districts is determined in accordance with the provisions of KRS 157.310 to 157.440 for the biennium beginning July 1, 1960. (1954, c. 214, § 7; 1956, c. 107, § 8; 1960, c. 145, § 4; effective June 16, 1960)

157.380 Determination of local tax effort. (1) On or before July 1 of each year the Department of Revenue shall determine the aggregate assessed value of all property subject to assessment for school tax purposes, and shall determine the percentage the equalized value of property in each district is of the total equalized value of all property in the Commonwealth subject to taxation for school purposes and shall certify such information to the Superintendent of Public Instruction for use in determining the required local tax effort for each district. If such assessment has not become final by July 1 of any year, the Department of Revenue shall, on the basis of other information as may be available, make an estimate of the assessment of all property subject to local school tax in each school district and the estimate shall be used in lieu of the aggregate assessed value.

(2) In determining the required local tax effort for districts which participate in the public school foundation program fund, the Superintendent of Public Instruction shall divide the aggregate assessed value of all property in the Commonwealth subject to taxation for school purposes by one hundred and multiply the quotient thereof by one dollar and ten cents. The product thereby obtained shall be multiplied by each district's percentage of the total equalized value of all property in the Commonwealth subject to taxation for school purposes.

(3) Any district's levy shall be at such rate as is necessary to provide the required local tax effort. (1954, c. 214, § 8; 1956, c. 106, § 3; 1958, c. 13; 1960, c. 145, § 5; effective June 16, 1960)

157.390 Classification of teachers; procedure for determination of amounts for teachers' salaries, and other expenses. (1) (a) The Super-

intendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned twenty-four semester hours of additional approved graduate work;

Rank II. Those holding regular certificates and who have a master's degree or its equivalent;

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent;

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank;

Rank V.---Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent;

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent;

RANK VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent.

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience .

(2) The amount to be included in the 1960-61 school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule for each rank:

| | |
|----------|--------|
| Rank I | \$4400 |
| Rank II | 4100 |
| Rank III | 3800 |
| Rank IV | 2800 |
| Rank V | 2500 |
| Rank VI | 2100 |
| Rank VII | 1800 |

Beginning with the school year 1961-62, the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

| | |
|----------|--------|
| Rank I | \$4600 |
| Rank II | 4300 |
| Rank III | 4000 |
| Rank IV | 2900 |
| Rank V | 2600 |
| Rank VI | 2200 |
| Rank VII | 1900 |

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections 2), (3), (4), and (5) of this section. (1954, c. 214, § 9; 1960, c. 145, § 6; effective June 16, 1960)

157.400 Procedure for determining amount distributable to each district from foundation program fund. (1) The amount of money distributable to each district from the public school foundation program fund shall be determined by subtracting the required local tax

effort from the total foundation program allotment for the district as determined in KRS 157.390.

(2) (a) If it shall be determined in subsection (1) that the amount of money distributable to a school district for the school year 1960-61 shall be less than one hundred and twenty dollars per pupil in average daily attendance and, beginning in the 1961-62 school year, that the amount of money distributable to a school district shall be less than one hundred and twenty-five dollars per pupil in average daily attendance, then the apportionment for that district shall be increased to one hundred and twenty dollars per pupil in average daily attendance and, beginning in the 1961-62 school year, then the apportionment for that district shall be increased to one hundred and twenty-five dollars per pupil in average daily attendance; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) and (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(b) The average daily attendance referred to in this subsection shall be the prior year average daily attendance of the district adjusted proportionally for any increase in classroom units allotted the district under provisions of KRS 157.360 subsection (2).

(c) The classroom units requirement under this subsection relating to classroom units under KRS 157.360 subsections (4) and (5) may be waived for any district by the Superintendent of Public Instruction when it is shown that the need for these educational services no longer exists.

(3) In the event a district whose appropriation is increased under subsection (2) of this section is allotted classroom units under KRS 157.360 subsections (4) and (5) in excess of the number of such units allotted that district in 1955-56, then the allotment to that district determined in subsection (2) of this section shall be increased by the foundation program cost of these units determined in accordance with KRS 157.390 subsections (2), (3) and (4).

(4) If the allotment to a school district as determined in subsections (2) and (3) is an amount less than thirty-five dollars per pupil in average daily attendance plus the allotment for that school district in 1959-60, then the allotment shall be increased by an amount necessary to provide a final amount equal to the 1959-60 allotment plus thirty-five dollars per pupil in average daily attendance: provided,

however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) and (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(5) If a district fails for any reason to make the required local tax effort, as provided in KRS 157.380, the amount of the apportionment of the public school foundation program fund to be paid to such district under subsections (1), (2), (3) and (4) of this section shall be reduced by the percentage of loss from the required local tax effort.

(6) So much of the public school foundation program fund which would not be distributed under subsections (1) through (5) inclusive of this section, due to the failure of one or more participating districts to meet the full requirements, shall be held in the account for distribution the following year among districts which meet the requirements for participation. (1954, c. 214, § 10; 1956, c. 106, § 5; 1960, c. 145, § 7; effective June 16, 1960)

157.420 Restrictions governing expenditure of funds from foundation program fund. Public school foundation program funds made available to the credit of each district during any year, together with the funds required from local tax effort, shall be received, held and expended by the district board, subject to the provisions of law and regulations of the State Board of Education. The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the public school foundation program fund allotment for that rank as established in subsection (2) of KRS 157.390, and no teacher shall be paid less than ninety percent of the public school foundation program fund allotment for that rank;

(2) The capital outlay allotment for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district only for capital outlay projects approved by the Superintendent of Public Instruction in accordance with requirements of law, and based on a survey made in accordance with rules and regulations prescribed by the State Board

of Education. These funds shall be used for the following capital outlay purposes:

- (a) For direct payment of construction costs;
- (b) For debt service on voted and funding bonds;
- (c) For payment or lease-rental agreements under which the board eventually will acquire ownership of a school plant;
- (d) For the retirement of any deficit resulting from over-expenditure for capital construction, if such deficit resulted from an emergency declared by the State Board of Education under KRS 160.550;
- (e) As a reserve fund for the above named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above named purposes, the Superintendent of Public Instruction, under regulations of the State Board of Education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

If a survey shows that a school district has no capital outlay needs as shown in paragraphs (a), (b), (c) and (d) above, upon approval of the Superintendent of Public Instruction, these funds may be used for school plant maintenance, repair, insurance on buildings, and replacement of equipment. (1954, c. 214, § 12; 1956, c. 106, § 6; 1960, c. 145, § 8; effective June 16, 1960)

157.430 Procedure for percentage reduction of amounts distributable to districts in case of insufficient appropriations by General Assembly. If, when the apportionments are being determined under the provisions of KRS 157.310 to 157.440, funds appropriated by the General Assembly to the public school foundation program fund plus that portion of the funds required from local tax effort are insufficient to provide the amount of money required under subsections (1), (2), and (4) of KRS 157.400, the Superintendent of Public Instruction shall make a percentage reduction in the allotments determined in these subsections for each district to the extent necessary to reduce the total of these allotments to funds available, provided that no district shall receive less than the amount that it received in its per capita apportionment in 1955-56, provided further that it meets the requirements set forth in KRS 157.350 and subsections (2), (4) and (5) of KRS 157.400. The revenue available after the provisions of KRS 157.400 subsections (1), (2) and (4) have been met shall be apportioned to meet, in so far as possible, the provisions of KRS 157.400 subsection (3). (1954, c. 214, § 13; 1956, c. 106, § 7; 1960, c. 145, § 9; effective June 16, 1960)

CHAPTER V
CONDUCT OF SCHOOLS

No change in this chapter.

CHAPTER VI

COMPULSORY ATTENDANCE

New KRS
159.035

159.035 Participation in 4-H activities to be considered attendance. Anything in the statutes of the Commonwealth to the contrary notwithstanding, all pupils in the schools of the state who are enrolled in a properly organized 4-H Club shall be considered present at school for all purposes when participating in regularly scheduled 4-H Club educational activities, provided, the student is accompanied by or under the supervision of a county extension agent or the designated 4-H Club leader for the 4-H Club educational activity participated in. (1960, c. 245; effective June 16, 1960)

CHAPTER VII

SCHOOL DISTRICTS

Amended KRS
160.310

160.310 [4399-20a; 4399-20b] **Board to provide insurance for school busses.** Each board of education may set aside funds to provide for liability and indemnity insurance against the negligence of the drivers or operators of school busses, other motor vehicles, and mobile equipment owned or operated by the board. If the transportation of pupils is let out under contract, the contract shall require the contractor to carry indemnity or liability insurance against negligence in such amount as the board designates. In either case the indemnity bond or insurance policy shall be issued by some surety or insurance company authorized to transact business in this state, and shall bind the company to pay any final judgment not to exceed the limits of the policy rendered against the insured for loss or damage to property of any school child or death or injury of any school child or other person. (1960, c. 97; effective June 16, 1960)

CHAPTER VIII

SCHOOL EMPLOYES, TEACHERS' RETIREMENT AND TENURE

| | Amended KRS | | New KRS | Repealed KRS |
|---------|-------------|---------|---------|--------------|
| 161.220 | 161.410 | 161.540 | 161.545 | 161.130 |
| 161.260 | 161.430 | 161.550 | | |
| 161.290 | 161.470 | 161.600 | | |
| 161.340 | 161.515 | 161.620 | | |
| 161.400 | | | | |

161.130 [4502-8] Fees for certificates; agency fund account. (1950, c. 103, § 3.) Repealed, 1960, c. 98; effective June 16, 1960.

161.220 [4506b-2] Definitions and Terms Used in KRS 161.230 to 161.710. (10) "Annual salary" means the average annual salary which the member has received for his service as a teacher in the public schools of Kentucky for five years or for as many years if less than five, prior to July 1, 1941, except that any salary which exceeds two thousand dollars shall be considered two thousand dollars; and during the five years or for as many years if less than five years, immediately preceding the following dates herein, except that any salary which exceeds two thousand dollars in any year prior to July 1, 1946, shall be considered two thousand dollars and any salary for any year subsequent to July 1, 1946, and prior to July 1, 1955, which exceeds two thousand four hundred dollars shall be considered two thousand four hundred dollars and any salary subsequent to July 1, 1955, shall be the actual arithmetic average salary for any five consecutive years which will provide the highest average. (Subsection (10) amended, 1946, c. 111, § 1; 1954, c. 196, § 1; 1960, c. 44, § 1; effective March 10, 1960)

(11) "Annual compensation" after July 1, 1955, means the contractual salary and additions thereto received by a member as compensation for his services as a teacher in the public schools of Kentucky during a given fiscal year before any deduction. (Subsection (11) amended, 1946, c. 111, § 1; 1954, c. 196, § 2; 1960, c. 44, § 1; effective March 10, 1960)

161.260 [45066-6; 45066-6a] Election of members of board of trus-

tees. An election shall be held on or before June 1 of each year to elect one member of the board of trustees. The member to be elected each year shall depend up the respective terms of the members elected under 1938, 1st ex. s., c. 1, paragraph 7, and 1940, c. 192, paragraph 7a. Each member shall assume office on July 1 following his election and shall serve for a term of four years. The elections shall be conducted by ballot under the supervision of the Superintendent of Public Instruction. Each teacher who is a contributing member of the Retirement System shall have the right to vote. Nomination for membership on the board of trustees shall be made by a nominating committee consisting of one delegate from the membership of each of the districts of the Kentucky Education Association. No person may be a member of the nominating committee who is not a member of the system. The president of the Kentucky Education Association shall preside over the meeting of the nominating committee and the secretary of the Teachers' Retirement System shall act as secretary to the committee. Two persons shall be nominated by the nominating committee. All expenses of the election shall be paid by the board of trustees out of its general expense fund. (1960, c. 44, § 2; effective March 10, 1960)

161.290 [4506b-8; 4506b-15] Compensation and expenses of board members; office quarters. The members of the board of trustees shall serve without compensation except that elective members shall receive twenty-five dollars for each day the board is in session and all board members shall be reimbursed from the expense fund for all necessary expenses they incur through service on the board. Suitable office quarters for the operations of the Retirement System shall be provided by the state at the capital. (1960, c. 44, § 3; effective July 1, 1960)

161.340 [4506b-12] Chairman and secretary of board; personnel of system. The board of trustees shall elect from its membership a chairman and shall by a majority vote of all its members appoint a secretary who is not a member of the board. The secretary shall at the time of appointment be at least thirty-five years of age, a graduate of a standard four-year college, have had at least ten years experience as a teacher and be eligible for membership in the Retirement System. He shall be paid an adequate salary in accordance with established personnel classification. He shall not have held by appointment or election an elective office within the five-year period next preceding the date of appointment. The board shall engage such actuarial, legal, medical and other technical services and such clerical and other serv-

ices as are required to transact the business of the Retirement System. The compensation of all persons engaged by the board and all other expenses of the board necessary for the operation of the Retirement System shall be paid at such rates and in such amounts as the board approves. (1958, c. 8, § 4; effective July 1, 1960)

161.400 [4506b-20] Actuary; employment; duties. The board of trustees shall designate as actuary a competent person who shall be a member of the Conference of Actuaries in Public Practice or the Society of Actuaries. He shall be the technical adviser of the board on matters regarding the operation of the funds of the system and shall perform such other duties as are required in connection therewith. At least once in each five-year period after the first year of operation of the system the actuary shall make an actuarial investigation into the mortality, earnable interest and service and compensation of the members and beneficiaries of the Retirement System, make a valuation of the assets and liabilities of the funds of the system and recommend to the board of trustees such changes as may be deemed necessary to keep the Retirement System on a sound financial basis. On the basis of the results of such investigations the board of trustees shall make necessary changes in the Retirement System within the provisions of law and shall recommend the contributions payable by the state within the limits specified in KRS 161.550. (1960, c. 44, § 5; effective July 1, 1960)

161.410 [4506b-19] Medical Review Board designation; duties. The board of trustees shall designate a Medical Review Board consisting of three licensed physicians. The Medical Review Board may designate physicians in various areas of the Commonwealth to conduct examinations as needed. The Medical Review Board shall pass upon all applications for disability retirement and upon all statements, certifications, and examinations submitted in connection with such applications. The disposition of each case shall be recommended by the board in writing to the board of trustees. Members of the Medical Review Board shall follow such rules and regulations regarding procedures as the board of trustees may enact and shall be paid reasonable fees and expenses as authorized by the board of trustees in compliance with the provisions of KRS 161.330. The board of trustees may secure such additional medical service and information as it deems necessary. (1960, c. 44, § 6; effective July 1, 1960)

161.430 [4506b-21] Investment of funds. (1) The board of trustees shall be the trustee of the funds of the Retirement System, and shall

have the full power and responsibility for the investment and disbursement of the funds. No investment shall be made of the funds except in the following:

(a) Bonds, notes or other obligations of or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof;

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds;

(c) Obligations of any city of the first, second, third, fourth, or fifth classes of the Commonwealth of Kentucky, or county containing such city, for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(d) School improvement bonds issued in accordance with authority granted under KRS 162.080 to and including KRS 162.100;

(e) School building revenue bonds issued in accordance with authority granted under KRS 162.120 to and including KRS 162.300, and any act or acts passed in the 1960 session of the General Assembly providing for the issuance of school building revenue bonds, provided the issuance of such bonds is approved by the State Board of Education;

(f) Revenue bonds issued by educational institutional institutions of the Commonwealth of Kentucky as authorized by KRS 162.340 to and including KRS 162.380;

(g) Public utility revenue bonds issued by any city of the first, second, third, fourth or fifth classes, or by a county containing such a city, or by a special taxing district located within such city or county in the Commonwealth, provided: 1. the net income from such public utility property available for the payment of such securities, for the five fiscal years next preceding any such investment, shall have averaged at least $1 \frac{1}{10}$ times all debt service requirements for principal, interest and sinking fund of all revenue securities payable only out of the revenues from such property during each of such fiscal years, and 2. the issuer of the securities covenants and is obligated to maintain rates to produce revenues, or will receive contract payments, either or both of which will be sufficient to meet costs of operation, taxes and all debt service requirements and such obligation or contract is legally enforceable;

(h) Obligations consisting of notes, bonds, debentures, or equipment trust certificates issued under an indenture, which are the direct obligation or in the case of equipment trust certificates, are secured by direct obligation of a corporation organized under the laws of the

United States or any state in the United States or the District of Columbia, when such bonds are rated at time of purchase within the three highest classifications established by at least two major rating services;

(i) Deposits in banks or trust companies in the Commonwealth of Kentucky organized under the laws of this state, or of the United States, when such deposits are interest bearing at a rate not lower than two per cent per annum, and when such deposits are fully secured by direct obligations of the United States Government or of the Commonwealth of Kentucky, placed in the hands of the state treasurer and approved by the board of trustees;

(j) Stocks, preferred or common, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof, subject to the statutory restrictions governing investments by insurance companies incorporated in Kentucky;

k) Mutual-type funds established and controlled by any organization which may be formed by the Kentucky Teachers' Retirement System and other state retirement system of Kentucky and other southern states for the mutual investment of funds in Kentucky or the southern regional area;

(1) Productive real estate.

(2) (a) Not more than twenty-five per cent of any one issue may be purchased by the board of trustees as an investment; and not more than five per cent of the invested funds of the Retirement System may be invested in the obligations of any issuer except in the case of obligations of the United States Government; provided that not more than ten per cent of the invested funds may be invested in an issue of the Commonwealth of Kentucky or its departments or agencies as defined in this subsection. For the purpose of this subsection revenue bond obligations of the Commonwealth of Kentucky or its departments and agencies shall not be deemed to be obligations of the same obligor if the revenues pledged are derived from separate projects. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interests during a period of the last ten years immediately preceding the purchase.

(b) No more than forty per cent of the assets of the Retirement System may be invested in any one of the foregoing classifications subsection (1) (a) or subsection (1) (h), provided, however, that this limitation shall not become operative until the existing percentage in such investments has been reduced to forty per cent or until January 1, 1965, whichever occurs earlier; no more than twenty per cent of said assets may be invested in the foregoing classification subsection (1) (b); no

more than twenty-five per cent of said assets may be invested in any one of the foregoing classifications subsections (1) (c), (1) (d), (1) (e), (1) (f), and (1) (g); and no more than ten per cent of said assets (no more than two per cent of the aggregate cost or book value of the total assets of the Retirement System in any one fiscal year) may be invested in any one of the foregoing classifications subsections (1) (i), (1) (j), and (1) (k); no more than six per cent of said assets may be invested in the foregoing classification (1) (l).

(3) No investment or disbursement of funds shall be made unless authorized by resolution adopted by the board of trustees. (1954, c. 215; 1958, c. 8, § 2; 1960, c. 44, §7; effective March 10, 1960)

161.470 [4506b-27] Membership of Retirement System. (1) The membership of the Retirement System shall consist of all new teachers, and all present teachers except those who filed statements declining membership as provided in 1938, 1st ex.s., c. 1, paragraph 29, and did not withdraw the statements within the time allowed by that section. Persons entering service who hold membership in a retirement system financed in whole or part by Kentucky state funds may retain membership in that system instead of becoming members of the Teachers' Retirement System, provided the statutes governing said system make continued membership possible.

(2) Effective July 1, 1960, and thereafter, a member or former member of the Retirement System with at least three years of contributing service subsequent to the withdrawal of contributions and cancellation of service credit may regain such credit by depositing in the teachers' savings fund the amount withdrawn with interest at the rate of three per cent per annum compounded annually computed from the first of the month of withdrawal and including the month of redeposit and by depositing in the state accumulation fund an additional sum equal to fifty per cent of this amount. The payment to the state accumulation fund, including regular compound interest, shall, in the event of death of the member prior to retirement, be considered as accumulated contributions of the teacher.

(3) Effective July 1, 1960, any teacher who declined membership as provided in 1938, 1st ex.s., c. 1, paragraph 29, and who has since entered as a "new" teacher, may secure service credit for prior service, and for any subsequent service prior to date of membership, by depositing in the teachers' savings fund contributions for each year of subsequent service prior to date of membership, with interest at the rate of three per cent compounded annually to the date of deposit.

The teacher shall also deposit an additional sum equal to fifty per cent of this amount in the state accumulation fund. In the event of the death of the member prior to retirement, the payment shall be considered as accumulated contributions of the member.

(4) Effective July 1, 1960, any teacher who declined membership as provided in 1938, 1st ex.s., c. 9, paragraph 29, may become a member and receive credit for prior and subsequent service by making proper contribution for the year 1940-41 and for each year thereafter, together with interest at the rate of three per cent per annum compounded annually. The teacher shall deposit an additional sum equal to fifty per cent of this amount in the state accumulation fund. In the event of the members' death prior to retirement, the contributions to the state accumulation fund shall be considered as accumulated contributions of the member.

(5) No person shall take advantage of the provision of subsection (2), (3) and (4) above more than once. (1960, c. 44, § 8; effective July 1, 1960)

161.515 Out-of-state service credit; teachers in noneducational state institutions authorized to come into Retirement System. (1) For the purposes of this section, "out-of-state service" shall mean service in any other state in a comparable position, which would be covered if in Kentucky.

(2) (a) After a teacher has been a member of the Retirement System for at least one full scholastic year, he may present for credit, service rendered out-of-state subsequent to July 1, 1941, not to exceed eight such years actually taught as a certified or licensed teacher, provided such member pay to the Retirement System the amount he would have paid had he been teaching in Kentucky and in addition thereto three per cent compound interest on each annual contribution from the last day of the scholastic year in which the service was rendered to date of payment to the Retirement System. For each year for which the Retirement System shall accept the contribution and interest, one year of subsequent service credit shall be given. Not more than eight years may be contributed for under this section.

(b) For each such year so paid for and for any additional years for which contributions have been paid currently, not to exceed eight years in all, any member of the Retirement System may offer bona fide out-of-state service for credit as prior service but not a greater number of years than the number for which contributions are paid, and in no case more than eight years of service prior to July 1, 1941. If out-of-

state service was rendered in 1940-41, then contributions must be made for this year in the same manner as described under paragraph (a) of this section.

(c) All such service, both subsequent and prior, shall be certified to by the member and verified according to KRS 161.480 and 161.490. Appropriate form for this purpose shall be furnished by the board of trustees and used by the member making application. After additional out-of-state service credit has been granted under this section, the member receiving such service credit shall return his retirement certificate to the board of trustees and the secretary of the Retirement System shall enter thereon, with the approval of the board of trustees, the additional credit allowed any such member.

(3) Nothing in this section shall be construed to permit a member of the Kentucky Retirement System to leave the profession in Kentucky to teach in another state and during such service or upon return to teaching in the schools of Kentucky apply for the validation of such subsequent service under the provisions of this section.

(4) It is further provided that certificated teachers employed in, entering upon or transferring to service in the noneducational state institutons of Kentucky under the direction of the Department of Welfare as teachers or as supervisors of instruction may upon request to the board of trustees come into or continue in membership and pay their retirement contributions under such rules and regulations as said board or trustees may adopt not inconsistent with the Retirement Act for the payment of said contributions. (1946, c. 111, § 2; 1960, c. 44, § 9; effective March 10, 1960)

161.540 [4506b-36] Members' contribution to system. Each member shall contribute to the Retirement System five per cent of his annual compensation. The contribution of a member shall not exceed this percentage on his current annual compensation. (1946, c. 111, § 3; 1954, c. 196, § 3; 1960, c. 44, § 10; effective July 1, 1960)

161.545 Substitute teachers and teachers on leave of absence may not contribute; exception. Teachers may not make contributions and receive service credit for substitute teaching or other irregular service except as provided in rules and regulations of the board of trustees. Teachers who are placed on leave of absence may not make contributions and receive service credit for such leave except as provided in rules and regulations adopted by the board of trustees. (1960, c. 44, § 14; effective March 10, 1960)

161.550 [4506b-37] State's contribution to system. Beginning with July 1, 1960, the state shall contribute annually to the Retirement System a permanent amount equal to that contributed by all members. The state shall contribute annually an amount sufficient to discharge the prior service obligation with interest assumed by the state, over a period not greater than thirty years. (1960, c. 44, § 11; effective July 1, 1960)

161.600 [4506b-41] Retirement conditions. Any member who has attained the age of sixty years and who has completed twenty years of service as a teacher in Kentucky, five of which are subsequent to July 1, 1941, with at least one year subsequent to July 1, 1959, may retire upon written application to the board of trustees of the Teachers' Retirement System. Any member who completes ten years of service subsequent to July 1, 1941, and who enters employment covered by another retirement system financed in whole or part with Kentucky state funds, may retain membership in the Teachers' Retirement System instead of joining the new system. Any member shall be automatically retired at the end of the fiscal year during which he attains the age of seventy years. (1960, c. 44, § 12; effective July 1, 1960)

161.620 [4506b-43] Retirement allowances; amount. (1) The retirement allowance of the member retiring for superannuation whose age of retirement is seventy years shall be one per cent of his average annual prior service salary for each year of prior service credit plus one and one-half per cent of his average annual compensation for each year of subsequent service between the years 1941 and July 1, 1955, plus a percentage in excess of one and one-half per cent, to be determined by the actuary of the system and approved by the board of trustees, said determined percentage to be taken of his annual subsequent service salary for the years after July 1, 1955. The retirement allowance of a member retiring for superannuation whose age at retirement is less than seventy years shall be reduced to that amount which the value of the retirement allowance computed as provided in this section at age seventy will purchase as of the actual age of retirement of the member, according to the actuarial tables in use by the system. Retirement allowance in final amount at age of retirement shall be determined by an actuarial factor equivalent to one at age seventy. Said factors shall be determined by the actuary of the Retirement System and approved by the board of trustees.

(2) For any member retiring on or after July 1, 1955, no retirement allowance shall be greater than one-half of the average annual

compensation unless resulting from the minimum provided in KRS 161.625.

(3) Effective July 1, 1960, each teacher retired prior to that date who had reached age sixty as of July 1, 1960, and had service credit of twenty or more years, and all teachers retired for disability, shall receive a total annual allowance amounting to not less than forty dollars multiplied by the service credit years of the teacher.

(4) Beginning July 1, 1960, all teachers retired thereafter who have reached the age of sixty at date of retirement, who have thirty or more years of service credit and are in active service at time of retirement, and all teachers retiring by reason of disability, shall receive an annual allowance of not less than forty dollars multiplied by the service credit years of the teacher, except that where application of this minimum will produce an allowance greater than one-half of average annual compensation as herein provided the allowance shall be reduced to one-half of the average annual compensation. It is further provided that any teacher who is forced into retirement due to reaching mandatory retirement age shall qualify for the minimum annuity herein provided if the teacher has twenty years of service credit plus one year of credit for each year elapsing between July 1, 1960, and date of retirement, or July 1, 1970, whichever is earlier.

(5) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries. (1946, c. 111, § 4; subsection (3) amended, 1950, c. 78, § 1; subsection (1) and (2) amended, 1954, c. 196, § 4; subsection (3) amended, 1954, c. 194; 1956, c. 146; 1960, c. 44, § 13; effective July 1, 1960)

CHAPTER IX

SCHOOL PROPERTY AND BUILDINGS

New KRS

| | | | |
|---------|---------|---------|---------|
| 162.510 | 162.540 | 162.570 | 162.600 |
| 162.520 | 162.550 | 162.580 | 162.610 |
| 162.530 | 162.560 | 162.590 | 162.620 |

162.510 Kentucky Public Authority; public corporation. There shall be an agency and instrumentality of the Commonwealth for the purpose of assisting the boards of education of any county or independent school districts, upon requests of such boards, in the financing of public school building projects and undertakings; and the same is hereby created and established as a public corporation under the name Kentucky Public School Authority, with perpetual succession, and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, and exercise the usual powers of private corporations except as expressly limited in KRS 162.510 to 162.620. (1960, c. 81, § 1; effective June 16, 1960)

162.520 Definitions for KRS 162.510 to 162.620. As used in KRS 162.516 to 162.620, the following terms and words have the following respective meanings, unless another meaning is clearly indicated by the context:

- (1) "Authority" means the Kentucky Public School Authority established by KRS 162.510 to 162.620;
- (2) "Department" means the State Department of Education;
- (3) "Superintendent" means the Superintendent of Public Instruction;
- (4) "Board of education" means the governing body of a county school district, or of an independent school district, for which the authority issues its revenue bonds pursuant to KRS 162.510 to 162.620;
- (5) "Project" means any undertaking to provide for a board of education any school buildings, facilities, improvements, and appurtenances and may include not only such as are authorized in KRS 162.120 to 162.300, but also those for any purpose enumerated in KRS 160.477 (1) (a);
- (6) "Lease" or "lease instrument" means a written instrument for the leasing of one or more school projects executed by the authority

as lessor and a board of education as lessee, conforming to the specifications set forth in KRS 162.140;

(7) "Bonds" or "bonds of the authority" means bonds issued by the authority under KRS 162.510 to 162.620, payable as to principal and interest solely from rentals received from a board of education pursuant to a lease. (1960, c. 81, § 2; effective June 16, 1960)

162.530 Membership; succession; quorum; compensation; offices; register of membership; official records; regulations; meetings. (1) The Authority shall be composed of the Superintendent, three staff members or employes of the Department, and the Assistant Attorney General assigned to the Department of Education. The membership shall initially be composed of the Superintendent, the Assistant Superintendent for Business Administration, the Attorney General or his designated assistant, the Director of the Division of Finance, the Director of the Division of Buildings and Grounds, as constituted on June 16, 1960, and their successors in such offices or positions.

(2) In the event of reorganization of the Department in such manner that the positions of any or all of the four members other than the Superintendent shall cease to exist under the titles herein recited, the succession as to the then incumbent in each position so ceasing to exist shall devolve upon a staff member or employe of the Department performing one or more of the same or similar functions, as designated by order of the Superintendent, made in writing, concurred in by the Commissioner of Finance and authorized by the Governor as provided in KRS 12.030, and filed with the Secretary of the Authority. Until the effective date of any such designation, the incumbent may, unless otherwise specifically ordered in a writing signed by the Superintendent and filed in the office of the Secretary of the Authority, continue to serve as a member of the Authority in all respects as if such reorganization had not been initiated. If any of the officers of the Authority whose signatures or facsimiles thereof, appear on any bonds of the Authority, or on any interest coupons appurtenant thereto, or on any other instruments or documents pertaining to the functions of the Authority, shall cease to be such officers before delivery of the bonds, or before the effective date or occasion of such instruments or documents, the signatures, and facsimiles thereof, shall nevertheless be valid for all purposes the same as if the officers had remained in office until such delivery or effective date or occasion.

(3) Any three members of the Authority shall constitute a quor-

um for the transaction of business at any meeting convened as hereinafter set forth. The Superintendent shall be the Chairman. The Authority shall elect from its membership a Vice chairman; and shall elect a Secretary, and an Assistant Secretary, a Treasurer, and an Assistant Treasurer, each of whom may be a member of the Authority or an employe of the Department, or a person otherwise employed for such position. The duties of such officers shall be as the Authority may prescribe.

(4) The members and officers of the Authority shall receive no compensation for their services, except that the Secretary, Assistant Secretary, Treasurer and Assistant Treasurer, or any of them, if employed by the Authority otherwise than from among the employes of the Department, shall receive such compensation as may be fixed from time to time by the Authority, the same to be paid from the budgeted funds of the Department.

(5) The Authority shall maintain an office and shall at all times keep therein a complete official record of all its actions and proceedings. Office accommodations, including secretarial and telephone service, shall be provided to the Authority by the Department, and the expense thereof shall be paid by the Department from its budgeted funds.

(6) Each change in the membership of the Authority, whether by succession in an existing position, or as provided in subsection (2), shall be entered by the Superintendent in a register of membership which shall at all times be maintained in the office of the Authority as an official record subject to public inspection. Any actions and proceedings of the Authority, appearing from its records to have been had or taken by the person or persons shown by the register of membership to have been the proper person or persons at the time of such action or proceedings, shall be the regular and official actions or proceedings of the Authority, and shall be binding upon the Authority. The Secretary or Assistant Secretary shall, upon request, issue a certificate under the seal of the Authority showing the members and officers of the Authority as of any specified date; and any persons may accept and rely thereon.

(7) The Authority may prescribe and change from time to time reasonable administrative rules for the furnishing of certified copies of any official records of its actions and proceedings; and may prescribe reasonable fees therefor not to exceed ten per cent above the costs and expenses of making and authenticating the same as determined or estimated by the Authority; and all such fees shall be paid into a revolv-

ing fund for the continuation of such service on a basis of self-sustaining as possible.

(8) The Authority may adopt rules and regulations for the conducting of its business and affairs, subject to the provisions of KRS Chapter 13.

(9) The Authority may adopt by-laws relating to its organization and internal management, and may alter the same at will. Through its by-laws, or by resolution, it shall establish stated times and places for regular meetings; and may adjourn the same from time to time. Special meetings may be convened upon written or oral call of the Chairman, Vice-chairman, or Secretary, upon reasonable notice; and any absent member may waive notice orally or in writing either before, at, or after any special meeting, as may be noted in the minutes. If a quorum be present at any special meeting, and it shall appear from the minutes that reasonable notice was given to absent members, or waived by them, or the minutes subsequently consented to by them, any business transacted or action taken thereat shall be as fully regular and official as if transacted or taken at a regular meeting or an adjournment thereof. (1960, c. 81, § 3; effective June 16, 1960)

162.540 Interpretation of terms in KRS 162.120 to 162.300, when applied to KRS 162.510 to 162.620. Upon receiving a request in writing from a board of education, the Authority may, in its discretion, assist such board of education in financing any project by acting in the capacity and manner authorized to be performed by cities under KRS 162.120 to 162.290, and by counties under KRS 162.300. When applied to the Authority, KRS 162.120 to 162.300 shall be so read that the following terms and passages have the following respective meanings or interpretations:

- (1) "City" or "county" means "authority";
- (2) "City clerk" or "county clerk" means "secretary or assistant secretary of the authority";
- (3) "Governing body of the city" or "fiscal court" means "authority";
- (4) "Mayor or chairman of the board of trustees" or "county judge" means "chairman or vice-chairman of the authority";
- (5) "Ordinance" in the case of a city, or "resolution" in the case of a county, means a resolution of the authority;
- (6) "Building and appurtenances" means "project" as defined in subsection (5) of KRS 162.520;
- (7) The last sentence of KRS 162.190 shall read, "It shall be

plainly stated on the face of each bond that it was or is issued under the provisions of KRS 162.510 to 162.620 (omitting reference to KRS 162.150 to 162.280 as such, and that it does not constitute an indebtedness of the Authority or of the Commonwealth”;

(8) KRS 162.200 is modified to permit use of money received from bonds for the additional purpose of paying reasonable expenses incurred in the authorization, advertising, preparation, sale and delivery of bonds, and may include a fee contracted to be paid to a fiscal agent for financial advice and services if the contract or agreement therefor shall have been approved by the board of education and by the Authority

(9) As used in KRS 162.140, “lease” shall have the meaning defined in subsection (6) of KRS 162.520, and the same shall be recorded or filed for recording in the office of the Clerk of the County Court of the County in which the project is situated, as evidenced by a written receipt or acknowledgement of filing issued by such clerk, or by a copy of the lease attested or certified by such clerk as being of record in his office. It shall be the duty of the Secretary of the Authority to obtain such evidence before delivery of the bonds to a purchaser thereof; but failure to obtain the same shall not affect the validity of the bonds in the hands of any purchaser or holder;

(10) KRS 162.240 shall not apply; and the following provisions shall govern in lieu thereof:

“One or more depositories and paying agents may be selected and designated by the board of education, subject to the approval of the Authority, which approval shall not unreasonably be withheld; but each depository and paying agent shall be a financial institution, within or without the Commonwealth, which is a member of Federal Deposit Insurance Corporation. All deposits of sinking funds and of bond proceeds shall continuously be secured by a pledge to the Authority of direct obligations of the United States, exclusive of accrued interest, at all times at least equal to the balance on deposit in the fund or account, such securities to be deposited with the Authority or held by a trustee or agent designated by the Authority; provided, however, in lieu of requiring such security the authority may in its discretion invest, or cause to be invested and reinvested, any moneys in direct obligations of the United States until such time as cash funds may be needed, and the Authority may prescribe for the custody and safekeeping of such securities. When cash funds are needed, the Authority shall direct the conversion into cash of such securities, or a sufficient portion thereof, and may require that the same be secured

until disbursement, as herein provided. All income from such securities shall accrue to the board of education, but may be retained by the Authority and credited upon any rental obligation of the board of education under the lease, or applied to supplement bond proceeds if the same should for any reason turn out to be insufficient to defray the costs and expenses of the project." (1960, c. 81, § 4; effective June 16, 1960)

162.550 Ownership of certain moneys determined. Moneys received by the Authority as rentals under any lease, and from the sale of bonds, are declared not to be funds of the Commonwealth but shall be corporate funds of the Authority to be held, administered, invested and disbursed as trust funds under the terms, provisions, pledges, covenants, and agreements set forth in its leases and bond resolutions and bonds. (1960, c. 81, § 5; effective June 16, 1960)

162.560 Officers of Authority to be bonded. Officers, employees and agents of the Authority having custody of money shall at all times be bonded to the maximum amount reasonably anticipated to be held at any one time; and each bond shall have good corporate surety, provided by a surety company authorized to do business in the Commonwealth, to be approved in each instance by the Authority. Premiums for such surety shall be paid from the budgeted funds of the Department. (1960, c. 81, § 6; effective June 16, 1960)

162.570 Authority required to record all financial transactions; report to Governor. The Authority shall at all times keep and maintain books of record and account reflecting accurately all its financial transactions, and the same shall be open to public inspection at all reasonable times. The books of record and account shall be audited annually by the auditing staff of the Department, and a copy of the audit report shall be filed with the Commissioner of Finance. With the approval of the Governor, the Commissioner of Finance may direct that the financial affairs of the authority be audited by independent certified public accountants, and costs thereof shall be paid from the State Treasury. The Authority shall annually submit to the Governor a written report of its activities; and a copy of each report shall be filed with the clerk of each House of the General Assembly on the first day of each regular biennial session. (1960, c. 81, § 7; effective June 16, 1960)

162.580 Duty of Authority as to each bond issue. In connection with each bond issue of the Authority, it shall be the duty of the Authority:

(1) To require the board of education to insure the project to its full insurable value, or to the amount of the bonds outstanding from time to time, whichever is the less, against the hazards covered by the Standard Fire Insurance Policy with standard endorsement of 'extended coverage'; and to require that a copy of each policy be delivered to the Authority for inspection and for its records;

(2) To require periodic accounting from all depositories of funds, the same to be submitted on forms prepared and supplied by the Authority;

(3) To furnish to the auditing staff of the Department a summary identification and description of each issue, and to request that the financial records of the board of education relating thereto be audited as a part of the annual audit of the board of education, and that a separate statement or report thereof be filed with the Authority;

(4) To send to each board of education, at least thirty days before the due date of any rental payment, a notice of the amount of rental to become due, and the date thereof, and to require acknowledgement thereof;

(5) In the event of failure to receive from the board of education satisfactory evidence that sufficient funds have been transmitted to the Authority, or will be so transmitted, for paying bond principal and/or interest when due, as provided in the lease, to notify and request that the Department withhold from the board of education a sufficient portion of any undisbursed funds then held or set aside or allocated to it, and to request that the Department transfer the required amount thereof to the Authority for the account of the board of education. (1960, c. 81, § 8; effective June 16, 1960)

162.590 Duty of Department upon request of Authority. It shall be the duty of the Department, upon written request of the Authority:

(1) To cause its auditing staff to audit the financial records of a board of education relating to any identified and described bond issue of the Authority, as an incident to the Department's next ensuing annual audit of such board of education, and each subsequent annual audit thereof; and to provide to the Authority a statement or report thereof;

(2) Upon receiving a notification and request from the Authority as described in KRS 162.580, to ascertain whether the lease of the board of education has been renewed and is in force in accordance with its terms; and if the same is ascertained to be in force, to withhold from the board of education a sufficient portion of any undisbursed funds

then held or set aside or allocated by the Department for the board of education, and to comply with the terms of the notification and request of the Authority, for the account of said board of education. (1960, c. 81, § 9; effective June 16, 1960)

162.600 Bonds to issue in name of Authority; identification; investment designation. (1) Bonds of the Authority shall be issued in the name of the Authority, shall be designated "School Building Revenue Bonds," or, if appropriate, "School Building Revenue Refunding Bonds," and shall additionally be identified by the name of the board of education executing the lease. If the Authority shall issue more than one series of bonds for the same lessee from time to time, each series, including the first or subsequent to the first, shall additionally be identified distinctly by alphabetical or chronological designation, by date of the bonds, or otherwise as the Authority may determine.

(2) For the purposes of determining any limit prescribed by any law for investment of any public funds, or funds of banks, trust companies, insurance companies, building and loan associations, credit unions, pension and retirement funds, and fiduciaries, in obligations of a single obligor, bonds issued by the Authority pursuant to KRS 162.510 to 162.629 shall not be deemed to be bonds or obligations of the same obligor except to the aggregate of all series of bonds involving leases of a single board of education.

(3) Bonds issued by the Authority under the provisions of KRS 162.510 to 162.620 are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, trustees, and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law. (1960, c. 81, § 10; effective June 16, 1960)

162.610 Transactions of Authority exempt from other control. The Authority and all of its transactions, activities and proceedings in the authorization and issuance of its bonds, execution of leases, accepting conveyances of property, making conveyances of property, and other-

wise, shall be exempt from approval, control and supervision of the State Property and Buildings Commission as might otherwise be applicable under KRS 56.440 to 56.580, and from all provisions relating to custodianship by the Secretary of State of title documents, leases, abstracts of title, maps and other records as provided in KRS 56.020 to 56.320. Conveyances of property to or by the Authority shall not be deemed to be conveyances to or by the Commonwealth. (1960, c. 81, § 11; effective June 16, 1960)

162.620 Sale of bonds; conditions. Bonds of the Authority shall be sold only upon the basis of sealed bids or proposals, publicly solicited, received, opened and acted upon. The "publication area," as that term is used in KRS Chapter 424, shall not be deemed to be the area within which the office of the Authority is situated, but shall be deemed to be the "publication area" of the board of education executing the lease. Each sale shall be publicly advertised by means of a notice conforming to the provisions of KRS 424.140 (5)*, and the same shall be published at least one time, at least seven days in advance of the date set forth for opening bids, in a daily newspaper having bona fide general circulation throughout the Commonwealth. If such publication is made, it shall be sufficient for publication in the "publication area" to be made only one time, at least seven days in advance of the date set forth for the opening of bids, notwithstanding provisions for publication more often as provided in KRS Chapter 424. If a copy of the sale notice be delivered or transmitted in good faith to the qualified newspaper of the "publication area" in time for publication in an issue thereof published seven days or more in advance of the date set forth for the opening of bids, and with direction for publication therein, any failure of such newspaper to make publication as directed shall not invalidate the sale of the bonds by the Authority on the designated date, nor require postponement or cancellation thereof. (1960, c. 81, § 12; effective June 16, 1960)

*NOTE: 424.140 was amended by the 1960 Legislature so that Item 3 of the amended section is the same as Item 5 before the amendment.

CHAPTER X
VOCATIONAL EDUCATION AND
REHABILITATION

No change in this chapter.

CHAPTER XI

STATE UNIVERSITIES AND COLLEGES

Amended KRS

164.130

164.170

New KRS

164.122

164.124

164.288

164.515

164.570

164.990

164.122 Elizabethtown Extension Center. There shall be established and maintained an extension center of the University of Kentucky in the City of Elizabethtown, Kentucky, or the environs thereof, to be known as the "Elizabethtown Extension Center." The Elizabethtown Extension Center shall be maintained and operated in the same manner as the other extension centers presently maintained by the University of Kentucky. (1960, c. 82, § 1; effective June 16, 1960)

164.124 Appointment of advisory boards. There may be appointed an advisory board for each extension center maintained by the University of Kentucky. The boards shall be appointed by the Governor to advise the board of trustees of the University of Kentucky in the operation of the centers. (1960, c. 82, § 2; effective June 16, 1960)

164.570 Commission study of need for additional colleges. There is hereby created a commission of five qualified persons appointed by the Governor to study the need for and placement of additional universities, colleges, junior colleges and off-campus centers which might best serve the Commonwealth, the types of programs they should encompass and the organizational pattern which would best insure their continuing contribution to the Commonwealth and the particular area served. The commission will report to the Governor on or before July 1, 1961, in order that sufficient planning may be completed prior to the meeting of the 1962 General Assembly. 1960, c. 82, § 3; effective June 16, 1960)

164.130 [4527-13] Members of board of trustees of university; appointment; terms; vacancies. (1) The government of the University of Kentucky is vested in a board of trustees consisting of the Governor, who shall be chairman of the board, the Superintendent of Public Instruction, the Commissioner of Agriculture, Labor and Statistics, twelve competent citizens of Kentucky appointed by the Governor, and

two non-voting members of the teaching faculty of the University of Kentucky. The terms of appointed members shall be for four years and until their successors are appointed and qualify. Three of the twelve appointed members shall be appointed each year. Three of the appointed members shall be representative of agricultural interests, three shall be alumni of the University and six shall be other distinguished citizens of the state representative of the learned professions. The Governor shall so make the appointments as to divide the representation upon the board, including the ex-officio members, as nearly equally as possible between the two leading political parties of this state. Appointments to fill vacancies shall be made for the unexpired term in the same manner as provided for original appointments.

(2) The non-voting faculty members shall be teaching or research members of the faculty of the University of Kentucky of the rank of assistant professor or above. They shall be elected by secret ballot by all faculty members of the university of the rank of assistant professor and above. Faculty members shall serve for terms of three years and until their successors are elected and qualify, except that of the first two members elected one shall serve for a term of two years and one for a term of three years. Faculty members shall be eligible for reelection, but they shall be ineligible to continue to serve as members of the board of trustees if they cease to be members of the teaching staff of the university. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original elections.

(3) No member of the board of trustees or its administrative staff shall be directly or indirectly interested in any contract with the university for the sale of property, materials, supplies, equipment or services, with exception of compensation to the two faculty members. (1948, c. 222, § 1; 1952, c. 155; 1956, c. 84; 1960, c. 112, § 1; effective March 25, 1960)

164.170 [4527-14; 4527-15; 4527-16] **Meetings of board; quorum; expenses; public character.** (1) The board of trustees of the university shall meet on Tuesday preceding the regular annual commencement of the university, on the third Tuesday in September, on the second Tuesday in December, and on the first Tuesday in April of each year. Special meetings may be called by the chairman or by any three members upon giving ten days' written notice to each member of the board of trustees. The business to be transacted at special meetings shall be specified in the notice of the meeting. All meetings shall be held on the campus of the university unless otherwise specified by a major-

ity vote of the board of trustees. A majority of the voting members of the board of trustees shall constitute a quorum. All necessary expenses incurred by the trustees in going to, returning from and while attending meetings of the board of trustees shall be paid out of the funds of the university.

(2) The meetings of the board of trustees shall be open to the public. The board of trustees shall cause a stenographic transcript of each of its meetings to be prepared and filed. An agenda for each of the meetings shall be sent to each member of the board of trustees and a copy thereof made available to the press. (1960, c. 112, § 2; effective March 25, 1960)

164.288 Power of university and state colleges to accept federal aid. Any of the state colleges or the University of Kentucky or the state on behalf of any of the colleges or the university may accept federal aid in the form of services, equipment, supplies, materials or funds by way of gift, grant or loan for the purpose of higher education including student loans. Any of the state colleges or the university acting through its president or its governing board is hereby authorized to receive such services, equipment, supplies, materials and funds as are now available or may be made available. The colleges and the university are hereby authorized to use funds appropriated to them in the 1959-1960 fiscal year in carrying out the matching provisions required by federal programs, loans or grants. (1960, c. 136, § 1; effective March 25, 1960)

MINOR CHILD OF WAR VETERAN

164.515 Minor child of permanently disabled war veteran not required to pay tuition; conditions. (1) Any minor child whose father is a permanently and totally disabled war veteran shall not be required to pay any matriculation or tuition fee upon his admission to any state supported institution of higher education.

(2) To be entitled to benefits under this section the father of the child claiming benefits must be rated permanently and totally disabled for pension purposes or one hundred per cent disabled for compensation purposes by the United States Veterans' Administration or the Department of Defense.

(3) In the absence of certification of permanent and total disability by the United States Veterans' Administration or the Department of Defense, medical evidence showing permanent and total disability may be accepted, if this evidence is signed by a physician li-

censed to practice in the Commonwealth of Kentucky or an official of an accredited medical hospital in the Commonwealth of Kentucky.

(4) The parent-child relationship must be shown by birth certificate, legal adoption paper or other documentary evidence.

(5) To entitle a child or children to benefits under this section the disabled war veteran must have served during time of war or the Korean conflict in the Armed Forces of the United States, and his discharge therefrom must have been under honorable conditions. He must be a resident of the Commonwealth of Kentucky, and his residency must have been for a period of not less than five years immediately preceding June 16, 1960. (1960, c. 92, §§ 1, 2, 3, 4 and 5; effective June 16, 1960)

164.990 Penalty. Any person or persons making fraudulent statements to obtain benefits under KRS 164.515 shall be imprisoned in the penitentiary for one year or fined one thousand dollars, or both.

CHAPTER XII

CITY UNIVERSITIES AND COLLEGES

| Amended KRS | New KRS |
|-------------|---------|
| 165.160 | 165.175 |
| 165.170 | 165.195 |

165.160 [3219-1; 3219-2; 3219-5] **Municipal colleges in cities of second class; establishment; board of trustees.** (1) Cities of the second class may establish or acquire by lawful conveyance municipal colleges for the purpose of promoting public education. A college in a city of the second class shall not constitute a municipal college or receive support as provided in KRS 165.170 to 165.190 unless it is controlled by a board of trustees appointed by the mayor and legislative body of the city, and unless its principal work is the maintenance of courses affording instruction in such arts, sciences and professions and conferring such certificates of attainment as are authorized by other similar institutions of learning above the high school grade.

(2) If the college is supported by a municipal college support district, three members of the board of trustees mentioned in subsection (1) shall be appointed by the governing body of the district. (1960, c. 203, § 1; effective June 16, 1960)

165.170 [3219-1; 3219-3] **Tax levy for municipal college; amount; disposition.** The legislative body of any city of the second class that has a municipal college may, after an election as required by Section § 184 of the Constitution, annually levy and collect, for the support of the municipal college, a tax of not less than five nor more than fourteen cents on each one hundred dollars worth of property subject to taxation for city purposes. The levy of such taxes shall be made at the same time and in the same manner as other levies for city purposes. The amount levied shall be placed to the credit of the municipal college fund upon the completion of the assessment of property for taxation, and paid as collected, subject to the discount allowed on other city taxes, by the treasurer of the city to the treasurer or other financial officer of the college, for the purpose of establishing, acquiring and operating the college. The taxes authorized by this section shall be construed to the school taxes and shall be in addition to all other taxes authorized by law to be used for municipal or school purposes. (1960, c. 203, § 2; effective June 16, 1960)

165.175 Municipal college support district. (1) The fiscal court of a county containing a city of the second class in which is located a municipal college, having obtained the authorization of the legislative body of such city for the college to accept tax support from a municipal college support district and for appointment of three members of the college board of trustees by the governing body of the district, may establish a municipal college support district consisting of the territory in the county outside the limits of the city in which is located the college. The members of the fiscal court shall constitute the governing body of the district. Subject to the provisions of subsection (2), the district may levy a tax of not less than five nor more than fourteen cents on each one hundred dollars of assessed valuation of all property in the district. The funds raised by this tax shall be used solely to support the college.

(2) A certified copy of the order of the fiscal court creating the district shall be filed by the governing body of the district with the county clerk at least forty-five days before a regular election, and the clerk shall cause the question whether the tax is to be imposed to be placed upon the ballots to be given to voters residing in the district. The question shall be so phrased as to ask the voter whether he favors the imposition of a tax of not less than five nor more than fourteen cents on each one hundred dollars of the assessed valuation of all property in the district for the purpose of supporting the municipal college in the second class city in the county. If a majority of those voting on the question favor the imposition of the tax, the governing body of the district shall levy the tax.

(3) The sheriff shall collect the taxes due the district at the same time and in the same manner in which he collects the state and county ad valorem tax. He shall be allowed a fee not to exceed four per cent for collection of this tax. The money collected shall be paid to the college board of trustees. (1960, c. 203, § 3; effective June 16, 1960)

165.195 Acquisition of property by board of trustees. The board of trustees of a municipal college in a city of the second class may acquire, by purchase or gift, lands and improvements for the purpose of expanding the plant and extending the usefulness of the college, and when unable to agree with the owner of land and improvements necessary for the purposes of the college may proceed to condemn the land and improvements. The condemnation proceedings shall be conducted in the manner provided in KRS 416.230 to 416.310. (1960, c. 203, § 4; effective June 16, 1960)

CHAPTER XIII
**NEGRO VOCATIONAL AND
HIGHER EDUCATION**

No change in this chapter.

CHAPTER XIV

EDUCATION OF THE DEAF, DUMB AND BLIND

| Amended KRS | New KRS | Repealed KRS | |
|-------------|---------|--------------|---------|
| 167.130 | 167.015 | 167.010 | 167.050 |
| 167.990 | 167.025 | 167.020 | 167.060 |
| | 167.035 | 167.030 | 167.070 |
| | | 167.040 | 167.080 |

167.015 Management of Kentucky School for Deaf by State Board of Education. The Kentucky School for the Deaf at Danville, Kentucky, shall be managed and controlled by the State Board of Education. The board shall have possession and the responsibility and authority for preservation, repair and control of the buildings and grounds belonging to the state and dedicated to the school. The board may, except as provided in KRS 42.060, sell any property held for the use and benefit of the school, and purchase other property deemed by the board to be suitable and conveniently located, and erect buildings necessary for carrying out the purposes of the school. The board may adopt rules and regulations to carry into effect its powers with respect to the school, and may require from the superintendent of the school any reports and information it desires as to the condition of the school. (1960, c. 68, Art. IV, § 1; effective March 17, 1960)

167.025 School staff; qualifications of superintendent. The State Board of Education may employ, prescribe and direct the duties and conduct of a superintendent, physician, professors, teachers, and all other necessary agents and employes for the Kentucky School for the Deaf. The superintendent shall be a person with at least five years' experience in the education and training of the deaf. (1960, c. 68, Art. IV, § 2; effective March 17, 1960)

167.035 School for the Deaf Advisory Board. (1) There shall be established a Kentucky School for the Deaf Advisory Board composed of five members appointed by the Governor for terms of four years and until their successors are appointed. The board shall elect from its membership a chairman. Members of the board shall serve without compensation but shall be reimbursed for necessary expenses incurred in performance of their duties.

(2) The Kentucky School for the Deaf Advisory Board shall act in an advisory capacity to the State Board of Education and the superintendent in conducting the activities of the school. (1960, c. 68, Art. IV, § 3; effective March 17, 1960)

167.130 [298f-8] Public schools for deaf to receive children; exception. The persons in charge of any public institution in this state at which the deaf are received for instruction shall, while in session, receive any deaf child sent to the institution, unless it can be shown at the time the institution is taxed to its capacity and there is no room or means of taking care of the child, or that the physical condition of the child is such as to prevent study or to constitute a menace to the health of the other pupils of the institution, or that the child is mentally deficient and incapable of successfully pursuing the prescribed course of study of the institution, or that the habits and practices of the child are such as to constitute a detriment to the welfare of the other pupils of the institution. When a child is received he shall be cared for under the provisions of the statutes regulating the institution and the bylaws prescribed by the trustees or managers for the government of the institution. (1960, c. 68, Art. IV, § 4; effective March 17, 1960)

167.010 to 167.080 [273; 273a-1; 274; 276; 277; 277a-1; 278; 279; 280; 281; 282; 283; 283a; 298f-1] School for deaf. (1948, c. 222, § 2) **Repealed, 1960, c. 68, Art. IV, § 6; effective March 17, 1960.**

167.990 [298f-3; 298f-4; 298f-6] Penalties. (1) Any person who violates KRS 167.090 shall be fined not less than fifty nor more than one hundred dollars for the first offense and not less than one hundred nor more than two hundred dollars for a subsequent offense.

(2) Any person who violates KRS 167.110 shall be fined not more than fifty dollars or imprisoned in the county jail not more than thirty days, or both.

(3) The county courts shall have exclusive jurisdiction of prosecutions for violating KRS 167.090 and 167.110. (1960, c. 68, Art. IV, § 5; effective March 17, 1960)

CHAPTER XV
EDUCATIONAL DECISIONS OF THE
COURT OF APPEALS

(Beginning with Volume 300, Page 566, *South Western Reporter*,
Second Series, and including Volume 336, Page 956)

Volume 300
March 29, 1957

ACQUISITION, USE AND DISPOSITION OF PROPERTY

Holbrook v. Board of Education of Jefferson County, 300 S. W. 2d 566, March 29, 1957. Where deed to county board of education provided that if a school house was erected on property and no school maintained in the school house before expiration of five years from the date of the deed, board should, upon demand, reconvey property without consideration but that if a school house was erected within period of five years and school maintained then the property should remain property of board in fee simple, the condition contemplated that as of a definite date the title should vest in the board in fee simple.

Where County Board of Education covenanted that property should be used solely as a school for white children, reasonable construction thereof was that it specified how school should be operated, rather than period of time school should be maintained.

Even if the deed to the County Board of Education were construed to require continued operation of school without time limitation, condition of forfeiture could not be read into deed. KRS 160.160 and 160.290

Volume 302
May 10, 1957

DISTRICT PROPERTY, CONTRACTS, LIABILITIES

Taylor v. Parker, 302, S. W. 2d 125. Under the statute requiring school board to advertise for bids on purchase of supplies or equipment costing more than \$250, mailing of invitations to bid to six or seven automobile dealers, who had registered as being interested in sale of automotive equipment to the state, did not constitute "adver-

tising" for bids for purchase of three school buses, but did substantially accomplish the purpose of the statute. KRS 42.070 and 162.070

Volume 303
June 14, 1957

SHERIFF'S COMPENSATION, COMMISSIONS, AND EXPENSES

Grant County Board of Education v. Foree, 303 S. W. 2d 291. In action for declaratory judgment as to fee which the sheriff was entitled to receive for collecting county school taxes for 1954, it was proper to value the sheriff's own services on the basis of a rate of \$7,200 a year. The deputy sheriff was entitled to receive for his services in this case a rate of \$3,100 a year which was the practical net compensation, rather than at gross salary of \$3,600.

While we find the fee allowed to be proper, an error occurred in the refusal of the courts to charge the sheriff with the interest on the amount withheld by him in excess of the allowed fee. The sheriff retained 4 per cent of the amount collected. At the regular settlement time, in April, 1955, he offered to pay to the board the excess over 3 per cent if the board would settle for that amount. The board declined the conditional offer. The sheriff had no right to retain the excess amount, and under the ruling *Board of Education of Mason County v. Collins, 259 S. W. 2d 17*, he should have been charged with interest from April, 1955. KRS 160.510

Volume 303
June 21, 1957

DISTRICT PROPERTY, CONTRACTS, AND LIABILITIES

Stagg v. Board of Education of Danville Independent School District, 303 S. W. 2d 313. Election extending for an additional five years the levy of school building fund tax previously approved for a period of twenty-five years in an election held seven years previously, did not violate any policy against frequency of elections.

Where order of fiscal court calling for an election respecting extension of annual school building fund tax directed notice to be published in local newspaper four times on designated dates and to be posted at designated public places, but while official notice was only published twice and not posted, large advertisements were carried in the newspaper for six consecutive days and handbills were distributed throughout the district, lack of strict compliance with notice requirements was not such as to invalidate the election. KRS 160.477

Volume 303
June 21, 1957

AUTHORITY TO CONDEMN LAND FOR A HOSPITAL
FOR TEACHING PURPOSES

Craddock v. University of Louisville, 303 S. W. 2d 548. The Legislature has constitutional right to vest in a corporation, or body serving the public good, the power of eminent domain and a right to exercise a discretion as to selection and location of land and property needed in the furtherance of a plan to facilitate serving of the public good, and when such discretion is exercised in good faith it cannot be reviewed by the courts.

The University of Louisville had authority to condemn land to be leased for the construction of a private hospital to be used as a teaching hospital in connection with the University's School of Medicine.

The University of Louisville, a "municipal university" within the statute providing that a university in a city of the first class shall not constitute a municipal university unless it is controlled by a board of trustees appointed by the mayor and board of aldermen, consists of departments, and its chief work is instruction in arts, science, and the professions above high school grade. KRS 165.010, 165.070, 165.120 and 416.120; Const. 13 and 242

Volume 304
August 12, 1957

Rehearing Denied September 20, 1957

GOVERNMENT, OFFICERS, AND DISTRICT MEETINGS

Arnett v. DeWeese, 304 S. W. 2d 784. The statute providing for forfeiture of school superintendent's office if he engages in stated prescribed conduct is self-executing so that if such conduct is proved, it automatically works a forfeiture in the incumbent's right to office, but the prescribed conduct as grounds of the forfeiture cannot properly be adjudged by county board of education but must be determined by a judicial tribunal which, if it finds such conduct, must render judgment accordingly.

We conclude, therefore, that the action by the individual plaintiff, Arnett, for the declaratory judgment should not have been dismissed and that the court should have permitted the issues of fact to be joined and decided the case on the merits. KRS 156.480

Volume 305

June 21, 1957

Rehearing Denial Oct. 18, 1957

SCHOOL BUILDING FUND TAX

Cummings v. Pendleton County Board of Education, 305 S. W. 2d 314. Where fiscal court order authorizing election for special school building fund tax had been read and signed in the presence of members of the fiscal court, the fact that the judge had not signed, until after the election, the order book in which the fiscal court orders were entered, did not invalidate the proceedings. KRS 160.477, 67.100 (1-3)

Volume 306

October 25, 1957

VALIDITY OF BONDS

Wagner v. Fiscal Court of Jefferson County, 306 S. W. 2d 288. A bond holder was not entitled to attack the validity of a proposed bond issue for the construction of a high school building on the ground that the school board did not have adequate sources of revenue to meet the combined requirements of the old and new bond issues were the issues were made in accordance with the plans whereby the building was leased to the school board of the fiscal court for one year with an option to renew for successive one-year periods. Under such a plan the bond holder was not concerned with the future financial status of the school system. KRS 162.120, 162.300

Volume 307

November 15, 1957

ERRONEOUS TAXATION

Jones v. Records, 307 S. W. 2d 205. Where a taxpayer's property was not in the county school district on the assessment date, the county school taxes based upon that assessment date could not be lawfully assessed against the property.

Where the assessment of the county school taxes was invalid, the taxpayer could seek relief by injunction and was not required to follow the statutory procedure for review of assessments as provided by KRS 133.120. KRS 133.120.

Volume 307

December 13, 1957

COMPENSATION OF TEACHERS

Floyd County Board of Education v. Slone, 307 S. W. 2d 912.

Plaintiff, who had been ineligible for office or position of teacher because she held no certificate and who had failed to qualify for such certificate during the period for which her salary was withheld, taught as a volunteer and was entitled to no compensation for services rendered during this period. KRS 161.040

Volume 309

October 18, 1957

Rehearing Denied February 7, 1958

PROPERTY INSURANCE WITH MUTUAL INSURANCE
COMPANIES

Louisville Board of Insurance Agents v. Jefferson County Board of Education, 309 S. W. 2d 40. A school board may insure its property with mutual insurance companies under nonassessable policies which provide that insured becomes a member of the company with power to vote without violating constitutional prohibition against incorporate districts from becoming a stockholder in a company or corporation. Const. 177, 179; KRS 304.171(2)

Volume 309

November 15, 1957, as modified February 7, 1958

ESTABLISHMENT AND DISCONTINUANCE OF SCHOOLS
BY LOCAL BOARD OF EDUCATION

Spalding v. Wooley, 309 S. W. 2d 42. A formal court order gave the county board of education a choice of re-establishing a four-year high school in the eastern section of Marion County or establishing a centrally located county high school. The State Department of Education recommended that the county board of education enter into agreement with the city school system of Lebanon for joint operation of high school for the eastern part of the county and that another school should serve as a school for the western part of the county. The county board of education did not make either choice as directed by the formal court decision. Because of this indecision the Court of Appeals held that it was within the power of the circuit court to make a choice for the board by directing the establishment of a single centrally located high school.

It was the opinion of the State Board of Education that an adequate central county high school could not be constructed with the funds available.

The Court of Appeals said we believe that during the interim

period pending construction of new school the children of the eastern part of the county would be best served by adopting the joint operating agreement for the Lebanon City School as proposed by the State Board of Education, or if for practical reasons that cannot be done during the balance of the present school year and for the following school year, then by continuing the present tuition agreement.

During the interim period excepting the remainder of the present school year, the county board of education will be enjoined from furnishing free transportation to, or paying tuition of, any high school student for attendance at any other school than the one most accessible to its place of residence. KRS 160.160, 160.290

Volume 309

January 31, 1958

LIABILITIES OF BOARD MEMBERS

Gilbert v. Harlan County Board of Education, 309 S. W. 2d 771. No liability may be imposed upon individual members of school board when they perform negligently some official duty owing the public, but they may be held when they fail to perform some ministerial act.

Failure to carry pupil transportation insurance that is provided by school law under certain conditions may result in individual liability of board members. No such negligence was presented in this case. The cause of action stated in the amended complaint, which was filed against the county board of education more than a year following date of alleged injury, was barred by statute of limitations as provided by KRS 413.140(a). KRS 160.310

Volume 310

February 14, 1958

TAXATION OF ELECTRIC COMPANIES

Monticello Electric Plant Board v. Board of Education of Wayne County, 310 S. W. 2d 272. The assessment of franchise taxes for full year was properly made against the electric power company on January 1, 1954, notwithstanding existence of a contract executed in 1953 whereby the municipal electric plant board which actually acquired properties of an electric power company on January 20, 1954, was required to reimburse electric power company for all of such franchise taxes except for the first twenty days of the year. KRS 160.460

Volume 311
March 7, 1958

ACQUISITION, USE, AND DISPOSITION OF PROPERTY
IN GENERAL

Scott County Board of Education v. Pepper, 311 S. W. 2d 189.
Generally, conveyances of land for stated purposes, and for no other, do not create fees upon limitations or express provisions for reverter when such uses cease.

Where deed conveyed land to county board of education "for the purposes of a common school house, and for no other purpose," and a habendum clause reported the quoted language, interest of board of education in the tract was not terminated when the county board of education ceased to use the land for common school house.

The quoted words for the deed to the Board are not the usual words of limitation such as "during," "as long as," "until," and the like which result in creating an estate upon limitation, automatically terminating at the time specified. Nor are they the usual words of condition such as "on condition that," "provided that," or "on the express conditions," which technically require an ejectment or re-entry to cause the title to revert.

This court has constantly held to the general rule in deeds of this nature and refused to create a right of reversion where none was expressly stated or inescapably implied.

It is our conclusion that the board's interest in this tract was not terminated by its failure to use the land for school purposes. KRS 160.290

Volume 316
December 13, 1957

Rehearing Denied October 3, 1958

BOARDS OF EDUCATION, LIABILITY OF MEMBERS

Cooksey v. Board of Education of Fairview Independent School District, 316 S. W. 2d 70. Statute, entitling any teacher who has taught six years or more and is eligible for continuing contract but has not received such contract to written continuing contract if employed for school year 1955-56 did not require teaching in the six successive years immediately preceding the 1955-56 school year, and it was sufficient thereunder for teacher to (1) have taught six years, (2) hold certificate as defined in statute, and (3) be employed for school year 1955-56.

Efforts of the plaintiff in attempting to establish her rights as a teacher in district and, upon failing to do so, in attempting to mitigate damages by seeking employment elsewhere were sufficient to entitle her to salary due under contract to which she was entitled. Under such circumstances, members of the board of education were personally liable for the plaintiff's salary.

Mrs. Cooksey urges that she was entitled to at least a two-year contract under KRS 161.750 due to her 1954-55 employment. The court said since we believe that Mrs. Cooksey was entitled to a continuing contract under 161.470(d), it will be unnecessary to discuss this argument. KRS 161.720, 161.740(d), 161.750 and 161.990

Volume 317

October 31, 1958

OFFICERS, ELIGIBILITY AND QUALIFICATIONS

Lear v. Commonwealth ex rel. Ferguson, 317 S. W. 2d 492. In action to remove the defendant from office as a member of the county board of education on the ground that he did not meet statutory qualification of having an eighth grade education, wherein the defendant filed an affidavit of his alleged teacher stating that the defendant had attended a certain school at age of sixteen years and had successfully passed eighth grade final examinations and the defendant testified that he attended school under such teacher in that year, court was entitled to treat school records showing that such teacher did not teach the eighth grade at that school in that year as overcoming affidavit.

Limitations as to kinds of proof a school board member may utilize to establish his educational qualification necessary to serve as a member of the county board of education are not applicable proof of his lack of qualification, and lack of qualification may be proved by any evidence that would be competent under ordinary rules of evidence to establish the fact in issue. KRS 160.180(1)(c)

Volume 321

February 27, 1959

CUSTODY AND DISBURSEMENT OF FUNDS IN GENERAL

Board of Education of Anderson County v. Calvert, 321 S. W. 2d 413. In action by sellers of athletic equipment purchased by coach and high school principal for the athletic programs, with knowledge

and acquiescence of the Board of Education which asserted supervisory control over the "activities fund" consisting of admissions to athletic contests, judgments allowing a recovery against the Board by providing for sequestration of property under control of the Board was proper, wherein, in its total effect, judgment directed the Board, as a trustee of the fund, to pay the claims involved out of the present "activities fund." If the claims were not then satisfied in full, any deficit was to be taken care of out of future accruals to the fund. KRS 160.290

Volume 323

December 12, 1958

Rehearing Denied May 22, 1959

ORDINARY OR REASONABLE CARE

Greyhound Corporation v. White, 323 S. W. 2d 578. An action by an automobile passenger for personal injuries sustained when an automobile in which they were riding crashed into the rear end of the defendants' school bus which had stopped in the left traffic lane of highway and completely blocked it near point where righthand lane was partially blocked by a disabled passenger bus, evidence presented the jury questioned as to negligence of school bus driver in failing to pull completely off the highway by using gravel strip along left edge of the highway for purpose of picking up children.

There is a common-law duty upon everyone to exercise ordinary care not to injure other people.

"Ordinary care" is such care as a reasonably prudent person would exercise under the circumstances. See *Slusher v. Brown*. 323 S. W. 2d 870 for this definition. KRS 189.290, 189.370 and 189.450

Volume 324

May 29, 1959

SCHOOL SYSTEM, ESTABLISHMENT OR DISCONTINUANCE OF SCHOOLS AND LOCAL EDUCATIONAL INSTITUTIONS IN GENERAL

Hogan v. Glasscock, 324 S. W. 2d 815. Despite absence of a specific statutory authority for school board to employ an attorney, members of county board of education had implied authority to employ an attorney to represent them in actions which were defended by them for the protection of the board's corporate action and decisions. Members had implied power to expend school funds for

attorney's fees and court costs in defending the actions. The Legislature has authorized local boards of education to control and manage the affairs of school districts and to promote public education in such ways as it deems necessary and proper. The expenditures of funds involved in this case did not violate Section 186 of the Constitution. The board was impliedly authorized by the Legislature to make them in connection with the promotion of public education.

Boards are authorized to employ an accountant to make complete audit of school records. Although there is no specific statutory authorization for employing an accountant, the school board, like a municipality or any other governmental agency created by the Legislature, possesses not only the powers specifically conferred but also such implied powers as are reasonably inferred from the express powers and the objects to be attained by its creation. KRS 160.160 and 160.290; Const. 186

Volume 324

May 29, 1959

TEACHER'S REQUISITES TO APPOINTMENT OR EMPLOYMENT

Ball v. Bunch, 324 S. W. 2d 828. The appellee held a limited teacher's certificate which entitled her to be re-employed at the same salary unless the board had given her written notice on or before March 31, its intentions not to re-employ her. The court found as a fact, upon ample evidence, that the teacher had not been so notified. The short delay in obtaining a renewal certificate from the Superintendent of Public Instruction did not, under the circumstances, as the court found, justify the Board in its action denying her the right to teach.

The motions are denied and the judgments stand.

The combined motions for an appeal from (1) a judgment for \$2,160 against the Whitley County Board of Education in favor of Leila Bunch for salary as teacher for the school term 1956-57 which she would have earned if she had taught but was wrongfully denied that right, and (2) from a judgment in a consolidated action setting aside an order of the county board sustaining charges of incompetency of the appellee. KRS 161.750(2)

Volume 329

October 31, 1958

Rehearing Denied December 18, 1959

**BOARD MEMBERS ELIGIBILITY AND QUALIFICATIONS,
REMOVAL OR SUSPENSION**

Commonwealth ex rel. Ferguson v. Coffee, 329 S. W. 2d 203. Under statute requiring that members of county boards of education have an eighth grade education, qualification of having an eighth grade education must be established to a reasonable satisfaction, requirement is a stringent one, statutory provisions as to method of proof are mandatory, and burden rests upon board member to establish his eligibility.

A teacher's affidavit that member of county school board had an eighth grade education is weakest kind of proof and its value must be considered in the light of other evidence in determining whether school board member has met requirement that he have an eighth grade education.

In action to remove the party as a member of the county board of education on the ground that he did not meet statutory qualification of having eighth grade education, party failed to meet burden of establishing his educational qualification to a reasonable satisfaction. KRS 160.180(1)(c)

Volume 330

November 20, 1959

Rehearing Denied February 5, 1960

DISTRICT DEBT, TAXATION, AND VOTING A TAX

Howell v. Haney, 330 S. W. 2d 941. At a special election held on March 28, 1959, the voters of LaRue County approved an additional tax levy for certain school purposes in LaRue County School District.

Thereafter, action was instituted for the dual purpose of obtaining a judicial recount of the ballots and to contest the legality of the election on several grounds. The appellees (defendants) filed a motion to dismiss the action, asserting that the statute authorizing a contest of an election on a public question, KRS 122.140, requires that the action be maintained "against the county, city, or district in which the election was held," and that neither the county of LaRue nor the LaRue County School District had been made parties to the suit. The

motion also questioned the court's jurisdiction on the ground that the "petition" seeking the contest was not posted as required by KRS 122.140. The court was of the opinion that both these grounds were meritorious. Thereupon, the court sustained the motion and dismissed the action.

Boards of education are bodies corporate with power to sue and be sued in their corporate name. Where county voters approved an additional tax levy for certain school purposes in county school district, County Board of Education and county were indispensable parties to action for judicial recount of ballots and to contest the legality of election.

New and additional grounds of contest may not be added by amendment after time for filing preceding contesting election has expired.

Where original petition in election contest was defective because all necessary parties were not made defendants, defect could not be cured by amended petition naming all necessary parties where amended petition was filed after time for filing petition had expired, since to allow adding a new party would be asserting the contest against such party for first time. KRS 122.140, 160.160 and 160.477

Volume 333

February 12, 1960

Rehearing Denied Apr. 22, 1960

SCHOOL FORMULA FOR TRANSPORTING NONPUBLIC
SCHOOL PUPILS

Board of Education of Jefferson County v. Jefferson County, 333 S. W. 2d 746. It is the duty of a court, in decreeing formula to be used in determining cost to a county board of education of transporting pupils of elementary grades attending nonpublic schools, to choose a formula that best assures that none of the expense of transporting nonpublic pupils will come from the school funds.

Cost to county board of education for transporting pupils attending nonpublic schools should be determined on a straight per capita basis in absence of any clear and unequivocal showing that such formula would not accurately or fairly reflect the costs and that some other formula would. KRS 158.115

