

Approved February 14, 1989
Date

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by Representative R. D. Miller at
Chairperson

1:42 ~~XX~~ a.m./p.m. on February 9, 1989 in room 521-S of the Capitol.

All members were present except:

Representative Rick Bowden, excused
Representative George Gomez, excused
Representative Kerry Patrick, absent

Committee staff present:

Mike Heim, Legislative Research Dept.
Theresa Kiernan, Revisor of Statutes' Office
Connie Smith, Committee Secretary

Conferees appearing before the committee:

Gerry Ray, Johnson County Board of Commissioners
Bev Bradley, Kansas Association of Counties
Willie Martin, Sedgwick Co. Commission

Chairman Miller called for hearings on the following House Bills:

HB 2187 - Act concerning townships; relating to the adoption of annual budgets.

Mike Heim gave an overview of HB 2187.

Gerry Ray testified in support of HB 2187. They are asking that the commissioners be allowed to serve just for the preparation, approval and filing of the budget and that they be allowed to serve on the township board. (Attachment I)

Committee discussion followed.

Chairman Miller recognized that there was a problem with HB 2187 and there are several ways to resolve it and would like to cease the hearing on HB 2187.

Hearings closed on HB 2187.

HB 2188 - Act concerning townships; relating to the disorganization thereof.

Mike Heim gave a brief overview stating it deals with townships disorganization and ability to spend money if there is a balance remaining. It attempts to address situation in Johnson Co. New language: if any township, at the time of its disorganization, shall have a cash balance remaining in the township treasury after payment is made of all outstanding indebtedness, such cash balance shall be transferred to the county general fund.

Gerry Ray testified in support of HB 2188 and urged the Committee to recommend it favorably for passage. (Attachment II) Ms. Ray stated that the bill was written so the "cash balance in the township treasury can be transferred over to the county general fund". After more research, it is their recommendation that the bill include "other assets" to include any equipment that might also remain.

Discussion was held.

Bev Bradley testified in support of HB 2187 and HB 2188. Kansas Assn. of Counties supports both bills to help Johnson County find a solution to their problems. (Attachment III)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,
room 521-S, Statehouse, at 1:41 XX a.m./p.m. on February 9, 1989.

Willie Martin testified in support of HB 2187 and HB 2188. Ms Martin asked the Committee to make them applicable statewide to address these particular situations should they arise in other urban areas.

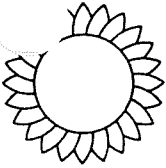
Hearings closed on HB 2188.

Chairman advised Committee of requests for introduction of several new bills.

1. Act concerning the advertising and display of liquor. (Attach. IV)
2. Act concerning zoning in improvement districts, strictly county bill concerning Jefferson Co. (Attach. V)
3. Act concerning municipal bonds; establishing publication and notice requirements. (Attach. VI)
4. Act concerning certain drainage districts; relating to the election of supervisors. (Attach. VII)
5. Act concerning museums. (Attach. VIII)

Motion made by Representative McClure and seconded by Representative Williams to introduce the legislation. Motion carried.

Meeting adjourned at 2:08 p.m.



**Johnson County
Kansas**

HOUSE LOCAL GOVERNMENT COMMITTEE

HEARING ON HOUSE BILL 2187

TESTIMONY OF GERRY RAY, INTERGOVERNMENTAL COORDINATOR
JOHNSON COUNTY BOARD OF COMMISSIONERS

FEBRUARY 8, 1989

Mr. Chairman members of the committee, my name is Gerry Ray, representing the Johnson County Board of Commissioners.

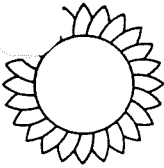
The Johnson County Board of Commissioners requested House Bill 2187 to address an unusual situation in a Johnson County township with a population of 129. No resident of the township filed for election to the Township Board and the County Commissioner representing the district has been unable to find someone willing to accept an appointment to fill the vacancy. The small number of residents do however object to being consolidated with an adjoining township and have indicated they will petition for a referendum should the county take such action.

The lack of a township board became a problem due to a requirement in K.S.A. 79-2927 that an annual budget must be prepared, approved and filed for the township by the Township Board. The statutory budget requirement was fulfilled in the preparation of the 1989 budget because members of the township board continued to serve although they are now residents of a city through a recent annexation. These people have indicated they do not wish to continue to serve in this capacity. House Bill 2187 will authorize the Board of County Commissioners to act as the governing body to fulfill the budget requirement of a township in incidences when no one is elected to the township board and the Board of Commissioners are unable to fill the vacancy.

Johnson County requests the committee recommend House Bill 2187 favorably for passage to allow the 1990 budget process to comply with the state statutes.

2-9-89
LH

ATTACH. I



**Johnson County
Kansas**

HOUSE LOCAL GOVERNMENT COMMITTEE

HEARING ON HOUSE BILL 2188

TESTIMONY OF GERRY RAY, INTERGOVERNMENTAL COORDINATOR
JOHNSON COUNTY BOARD OF COMMISSIONERS

FEBRUARY 8, 1989

Mr. Chairman members of the committee, my name is Gerry Ray, representing the Johnson County Board of Commissioners.

Under existing Kansas statutes pertaining to the disorganization of townships (K.S.A. 80-1103) the Board of County Commissioners may disorganize a township with a population of 200 or less. There is a provision for payment of any outstanding indebtedness, however the statutes are silent as to the disposition of cash balances or other assets remaining in the township at the time of disorganization.

In Johnson County annexation has reduced Shawnee Township to two small non contiguous areas of land, with a total population of 101 according to the latest census. One area is occupied by a landfill and the other is virtually undeveloped. Although the township has been generally inactive for sometime, there is a balance of approximately \$10,000 remaining in the treasury. If the County proceeds with the disorganization of Shawnee Township the disposition of these funds is in question.

The Johnson County Commission requested House Bill 2188 to address such situations. The bill would amend the existing statute to authorize the transfer of any cash balance remaining, after payment of outstanding indebtedness, to the County general fund. Although it was not included in the original request, after further research we recommend that all assets of disorganized townships be included.

The Johnson County Commissioners appreciate your consideration of House Bill 2188 and urge the committee to recommend it favorably for passage.

GR
2-9-89
ATTACH. II



"Service to County Government"

212 S. W. 7th Street
Topeka, Kansas 66603
(913) 233-2271
FAX (913) 233-4830

February 9, 1989

EXECUTIVE BOARD

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Keith Devenney
Geary County Commissioner
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Harry "Skip" Jones III
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(913) 282-6838

Thomas "Tom" Pickford, P.E.
Shawnee County Engineer
(913) 291-4132

Dixie Rose
Butler County Register of Deeds
(316) 321-5750

NACo Representative
Joe McClure
Wabaunsee County Commissioner
(913) 499-5284

Executive Director
John T. Torbert

To: Representative R. D. Miller, Chairman
Members of the House Local Government Committee

From: Bev Bradley, Legislative Coordinator
Kansas Association of Counties

Re: HB-2187 and HB-2188 concerning townships

Thank you Mr. Chairman and members of the committee.

I come before you today in support of HB-2187 and HB-2188. The Kansas Association of Counties convention adopted legislative policy statement contains a paragraph in support of the concepts described in these bills. Townships in many Kansas counties are sparsely populated units of local government. Counties are not, as many people believe, in "charge" of townships or township offices. Townships are separate units of government with their own elected governing boards and their own tax levies. Many township boards have only monthly meetings and no office staff. I am told that in some areas, serving on the township board is a thankless position that no one wants or will even take. Therefore HB-2187 seems appropriate to provide a means for preparing and adopting a budget if funds are needed and there is reason not to disorganize the township.

HB-2188 addresses what is perhaps an omission in the statutes. KSA-80-1103 outlines the method of paying the bills of a disorganized township. The board of commissioners is given the duty of levying the taxes to obtain the funds and to provide for the payment of outstanding indebtedness of a disorganized township if such indebtedness exists. There is, however, no provision for dealing with a cash balance remaining in the treasury of a disorganized township. HB-2188 would allow these funds to go into the county general fund and thus resolve the problem.

Kansas Association of Counties supports both HB-2187 and HB-2188.

LS
2-9-89
ATTACH. III

Albert Lattas
Ks Retail Liquor Dealer Assn.

9 RS 0890

HOUSE BILL NO. _____

By

AN ACT concerning the advertising and display of liquor; amending
K.S.A. 1988 Supp. 41-714 and repealing the existing section.

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

Section 1. K.S.A. 1988 Supp. 41-714 is hereby amended to
read as follows: 41-714. (a) It shall be unlawful for:

(1) Any person to advertise any alcoholic liquor by means
of handbills;

(2) any person to advertise any alcoholic liquor by means
of billboards along public highways, roads and streets or for any
owner or occupant of any property to permit any billboard
advertising alcoholic liquor to remain on the property;

(3) any retailer of alcoholic liquor to have any sign on
the licensed premises in violation of subsection (b); or

(4) any licensee to display alcoholic liquor in any window
of the licensed premises.

(b) No retailer shall have more than one sign on the
licensed premises. The sign shall contain nothing but the
license number, the name of the retailer and the words "Retail
Liquor Store." No letter or figure in the sign shall be more than
four inches high or three inches wide. If more than one line is
used, the lines shall be not more than one inch apart. The sign
shall be placed on the corner of a window or on the door.

(c) The provisions of this section shall not be interpreted
to prohibit the advertising of a microbrewery or farm winery, but
before July 1, 1989, no advertising of a farm winery shall
advertise the sale of wines by the winery or the prices of those
wines and before July 1, 1989, no advertising of a microbrewery
shall advertise the sale of beer by the brewery or the prices of
that beer. Any advertising of a farm winery or microbrewery

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2-9-89
ATTACH. IV

shall be subject to approval by the director prior to its dissemination.

~~(d) On and after July 1, 1989, the provisions of this section shall not be interpreted to prohibit advertising of the price of any alcoholic liquor or advertising of any alcoholic liquor by brand name, and no rule and regulation adopted hereunder shall prohibit such advertising.~~

(e) (d) The secretary of revenue may adopt, in accordance with K.S.A. 41-210 and amendments thereto, rules and regulations necessary to regulate and control the advertising, in any form, and display of alcoholic liquor and nothing contained in this section shall be construed as limiting the secretary's power to adopt such rules and regulations not in conflict with this act.

Sec. 2. K.S.A. 1988 Supp. 41-714 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Boon Miller

Jean Flower

9RS0865

AN ACT concerning zoning in improvement districts; amending
K.S.A. 19-2950 and repealing the existing section.

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

Section 1. K.S.A. 19-2950 is hereby amended to read as follows: 19-2950. For the purpose of promoting the public health, safety, morals and general welfare and for conserving the values of property within any improvement district which is located adjacent to any park or recreation area within Wabaunsee county or Jefferson county, the governing body of such district is hereby authorized by resolution to divide such district into zones or districts, and regulate and restrict the location and use of buildings and the uses of the land within each district or zone. Such zones or districts may be created for the purpose of restricting the use of buildings and land located within the same for dwellings, business, industry, conservation, floodplain or for other purposes deemed necessary. The use of buildings and land and the regulations and restrictions upon the use of the same shall be uniform as to each zone or district but the uses and regulations and restrictions in any one zone or district may differ from those in other zones or districts.

Sec. 2. K.S.A. 19-2950 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

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2-9-89
ATTACH. V

Jerry Ray

AN ACT concerning municipal bonds; establishing publication and notice requirements.

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

New Sec. 1. As a complete alternative to the provisions provided in K.S.A. 1988 Supp. 10-106, the officers having charge of the sale of municipal bonds may establish a time period of not less than 7 days nor more than 30 days during which the bonds would be sold. Notice of such time period sale shall be published one time in a newspaper having general circulation in the county where the bonds are issued and in the Kansas register and shall be published not less than six days nor more than 30 days before the beginning date of the sale period. The notice shall contain the information specified in K.S.A. 1988 Supp. 10-106 except that in place of the time and date of sale, the notice shall specify the time period during which the bonds would be sold and the manner in which persons interested in submitting a bid may register for notice of the bond sale. At least 24 hours prior to the time and date of the bond sale, the officers having charge of the sale shall give notice to all persons having registered for notice of the bond sale, and bids shall be submitted and received and the sale made in the manner provided in K.S.A. 1988 Supp. 10-106.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

JY
2-9-89
ATTACH. VI

Representative ss Harder
Room 284-W
State Capitol
Topeka, Ks. 66612

Mike Heim
Harder
& Rep. Ks.

Dear Mr. Harder,

I am a member of the board of supervisors of Reno County Drainage District #2 which was organized in 1951 under Chapter 24, Article 6 of the Kansas statutes. In the 1983 session of the legislature, SB# 9 by Special Committee on local Government Re. Prop.# 24 was passed into law and it affected the manner in which the members of our board of supervisors are elected.

Prior to enactment of SB#9 in 1983 the board members of the district were elected at a special annual meeting of the district. Each member of the board served a three year term and no more than two of the five positions of the board were filled in any one year. Additionally, since this is a benefit district, each property owner has a unique number of votes depending on the number of acres in his property (one vote per acre).

The provisions of the new law create several inconsistencies for our situation. First, the revisions state that the members of the board shall be elected each general election. The term of office was left at three years however. This appears to create a situation of being elected every four years to a three year term!(24-605) Second, it is going to create an administrative nightmare at the polls to provide each property owner with the correct number of ballots representing the acres for his property (some owners live out of state).

Our attorney, Bill Cole - Hutchinson, has advised us that we should visit with our representatives about this problem, and try to get some legislation introduced to straighten this mess out. I would appreciate any help or support you could give us in this effort.

Finally, my own opinion is that the "old" method that we used to elect new board members was much more feasible and appropriate to our situation than that embodied in the revised law. Since our district is a benefit district and does not use the one-man one-vote concept it seems much more workable to have a special meeting of the district to do the election mechanics than to try to administer the election at a general election with secret ballots.

I would like to thank you in advance for any help you may be able to give our district with this problem. We are one of only a very few districts in the state organized under this section of the law, and so there is no widespread groundswell of support for the changes that it appears are needed.

Cordially,

Karl Johnson

Karl Johnson
2501 Westminister Dr.
Hutchinson, Ks 67502

L.H.
2-9-89
ATTACH. VII

662-2473

Rep. Dale Spivey

9 RS 0329

PROPOSED BILL NO. _____

By

AN ACT concerning museums; relating to treatment or disposition of certain property in the possession of museums; providing for museum acquisition of title to certain loaned or undocumented property; amending K.S.A. 33-104 and repealing the existing section.

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

New Section 1. Sections 1 through 13 shall be known and may be cited as the museum property act.

New Sec. 2. As used in sections 1 through 13, unless the context otherwise requires:

(a) "Claimant" means a person who files a notice of intent to preserve an interest in property on loan to a museum as provided in section 7.

(b) "Claimant's address" means the most recent address as shown on a notice of intent to preserve an interest in property on loan to a museum, or notice of change of address, which notice is on file with the museum.

(c) "Lender" means a person whose name appears on the records of the museum as the person legally entitled to property held or owing by the museum.

(d) "Lender's address" means the most recent address as shown on the museum's records pertaining to the property on loan from the lender.

(e) "Loan" means a deposit of property not accompanied by a transfer of title to the property.

(f) "Museum" means an institution which is located in this state and operated by a nonprofit corporation or a public agency, primarily for educational, scientific, historic preservation or aesthetic purposes, and which owns, borrows, cares for, exhibits,

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ATTACH. VIII

studies, archives or catalogs property. Museum includes, but is not limited to, historical societies, historic sites or landmarks, parks, monuments and libraries.

(g) "Property" means a tangible object, animate or inanimate, under a museum's care which has intrinsic historic, artistic, scientific or cultural value.

(h) "Restricted certified mail" means certified mail which carries on its face, in a conspicuous place where it will not be obliterated, the endorsement "deliver to addressee only" and for which the post office provides the mailer with a return receipt showing the date of delivery, the place of delivery and person to whom delivered.

(i) "Undocumented property" means property in the possession of a museum for which the museum cannot determine by reference to the museum's records the property's owner.

New Sec. 3. (a) In addition to any other information prescribed for a particular notice, all notices given pursuant to this act shall contain the following information:

(1) The lender's name, or the claimant's name, as appropriate;

(2) the lender's last known address, or the claimant's last known address, as appropriate;

(3) a brief description of the property on loan;

(4) the date of the loan, if known;

(5) the name of the museum; and

(6) the name, address and telephone number of the appropriate person or office to be contacted regarding the property.

(b) All notices given by a museum pursuant to this act shall be mailed to the lender's, and any claimant's, last known address by restricted certified mail. Notice is deemed given if the museum receives proof of receipt within 30 days after mailing the notice.

(c) If the museum does not know the identity of the lender, or does not have an address or telephone number for the lender,

or if proof of receipt is not received by the museum within 30 days after mailing a notice under subsection (b), notice is deemed given if the museum publishes notice at least once a week for three consecutive weeks in a newspaper or newspapers having circulation in both the county where the museum is located and the county of the lender's or claimant's address, if any, and having the qualifications to publish legal notices pursuant to K.S.A. 64-101 and amendments thereto.

New Sec. 4. (a) Unless there is a written loan agreement to the contrary, a museum may apply conservation measures to or dispose of property on loan to the museum without the lender's or claimant's permission, or formal notice, if:

(1) Immediate action is required to protect the property on loan or other property in the custody of the museum or the property on loan is a hazard to the health and safety of the public or the museum staff; and

(2) any of the following apply:

(A) The museum is unable to reach the lender or claimant at the lender's or claimant's last known address or phone number, if action is to be taken within more than three days but less than one week from the time the museum determined action was necessary;

(B) the museum is unable to reach the lender or claimant at the lender's or claimant's last known phone number prior to taking action, if the action is to be taken within three days or less from the time the museum determined action was necessary; or

(C) the lender or claimant does not respond or will not agree to the protective measures the museum recommends, yet is unwilling or unable to terminate the loan and retrieve the property.

(b) If a museum applies conservation measures to or disposes of property under this section, or with the agreement of the lender and claimants unless the agreement provides otherwise, the museum:

(1) Has a lien on the property and on the proceeds of any

disposition of the property for the costs incurred by the museum;
and

(2) is not liable for injury to or loss of the property if the museum:

(A) Had a reasonable belief at the time the action was taken that the action was necessary to protect the property on loan or other property in the custody of the museum or that the property on loan was a hazard to the health and safety of the public or the museum staff; and

(B) exercised reasonable care in the choice and application of conservation measures.

New Sec. 5. (a) A museum may acquire title to loaned property pursuant to this section. A museum may give notice of termination of a loan of property at any time if either of the following apply:

(1) The property was loaned to the museum for an indefinite term; or

(2) the property was loaned to the museum for a specified term, and that term has expired.

(b) If the lender or claimant does not respond to the notice of termination provided under subsection (a) within 90 days by filing a notice of intent to preserve an interest in property on loan, the museum acquires title to the property.

(c) A notice of intent to terminate a loan must include a statement containing substantially the following information:

"The records of (name of museum) indicate that you have property on loan to it. The institution wishes to terminate the loan. You must contact the institution, establish your ownership of the property pursuant to section 7 and make arrangements to collect the property. If you fail to do so promptly, you will be considered to have donated the property to the institution."

New Sec. 6. (a) A museum may acquire title to undocumented property held by a museum for seven years or longer with no valid claim or written contact by any person, all verifiable through the museum's written records, by giving notice of acquisition of

title to undocumented property.

(b) If a lender or claimant does not respond to the notice provided in subsection (a) within one year by filing a notice of intent to retain an interest in property on loan, the museum's title to the property becomes uncontestable under section 8.

(c) A notice of acquisition of title must include a statement containing substantially the following information:

"The records of (name of museum) fail to indicate the owner of record of certain property in its possession. The museum intends to acquire title to the following property: (general description of the property). If you claim ownership or other legal interest in this property you must contact the institution, establish your ownership of the property pursuant to section 7 and make arrangements to collect the property. If you fail to do so promptly, you will be considered to have waived any claim you may have had to the property."

New Sec. 7. (a) A notice of intent to preserve an interest in property on loan to a museum filed pursuant to this act shall be in writing and contain all of the following information:

(1) A description of the property adequate to enable the museum to identify the property;

(2) documentation sufficient to establish the claimant as owner of the property;

(3) a statement attesting to the truth, to the best of the signer's knowledge, of all information included in or with the notice; and

(4) the signature, under penalty of perjury, of the claimant or a person authorized to act on behalf of the claimant.

(b) The museum need not retain a notice which does not meet the requirements set forth in subsection (a). If, however, the museum does not intend to retain a notice for this reason, the museum shall promptly notify the claimant at the address given on the notice that the museum believes the notice is ineffective to preserve an interest, and the reasons for the insufficiency. The fact that a museum retains a notice under section 11 does not

mean that the museum accepts the sufficiency or accuracy of the notice or that the notice is effective to preserve an interest in property on loan to the museum.

(c) A museum shall provide a form for notice of intent to preserve an interest in property on loan to the museum. The form shall satisfy the requirements of subsection (a) and shall notify the claimant of the rights and procedures to preserve an interest in museum property. The form shall also facilitate recordkeeping and record retrieval by a museum. At a minimum the form shall provide a place for recording evidence of receipt of a notice by the museum, including the date of receipt, signature of the person receiving the notice and the date on which a copy of the receipt is returned to the claimant.

New Sec. 8. On and after July 1, 1990: (a) An action shall not be brought against a museum for damages because of injury to or loss of property loaned to the museum more than three years from the date the museum gives the lender or claimant notice of the injury or loss or 10 years from the date of the injury or loss, whichever occurs earlier.

(b) An action shall not be brought against a museum to recover property on loan more than one year from the date the museum gives the lender or claimant notice of its intent to terminate the loan or notice of acquisition of title to undocumented property.

(c) An action shall not be brought against a museum to recover property on loan more than seven years from the date of the last written contact between the lender or claimant and the museum as evidenced by the museum's records.

(d) A lender or claimant is considered to have donated loaned property to the museum if the lender fails to file an action to recover the property on loan to the museum within the periods specified in subsections (a) through (c).

(e) Notwithstanding subsections (c) and (d), a lender or claimant who was not given notice as provided in this act that the museum intended to terminate a loan, as provided in section

5, and who proves that the museum received an adequate notice of intent to preserve an interest in loaned property, which satisfies all of the requirements of section 7, within the seven years immediately preceding the filing of an action to recover the property, may recover the property or, if the property has been disposed of, the reasonable value of the property at the time it was disposed of plus interest at the legal rate.

(f) A museum is not liable at any time, in the absence of a court order, for returning property to the original lender, even if a claimant other than the lender has filed a notice of intent to preserve an interest in property. If persons claim competing interests in property in the possession of a museum, the burden is upon the claimants to prove their interests in an action in equity initiated by a claimant. A museum is not liable at any time for returning property to an uncontested claimant who produced reasonable proof of ownership pursuant to section 7.

New Sec. 9. In order to take title pursuant to this act, a museum has the following obligations to a lender or claimant:

(a) The museum shall retain all written records regarding the property for at least three years from the date of taking title pursuant to this act.

(b) The museum shall keep written records on all loaned property acquired pursuant to section 5. Records shall contain the following information:

- (1) The lender's name, address and phone number;
- (2) the claimant's name, address and phone number;
- (3) the nature and terms of the loan; and
- (4) the beginning date of the loan period, if known.

(c) A museum accepting a loan of property on or after January 1, 1990, shall inform the lender in writing at the time of the loan of the provisions of this act. A copy of the form notice prescribed in section 7, or a citation to this act, is adequate for this purpose.

(d) The museum is responsible for notifying a lender or claimant of the museum's change of address or dissolution.

New Sec. 10. On or after January 1, 1990, a museum shall at minimum maintain and retain the following records, either originals or accurate copies, for a period of not less than 25 years:

- (a) A notice of intent to preserve an interest in property;
- (b) the loan agreement, if any;
- (c) a receipt or ledger for property delivered to an owner or claimant;
- (d) records containing the following information, as available, for property in the museum's possession:
 - (1) The lender's name, address and phone number;
 - (2) the claimant's name, address and phone number;
 - (3) the donor's name, address and phone number;
 - (4) the seller's name, address and phone number;
 - (5) the nature and terms of the transaction (loan for specified term, loan for unspecified term, donation, purchase, etc.); and
 - (6) the beginning date of the loan period or transaction date.

New Sec. 11. (a) The lender or claimant of property on loan to a museum shall notify the museum of a change of address or change in ownership of the property. Failure to notify the museum of these changes may result in the lender's or claimant's loss of rights in the property.

(b) The lender or claimant of property on loan to a museum may file with the museum a notice of intent to preserve an interest in the property as provided for in section 7. The filing of a notice of intent to preserve an interest in property on loan to a museum does not validate or make enforceable any claim which would be extinguished under the terms of a written agreement, or which would otherwise be invalid or unenforceable.

New Sec. 12. (a) The state historical society and its institutions and libraries may, at its option, acquire title to property pursuant to the provisions of this act or pursuant to the provisions of K.S.A. 33-104 and amendments thereto.

(b) Museums, other than the state historical society and its institutions and libraries, may acquire title to loaned property only as provided by this act.

New Sec. 13. (a) Sections 1 through 7 are retroactively applicable to all property in the possession of a museum within the state on or after January 1, 1989.

(b) Section 8 is effective July 1, 1990, and when effective is retroactively applicable to all property in the possession of a museum before July 1, 1990, and is prospectively applicable to all property in the possession of the museum on or after July 1, 1990, for which a claim is filed on or after July 1, 1990.

Sec. 14. K.S.A. 33-104 is hereby amended to read as follows: 33-104. Except as otherwise provided by law, where any loan of goods and chattels shall be pretended to have been made to any person with whom (or those claiming under him) possession shall have remained for the space of five years, such goods and chattels shall be deemed the property of the person having had such possession, unless a reservation of the right of such goods and chattels shall have been made to the lender in writing, and such writing shall have been recorded within six months from the time of making such loan, in the register's office for the county where one or both of the parties shall then have resided.

Sec. 15. K.S.A. 33-104 is hereby repealed.

Sec. 16. This act shall take effect and be in force from and after its publication in the statute book.