

Substitute for HOUSE BILL No. 2614

By Committee on Taxation

2-27

1 AN ACT concerning property taxation; relating to the valuation of
2 property; the state court of tax appeals, renaming the court to the state
3 board of tax appeals, removal of members, timing of decisions, public
4 policy determinations, filing fees, salaries; property tax delinquencies,
5 interest; amending K.S.A. 79-505 and K.S.A. 2013 Supp. 2-131e, 9-
6 1402, 12-110a, 12-631, 12-1664, 12-16,109, 12-1737, 12-1742, 12-
7 1744a, 12-1744b, 12-1744c, 12-1744d, 12-1755, 12-1934, 12-3206, 12-
8 3805, 14-1060, 17-1374, 19-236, 19-431, 19-15,103, 19-15,106, 19-
9 15,116, 19-15,123, 19-2106f, 19-2653, 19-2752a, 19-3554, 19-4420,
10 19-4442, 20-356, 20-363, 20-626, 24-133, 24-665, 24-1219, 31-144,
11 38-549, 68-151n, 72-4142, 72-6441, 72-6443, 72-6451, 72-8203b, 74-
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22 2951, 79-2977, 79-3107c, 79-3221, 79-3226, 79-3233g, 79-32,193, 79-
23 3694, 79-5205, 80-119, 80-808, 80-1920 and 82a-1030 and repealing
24 the existing sections.

25

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

27 Section 1. K.S.A. 2013 Supp. 74-2426 is hereby amended to read as
28 follows: 74-2426. (a) Orders of the state ~~court~~board of tax appeals on any
29 appeal, in any proceeding under the tax protest, tax grievance or tax
30 exemption statutes or in any other original proceeding before the ~~court~~
31 board shall be rendered and served in accordance with the provisions of
32 the Kansas administrative procedure act. Notwithstanding the provisions
33 of subsection (g) of K.S.A. 77-526, and amendments thereto, ~~a final order~~
34 ~~of the court shall be rendered in writing and served within 120 days a~~
35 ~~written summary decision shall be rendered by the board and served~~
36 ~~within 14 days~~ after the matter was fully submitted to the ~~court~~ board

1 unless this period is waived or extended with the written consent of all
2 parties or for good cause shown. *Any aggrieved party, within 14 days of*
3 *receiving the board's decision, may request a full and complete opinion be*
4 *issued by the board in which the board explains its decision. This full*
5 *opinion shall be served by the board within 90 days of being requested. If*
6 *the board has not rendered a summary decision or a full and complete*
7 *opinion within the time periods described in this subsection, and such*
8 *period has not been waived by the parties nor can the board show good*
9 *cause for the delay, then the board shall refund any filing fees paid by the*
10 *taxpayer.*

11 (b) ~~No final order~~ *Final orders of the court board shall be subject to*
12 *review pursuant to subsection (c) unless the except that the aggrieved party*
13 *may first files file a petition for reconsideration of that order with the court*
14 *board in accordance with the provisions of K.S.A. 77-529, and*
15 *amendments thereto.*

16 (c) Any action of the ~~court~~ *board* pursuant to this section is subject to
17 review in accordance with the Kansas judicial review act, except that:

18 (1) The parties to the action for judicial review shall be the same
19 parties as appeared before the ~~court~~ *board* in the administrative
20 proceedings before the ~~court~~ *board*. The ~~court~~ *board* shall not be a party to
21 any action for judicial review of an action of the ~~court~~ *board*.

22 (2) There is no right to review of any order issued by the ~~court~~ *board*
23 in a no-fund warrant proceeding pursuant to K.S.A. 12-110a, 12-1662 et
24 seq., 19-2752a, 79-2938, 79-2939 and 79-2951, and amendments thereto,
25 and statutes of a similar character. ~~The court of appeals has jurisdiction for~~
26 ~~review of all final orders issued after June 30, 2008, in all other cases.~~

27 (3) In addition to the cost of the preparation of the transcript, the
28 appellant shall pay to the state ~~court~~ *board* of tax appeals the other costs of
29 certifying the record to the reviewing court. Such payment shall be made
30 prior to the transmission of the agency record to the reviewing court.

31 (4) (A) *Any aggrieved person has the right to appeal any final order*
32 *of the board by filing a petition with the court of appeals or the district*
33 *court. Any such appeal to the district court shall be a trial de novo. This*
34 *paragraph shall apply to any final order, or any denial of a motion to*
35 *reconsider, issued on or after December 31, 2013.*

36 (B) *Review of orders issued by the board of tax appeals relating to*
37 *the valuation or assessment of property for ad valorem tax purposes or*
38 *relating to the tax protest for which the appellant chooses to be reviewed*
39 *in district court, shall be conducted by the district court of the county in*
40 *which the property is located or, if located in more than one county, the*
41 *district court of any county in which any portion of the property is located.*

42 (d) If review of an order of the state ~~court~~ *board* of tax appeals to the
43 *court of appeals* relating to excise, income or estate taxes, is sought by a

1 person other than the director of taxation, such person shall give bond for
2 costs at the time the petition is filed. The bond shall be in the amount of
3 125% of the amount of taxes assessed or a lesser amount approved by the
4 court of appeals and shall be conditioned on the petitioner's prosecution of
5 the review without delay and payment of all costs assessed against the
6 petitioner.

7 ~~(e) If review of an order is sought by a party other than the director of~~
8 ~~property valuation or a taxing subdivision and the order determines,~~
9 ~~approves, modifies or equalizes the amount of valuation which is~~
10 ~~assessable and for which the tax has not been paid, a bond shall be given~~
11 ~~in the amount of 125% of the amount of the taxes assessed or a lesser~~
12 ~~amount approved by the reviewing court. The bond shall be conditioned on~~
13 ~~the petitioner's prosecution of the review without delay and payment of all~~
14 ~~costs assessed against the petitioner.~~

15 Sec. 2. K.S.A. 2013 Supp. 74-2433 is hereby amended to read as
16 follows: 74-2433. (a) There is hereby created a state ~~court~~ board of tax
17 appeals, referred to in this act as the ~~court~~ board. The ~~court~~ board shall be
18 composed of three ~~tax law judges-members~~ who shall be appointed by the
19 governor, subject to confirmation by the senate as provided in K.S.A. 75-
20 4315b, and amendments thereto. ~~After the effective date of this act~~ For
21 ~~members appointed after June 30, 2014,~~ one of such ~~judges members~~ shall
22 have been regularly admitted to practice law in the state of Kansas and for
23 a period of at least five years, have engaged in the active practice of law as
24 a lawyer, judge of a court of record or any other court in this state; ~~and~~ one
25 of such ~~judges members~~ shall have engaged in active practice as a certified
26 public accountant for a period of at least five years *and one such member*
27 *shall be a licensed certified general real property appraiser.* In addition,
28 the governor shall also appoint a chief hearing officer, subject to
29 confirmation by the senate as provided in K.S.A. 75-4315b, and
30 amendments thereto, who, in addition to other duties prescribed by this
31 act, shall serve as a ~~judge member~~ pro tempore of the ~~court~~ board. No
32 successor shall be appointed for any ~~member judge~~ of the ~~board~~-~~court~~
33 of tax appeals appointed before July 1, ~~2008~~ 2014. Such persons shall
34 continue to serve as ~~judges members~~ on the ~~court~~ board of tax appeals
35 until their terms expire. Except as provided by K.S.A. 46-2601, and
36 amendments thereto, no person appointed to the ~~court~~ board, including the
37 chief hearing officer, shall exercise any power, duty or function as a ~~judge~~
38 ~~member~~ of the ~~court~~ board until confirmed by the senate. Not more than
39 two ~~judges members~~ of the ~~court~~ board shall be of the same political party.
40 ~~Judges Members~~ of the ~~court~~ board, including the chief hearing officer,
41 shall be residents of the state. Subject to the provisions of K.S.A. 75-
42 4315c, and amendments thereto, no more than one *member* shall be
43 appointed from any one of the congressional districts of Kansas unless,

1 after having exercised due diligence, the governor is unable to find a
2 qualified replacement within 90 days after any vacancy on the ~~court~~ board
3 occurs. The ~~judges members~~ of the ~~court~~ board, including the chief hearing
4 officer, shall be selected with special reference to training and experience
5 for duties imposed by this act and shall be individuals with legal, tax,
6 accounting or appraisal training and experience. State ~~court~~ board of tax
7 appeals ~~judges members~~ shall be subject to the supreme court rules of
8 judicial conduct applicable to all judges of the district court. The ~~court~~
9 board shall be bound by the doctrine of stare decisis limited to published
10 decisions of an appellate court ~~other than a district court~~. ~~Judges Members~~
11 of the ~~court~~ board, including the chief hearing officer, shall hold office for
12 terms of four years ~~and until their successors are appointed and confirmed~~.
13 *A member may continue to serve for a period of 90 days after the*
14 *expiration of the member's term, or until a successor has been appointed*
15 *and confirmed, whichever is shorter*. Except as otherwise provided, such
16 terms of office shall expire on January 15 of the last year of such term. If a
17 vacancy occurs on the ~~court~~ board, or in the position for chief hearing
18 officer, the governor shall appoint a successor to fill the vacancy for the
19 unexpired term. Nothing in this section shall be construed to prohibit the
20 governor from reappointing any ~~judge member~~ of the ~~court~~ board,
21 including the chief hearing officer, for additional four-year terms. The
22 governor shall select one of its ~~judges members~~ to serve as ~~chief judge~~
23 *chairperson*. The votes of two ~~judges members~~ shall be required for any
24 final order to be issued by the ~~court~~ board. Meetings may be called by the
25 ~~chief judge chairperson~~ and shall be called on request of a majority of the
26 ~~judges members~~ of the ~~court~~ board and when otherwise prescribed by
27 statute.

28 (b) Any ~~judge member~~ appointed to the state ~~court~~ board of tax
29 appeals and the chief hearing officer may be removed ~~by the governor for~~
30 ~~cause, after public hearing conducted in accordance with the provisions of~~
31 ~~the Kansas administrative procedure act for cause by filing a petition in~~
32 *the district court of Shawnee county. For the purposes of this section,*
33 *cause includes, but is not limited to, failure of a member to meet the*
34 *requirements of subsection (e) of this section or subsection (a) of K.S.A.*
35 *74-2426, and amendments thereto.*

36 (c) The state ~~court~~ board of tax appeals shall appoint, subject to
37 approval by the governor, an executive director of the ~~court~~ board, to serve
38 at the pleasure of the ~~court~~ board. The executive director shall: (1) Be in
39 the unclassified service under the Kansas civil service act; (2) devote full
40 time to the executive director's assigned duties; (3) receive such
41 compensation as determined by the ~~court~~ board, subject to the limitations
42 of appropriations thereof; and (4) have familiarity with the tax appeals
43 process sufficient to fulfill the duties of the office of executive director.

1 The executive director shall perform such *other* duties as directed by the
2 ~~court board~~.

3 (d) Appeals decided by the state ~~court board~~ of tax appeals ~~which are~~
4 ~~deemed of sufficient importance to be published~~ shall be *made available*
5 *to the public and shall be published by the court board on the board's*
6 *website within 30 days after the decision has been rendered. The board*
7 *shall also publish a monthly report that includes all appeals decided that*
8 *month as well as all appeals which have not yet been decided and are*
9 *beyond the time limitations as set forth in K.S.A. 74-2426, and*
10 *amendments thereto. Such report shall be made available to the public and*
11 *transmitted by the board to the members of the Kansas legislature.*

12 (e) After appointment, ~~judges members~~ of the state ~~court board~~ of tax
13 appeals shall complete the following course requirements: (1) A tested
14 appraisal course of not less than 30 clock hours of instruction consisting of
15 the fundamentals of real property appraisal with an emphasis on the cost
16 and sales approaches to value; (2) a tested appraisal course of not less than
17 30 clock hours of instruction consisting of the fundamentals of real
18 property appraisal with an emphasis on the income approach to value; (3)
19 a tested appraisal course of not less than 30 clock hours of instruction with
20 an emphasis on mass appraisal; (4) an appraisal course with an emphasis
21 on Kansas property tax laws and; (5) an appraisal course on the techniques
22 and procedures for the valuation of state assessed properties with an
23 emphasis on unit valuation; and (6) a tested appraisal course on the
24 techniques and procedures for the valuation of land devoted to agricultural
25 use pursuant to K.S.A. 79-1476, and amendments thereto. The executive
26 director shall adopt rules and regulations prescribing a timetable for the
27 completion of the course requirements and prescribing continued
28 education requirements for ~~judges members~~ of the ~~court board~~.

29 (f) The state ~~court board~~ of tax appeals shall have no capacity or
30 power to sue or be sued.

31 (g) *It is the intent of the legislature that proceedings in front of the*
32 *board of tax appeals be conducted in a fair and impartial manner and that*
33 *all taxpayers are entitled to a neutral interpretation of the tax laws of the*
34 *state of Kansas. The provisions of the tax laws of this state shall be*
35 *applied impartially to both taxpayers and taxing districts in cases before*
36 *the board. Cases before the board shall not be decided upon arguments*
37 *concerning the shifting of the tax burden or upon any revenue loss or gain*
38 *which may be experienced by the taxing district.*

39 Sec. 3. K.S.A. 2013 Supp. 74-2433f is hereby amended to read as
40 follows: 74-2433f. (a) There shall be a division of the state ~~court board~~ of
41 tax appeals known as the small claims and expedited hearings division.
42 Hearing officers appointed by the chief hearing officer shall have authority
43 to hear and decide cases heard in the small claims and expedited hearings

1 division. *The chief hearing officer shall not appoint as a hearing officer*
2 *any person employed by the board, including, but not limited to, any*
3 *person employed by the board as an attorney.*

4 (b) The small claims and expedited hearings division shall have
5 jurisdiction over hearing and deciding applications for the refund of
6 protested taxes under the provisions of K.S.A. 79-2005, and amendments
7 thereto, and hearing and deciding appeals from decisions rendered
8 pursuant to the provisions of K.S.A. 79-1448, and amendments thereto,
9 and of article 16 of chapter 79 of the Kansas Statutes Annotated, and
10 amendments thereto, with regard to single-family residential property. The
11 filing of an appeal with the small claims and expedited hearings division
12 shall be a prerequisite for filing an appeal with the state ~~court~~ board of tax
13 appeals for appeals involving single-family residential property.

14 (c) At the election of the taxpayer, the small claims and expedited
15 hearings division shall have jurisdiction over: (1) Any appeal of a decision,
16 finding, order or ruling of the director of taxation, except an appeal,
17 finding, order or ruling relating to an assessment issued pursuant to K.S.A.
18 79-5201 et seq., and amendments thereto, in which the amount of tax in
19 controversy does not exceed \$15,000; (2) hearing and deciding
20 applications for the refund of protested taxes under the provisions of
21 K.S.A. 79-2005, and amendments thereto, where the value of the property,
22 other than property devoted to agricultural use, is less than ~~\$2,000,000~~
23 *\$3,000,000* as reflected on the valuation notice; and (3) hearing and
24 deciding appeals from decisions rendered pursuant to the provisions of
25 K.S.A. 79-1448, and amendments thereto, and of article 16 of chapter 79
26 of the Kansas Statutes Annotated, and amendments thereto, other than
27 those relating to land devoted to agricultural use, wherein the value of the
28 property is less than ~~\$2,000,000~~ *\$3,000,000* as reflected on the valuation
29 notice.

30 (d) In accordance with the provisions of K.S.A. 74-2438, and
31 amendments thereto, any party may elect to appeal any application or
32 decision referenced in subsection (b) to the state ~~court~~ board of tax
33 appeals. Except as provided in subsection (b) regarding single-family
34 residential property, the filing of an appeal with the small claims and
35 expedited hearings division shall not be a prerequisite for filing an appeal
36 with the state ~~court~~ board of tax appeals under this section. Final decisions
37 of the small claims and expedited hearings division may be appealed to the
38 state ~~court~~ board of tax appeals. An appeal of a decision of the small
39 claims and expedited hearings division to the state ~~court~~ board of tax
40 appeals shall be de novo. *The county bears the burden of proof in any*
41 *appeal filed by the county pursuant to this section.*

42 (e) A taxpayer shall commence a proceeding in the small claims and
43 expedited hearings division by filing a notice of appeal in the form

1 prescribed by the rules of the state ~~court~~ board of tax appeals which shall
2 state the nature of the taxpayer's claim. *The notice of appeal may be signed*
3 *by the taxpayer, any person with an executed declaration of representative*
4 *form from the property valuation division of the department of revenue or*
5 *any person authorized to represent the taxpayer in (f) below. An unsigned*
6 *or incorrectly signed notice of appeal form will be docketed and will not*
7 *be grounds for dismissal.* Notice of appeal shall be provided to the
8 appropriate unit of government named in the notice of appeal by the
9 taxpayer. In any valuation appeal or tax protest commenced pursuant to
10 articles 14 and 20 of chapter 79 of the Kansas Statutes Annotated, and
11 amendments thereto, the hearing shall be conducted in the county where
12 the property is located or a county adjacent thereto. In any appeal from a
13 final determination by the secretary of revenue, the hearing shall be
14 conducted in the county in which the taxpayer resides or a county adjacent
15 thereto.

16 (f) The hearing in the small claims and expedited hearings division
17 shall be informal. The hearing officer may hear any testimony and receive
18 any evidence the hearing officer deems necessary or desirable for a just
19 determination of the case. A hearing officer shall have the authority to
20 administer oaths in all matters before the hearing officer. All testimony
21 shall be given under oath. A party may appear personally or may be
22 represented by an attorney, a certified public accountant, a certified general
23 appraiser, a tax representative or agent, a member of the taxpayer's
24 immediate family or an authorized employee of the taxpayer. A county or
25 unified government may be represented by the county appraiser, designee
26 of the county appraiser, county attorney or counselor or other
27 representatives so designated. No transcript of the proceedings shall be
28 kept.

29 (g) The hearing in the small claims and expedited hearings division
30 shall be conducted within 60 days after the appeal is filed in the small
31 claims and expedited hearings division unless such time period is waived
32 by the taxpayer. A decision shall be rendered by the hearing officer within
33 30 days after the hearing is concluded and, in cases arising from appeals
34 described by subsections (b) and (c)(2) and (3), shall be accompanied by a
35 written explanation of the reasoning upon which such decision is based.
36 Documents provided by a taxpayer or county or district appraiser shall be
37 returned to the taxpayer or the county or district appraiser by the hearing
38 officer and shall not become a part of the ~~court's~~ board's permanent
39 records. Documents provided to the hearing officer shall be confidential
40 and may not be disclosed, except as otherwise specifically provided.

41 (h) With regard to any matter properly submitted to the division
42 relating to the determination of valuation of property for taxation purposes,
43 it shall be the duty of the county appraiser to initiate the production of

1 evidence to demonstrate, by a preponderance of the evidence, the validity
2 and correctness of such determination. No presumption shall exist in favor
3 of the county appraiser with respect to the validity and correctness of such
4 determination. With regard to leased commercial and industrial property,
5 ~~the presumption of validity and correctness of such determination shall~~
6 ~~exist in favor of the county appraiser~~ *burden of proof shall be on the*
7 *taxpayer* unless the taxpayer has furnished the county or district appraiser,
8 within 30 calendar days following the informal meeting required by
9 K.S.A. 79-1448, and amendments thereto, or within 30 calendar days
10 following the informal meeting required by K.S.A. 79-2005, and
11 amendments thereto, a complete income and expense statement for the
12 property for the three years next preceding the year of appeal. *Such*
13 *income and expense statement shall be in such format acceptable to the*
14 *board. If the taxpayer submits a single property appraisal with an effective*
15 *date of January 1 of the year appealed, the appraisal shall have a*
16 *presumption of correctness.*

17 Sec. 4. K.S.A. 2013 Supp. 74-2434 is hereby amended to read as
18 follows: 74-2434. ~~(a) Each judge member of the court board, including the~~
19 ~~chairperson and chief hearing officer, shall receive an annual salary as~~
20 ~~provided in this section. Each of the judges members of the court board,~~
21 ~~including the chief hearing officer, shall devote full time to the duties of~~
22 ~~such office.~~

23 (b) *For members, including the chief hearing officer, who are*
24 *appointed prior to July 1, 2014:*

25 (1) The annual salary of the chief judge shall be an amount equal to
26 the annual salary paid by the state to a district judge designated as chief
27 judge; and

28 (2) the annual salary of each judge other than the chief judge,
29 including the chief hearing officer, shall be an amount which is \$2,465 less
30 than the annual salary of the chief judge.

31 (c) *For members, including the chief hearing officer, who are*
32 *appointed after June 30, 2014, the annual salary shall be an amount equal*
33 *to the annual salary paid by the state to an administrative law judge,*
34 *except that once such member or chief hearing officer completes the*
35 *course requirements listed in K.S.A. 74-2433(e), and amendments thereto,*
36 *then the annual salary shall be an amount which is \$2,465 less than the*
37 *annual salary paid by the state to a district court judge designated as a*
38 *chief judge.*

39 Sec. 5. K.S.A. 2013 Supp. 74-2437 is hereby amended to read as
40 follows: 74-2437. The state ~~court~~ board of tax appeals shall have the
41 following powers and duties:

42 (a) To hear appeals from the director of taxation and the director of
43 property valuation on rulings and interpretations by said directors, except

- 1 where different provision is made by law;
- 2 (b) to hear appeals from the director of property valuation on the
3 assessment of state assessed property;
- 4 (c) to adopt rules and regulations relating to the performance of its
5 duties and particularly with reference to procedure before it on hearings
6 and appeals; and
- 7 (d) such other powers as may be prescribed by law.
- 8 (e) *The powers and duties of the state board of tax appeals shall not*
9 *include:*
- 10 (1) *Determining who may sign appeals forms;*
- 11 (2) *determining who may represent taxpayers in any matter before*
12 *the board;*
- 13 (3) *deciding what constitutes the unauthorized practice of law; and*
- 14 (4) *deciding whether or not a contingent fee agreement is a violation*
15 *of public policy.*
- 16 (f) *The board shall not take any action which would impede any sort*
17 *of settlement or agreement between the county and the taxpayer or*
18 *otherwise act or fail to act in such a way as to restrain the county and the*
19 *taxpayer from reaching a settlement or agreement.*
- 20 Sec. 6. K.S.A. 2013 Supp. 74-2438 is hereby amended to read as
21 follows: 74-2438. (a) An appeal may be taken to the state ~~court~~ board of
22 tax appeals from any finding, ruling, order, decision, final determination or
23 other final action, including action relating to abatement or reduction of
24 penalty and interest, on any case of the secretary of revenue or the
25 secretary's designee by any person aggrieved thereby. Notice of such
26 appeal shall be filed with the secretary of the ~~court~~ board within 30 days
27 after such finding, ruling, order, decision, final determination or other
28 action on a case, and a copy served upon the secretary of revenue or the
29 secretary's designee. An appeal may also be taken to the state ~~court~~ board
30 of tax appeals at any time when no final determination has been made by
31 the secretary of revenue or the secretary's designee after 270 days has
32 passed since the date of the request for informal conference pursuant to
33 K.S.A. 79-3226, and amendments thereto, and no written agreement by the
34 parties to further extend the time for making such final determination is in
35 effect.
- 36 (b) Upon receipt of a timely appeal, the ~~court~~ board shall conduct a
37 hearing in accordance with the provisions of the Kansas administrative
38 procedure act. The hearing before the ~~court~~ board shall be a de novo
39 hearing unless the parties agree to submit the case on the record made
40 before the secretary of revenue or the secretary's designee.
- 41 (c) (1) With regard to any matter properly submitted to the ~~court~~-
42 board relating to the determination of valuation of residential property or
43 real property used for commercial and industrial purposes for taxation

1 purposes, it shall be the duty of the county or district appraiser to initiate
2 the production of evidence to demonstrate, by a preponderance of the
3 evidence, the validity and correctness of such determination, except that
4 no such duty shall accrue with regard to leased commercial and industrial
5 property unless the property owner has furnished to the county or district
6 appraiser a complete income and expense statement for the property for
7 the three years next preceding the year of appeal. *Any appraisal made by*
8 *the county or district appraiser must be released through the discovery*
9 *process to the taxpayer, the taxpayer's attorney or the taxpayer's*
10 *representative.* No presumption shall exist in favor of the county or district
11 appraiser with respect to the validity and correctness of such
12 determination. *If a taxpayer presents a single property appraisal with an*
13 *effective date of January 1 of the year appealed which has been conducted*
14 *by a certified general real property appraiser which determines the*
15 *subject property's valuation to be less than that determined by a mass real*
16 *estate appraisal conducted by the county or district appraiser, then the*
17 *taxpayer's property-specific appraisal shall be accepted into evidence by*
18 *the board. Such property-specific appraisal shall be presumed to be*
19 *correct unless the county presents to the board a property-specific*
20 *appraisal conducted by the county on the subject property.* No interest
21 shall accrue on the amount of the assessment of tax subject to any such
22 appeal beyond 120 days after the date the matter was fully submitted,
23 except that, if a final order is issued within such time period, interest shall
24 continue to accrue until such time as the tax liability is fully satisfied, and
25 if a final order is issued beyond such time period, interest shall
26 recommence to accrue from the date of such order until such time as the
27 tax liability is fully satisfied.

28 Sec. 7. K.S.A. 2013 Supp. 74-2438a is hereby amended to read as
29 follows: 74-2438a. (a) *Except as provided in subsection (e),* the executive
30 director of the state ~~court~~ board of tax appeals shall charge and collect a
31 filing fee, established by rules and regulations adopted by the state ~~court~~
32 board of tax appeals, for any appeal in any proceeding under the tax
33 protest, tax grievance or tax exemption statutes or in any other original
34 proceeding for such ~~court~~ board to recover all or part of the costs of
35 processing such actions incurred by the state ~~court~~ board of tax appeals.
36 ~~With regard to single-family residential property, the filing fee charged for~~
37 ~~applications by taxpayers for refunds of protested taxes under the~~
38 ~~provisions of K.S.A. 79-2005, and amendments thereto, and appeals from~~
39 ~~decisions rendered pursuant to K.S.A. 79-1448, and amendments thereto,~~
40 ~~shall not exceed \$35; Provided, however, that no filing fee shall be~~
41 ~~imposed on any such application or appeal of residential property filed~~
42 ~~with the small claims and expedited hearings division. Not-for-profit~~
43 ~~organizations shall not be charged a filing fee exceeding \$10 for any~~

1 appeal if the valuation of the property that is the subject of the controversy
2 does not exceed \$100,000.

3 (b) The ~~BOTA~~ COTA filing fee fund is hereby renamed the ~~COTA~~
4 BOTA filing fee fund.

5 (c) The executive director of the ~~court~~ board of tax appeals shall
6 remit to the state treasurer at least monthly all tax appeal filing fees
7 received by the state ~~court~~ board of tax appeals. Upon receipt of any such
8 remittance, the state treasurer shall deposit the amount in the state treasury
9 to the credit of the ~~COTA~~ BOTA filing fee fund.

10 (d) All expenditures from the ~~COTA~~ BOTA filing fee fund shall be
11 made in accordance with appropriation acts upon warrants of the director
12 of accounts and reports issued pursuant to vouchers approved by the
13 executive director of the state ~~court~~ board of tax appeals or a person or
14 persons designated by such executive director.

15 (e) *No filing fee of any kind shall be charged by the executive director*
16 *to:*

17 (1) *A taxpayer who has filed an appeal for a previous year that has*
18 *not been decided by the board and is beyond the time period prescribed by*
19 *K.S.A. 74-2426, and amendments thereto;*

20 (2) *any taxpayer filing in regard to single-family residential property*
21 *for a refund of protested taxes under the provisions of K.S.A. 79-2005, and*
22 *amendments thereto, or an appeal from a decision rendered pursuant to*
23 *K.S.A. 79-1448, and amendments thereto; or*

24 (3) *any not-for-profit organization if the valuation of the property*
25 *that is the subject of the controversy does not exceed \$100,000.*

26 Sec. 8. K.S.A. 2013 Supp. 77-529 is hereby amended to read as
27 follows: 77-529. (a) (1) Except as otherwise provided by paragraph (2),
28 any party, within 15 days after service of a final order, may file a petition
29 for reconsideration with the agency head, stating the specific grounds upon
30 which relief is requested. The filing of the petition is not a prerequisite for
31 seeking administrative or judicial review except as provided in K.S.A. 44-
32 1010 and 44-1115, and amendments thereto, concerning orders of the
33 Kansas human rights commission, K.S.A. 55-606 and 66-118b, and
34 amendments thereto, concerning orders of the corporation commission ~~and~~
35 ~~K.S.A. 74-2426, and amendments thereto, concerning orders of the state~~
36 ~~court of tax appeals.~~

37 (2) Any party applying for an exemption under: (A) Section 13, of
38 article 11 of the Kansas Constitution, or (B) K.S.A. 79-201a *Second*, and
39 amendments thereto, for property constructed or purchased, in whole or in
40 part, with the proceeds of revenue bonds under the authority of K.S.A. 12-
41 1740 to 12-1749, inclusive, and amendments thereto, may file a petition
42 for reconsideration with the state ~~court~~ board of tax appeals within 30 days
43 after service of a final order.

1 (b) Within 20 days after the filing of the petition, the agency head
2 shall render a written order denying the petition, granting the petition and
3 dissolving or modifying the final order, or granting the petition and setting
4 the matter for further proceedings. An order on reconsideration altering a
5 prior order shall be in writing and shall include findings of fact,
6 conclusions of law and policy reasons for the decision. In proceedings
7 before the Kansas corporation commission, the petition is deemed to have
8 been denied if the agency head does not dispose of it within 30 days after
9 the filing of the petition.

10 An order under this section shall be served on the parties in the manner
11 prescribed by K.S.A. 77-531, and amendments thereto.

12 (c) If there are multiple parties to an agency adjudication and one
13 party files a petition for judicial review, the agency retains jurisdiction to
14 act on a timely petition for reconsideration filed by another party.

15 (d) Any order rendered upon reconsideration or any order denying a
16 petition for reconsideration shall state the agency officer to receive service
17 of a petition for judicial review on behalf of the agency.

18 (e) For the purposes of this section, "agency head" shall include a
19 presiding officer designated in accordance with subsection (g) of K.S.A.
20 77-514, and amendments thereto.

21 Sec. 9. K.S.A. 79-505 is hereby amended to read as follows: 79-505.

22 (a) The director of property valuation shall adopt rules and regulations or
23 appraiser directives prescribing appropriate standards for the performance
24 of appraisals in connection with ad valorem taxation in this state. Such
25 rules and regulations or appraiser directives shall require, at a minimum:

26 (1) That all appraisals be performed in accordance with generally
27 accepted appraisal standards as evidenced by the appraisal standards
28 promulgated by the appraisal standards board of the appraisal foundation
29 ~~which are in effect on March 1, 1992;~~ and

30 (2) that such appraisals shall be written appraisals.

31 (b) The director of property valuation or a county appraiser may
32 require compliance with additional standards if a determination is made in
33 writing that such additional standards are required in order to properly
34 carry out statutory responsibilities.

35 Sec. 10. K.S.A. 2013 Supp. 79-1448 is hereby amended to read as
36 follows: 79-1448. Any taxpayer may complain or appeal to the county
37 appraiser from the classification or appraisal of the taxpayer's property by
38 giving notice to the county appraiser within 30 days subsequent to the date
39 of mailing of the valuation notice required by K.S.A. 79-1460, and
40 amendments thereto, for real property, and on or before May 15 for
41 personal property. The county appraiser or the appraiser's designee shall
42 arrange to hold an informal meeting with the aggrieved taxpayer with
43 reference to the property in question. At such meeting it shall be the duty

1 of the county appraiser or the county appraiser's designee to initiate
2 production of evidence to substantiate the valuation of such property,
3 including the affording to the taxpayer of the opportunity to review the
4 data sheet of comparable sales utilized in the determination of such
5 valuation. In any appeal from the appraisal of leased commercial and
6 industrial property, the county or district appraiser's appraised value shall
7 be presumed to be valid and correct and may only be rebutted by a
8 preponderance of the evidence, unless the property owner furnishes the
9 county or district appraiser a complete income and expense statement for
10 the property for the three years next preceding the year of appeal within 30
11 calendar days following the informal meeting. The county appraiser may
12 extend the time in which the taxpayer may informally appeal from the
13 classification or appraisal of the taxpayer's property for just and adequate
14 reasons. Except as provided in K.S.A. 79-1404, and amendments thereto,
15 no informal meeting regarding real property shall be scheduled to take
16 place after May 15, nor shall a final determination be given by the
17 appraiser after May 20. Any final determination shall be accompanied by a
18 written explanation of the reasoning upon which such determination is
19 based when such determination is not in favor of the taxpayer. Any
20 taxpayer who is aggrieved by the final determination of the county
21 appraiser may appeal to the hearing officer or panel appointed pursuant to
22 K.S.A. 79-1611, and amendments thereto, and such hearing officer, or
23 panel, for just cause shown and recorded, is authorized to change the
24 classification or valuation of specific tracts or individual items of real or
25 personal property in the same manner provided for in K.S.A. 79-1606, and
26 amendments thereto. In lieu of appealing to a hearing officer or panel
27 appointed pursuant to K.S.A. 79-1611, and amendments thereto, any
28 taxpayer aggrieved by the final determination of the county appraiser,
29 except with regard to land devoted to agricultural use, wherein the value of
30 the property, is less than ~~\$2,000,000~~ \$3,000,000, as reflected on the
31 valuation notice, or the property constitutes single family residential
32 property, may appeal to the small claims and expedited hearings division
33 of the state ~~court~~ board of tax appeals within the time period prescribed by
34 K.S.A. 79-1606, and amendments thereto. Any taxpayer who is aggrieved
35 by the final determination of a hearing officer or panel may appeal to the
36 state ~~court~~ board of tax appeals as provided in K.S.A. 79-1609, and
37 amendments thereto. An informal meeting with the county appraiser or the
38 appraiser's designee shall be a condition precedent to an appeal to the
39 county or district hearing panel.

40 Sec. 11. K.S.A. 2013 Supp. 79-1460 is hereby amended to read as
41 follows: 79-1460. (a) The county appraiser shall notify each taxpayer in
42 the county annually on or before March 1 for real property and May 1 for
43 personal property, by mail directed to the taxpayer's last known address, of

1 the classification and appraised valuation of the taxpayer's property, except
2 that, the valuation for all real property shall not be increased unless: (1)
3 The record of the latest physical inspection was reviewed by the county or
4 district appraiser, and documentation exists to support such increase in
5 valuation in compliance with the directives and specifications of the
6 director of property valuation, and such record and documentation is
7 available to the affected taxpayer; and (2) for the *next three taxable-year*
8 ~~next years~~ following the taxable year that the valuation for real property
9 has been reduced due to a final determination made pursuant to the
10 valuation appeals process, documented substantial and compelling reasons
11 exist therefor and are provided by the county appraiser. When the
12 valuation for real property has been reduced due to a final determination
13 made pursuant to the valuation appeals process for the prior year, and the
14 county appraiser has already certified the appraisal rolls for the current
15 year to the county clerk pursuant to K.S.A. 79-1466, and amendments
16 thereto, the county appraiser may amend the appraisal rolls and certify the
17 changes to the county clerk to implement the provisions of this subsection
18 and reduce the valuation of the real property to the prior year's final
19 determination, except that such changes shall not be made after October 31
20 of the current year. For the purposes of this section and in the case of real
21 property, the term "taxpayer" shall be deemed to be the person in
22 ownership of the property as indicated on the records of the office of
23 register of deeds or county clerk and, in the case where the real property or
24 improvement thereon is the subject of a lease agreement, such term shall
25 also be deemed to include the lessee of such property if the lease
26 agreement has been recorded or filed in the office of the register of deeds.
27 Such notice shall specify separately both the previous and current
28 appraised and assessed values for each property class identified on the
29 parcel. Such notice shall also contain the uniform parcel identification
30 number prescribed by the director of property valuation. Such notice shall
31 also contain a statement of the taxpayer's right to appeal, the procedure to
32 be followed in making such appeal and the availability without charge of
33 the guide devised pursuant to subsection (b). Such notice may, and if the
34 board of county commissioners so require, shall provide the parcel
35 identification number, address and the sale date and amount of any or all
36 sales utilized in the determination of appraised value of residential real
37 property. In any year in which no change in appraised valuation of any real
38 property from its appraised valuation in the next preceding year is
39 determined, an alternative form of notification which has been approved
40 by the director of property valuation may be utilized by a county. Failure
41 to timely mail or receive such notice shall in no way invalidate the
42 classification or appraised valuation as changed. The secretary of revenue
43 shall adopt rules and regulations necessary to implement the provisions of

1 this section.

2 (b) For all taxable years commencing after December 31, 1999, there
3 shall be provided to each taxpayer, upon request, a guide to the property
4 tax appeals process. The director of the division of property valuation shall
5 devise and publish such guide, and shall provide sufficient copies thereof
6 to all county appraisers. Such guide shall include but not be limited to: (1)
7 A restatement of the law which pertains to the process and practice of
8 property appraisal methodology, including the contents of K.S.A. 79-503a
9 and 79-1460, and amendments thereto; (2) the procedures of the appeals
10 process, including the order and burden of proof of each party and time
11 frames required by law; and (3) such other information deemed necessary
12 to educate and enable a taxpayer to properly and competently pursue an
13 appraisal appeal.

14 (c) *For purposes of this section:*

15 (1) *The term "substantial and compelling reasons" means a change*
16 *in the character of the use of the property or a substantial addition or*
17 *improvement to the property;*

18 (2) *the term "substantial addition or improvement to the property"*
19 *means any expansion or enlargement of the physical occupancy of the*
20 *property through the construction of any new structures or improvements*
21 *on the property or any renovations that expand or enlarge the square*
22 *footage of any existing structures or improvements on the property. The*
23 *term "substantial addition or improvement to the property" shall not*
24 *include:*

25 (A) *Any maintenance, renovation or repair of any existing structures,*
26 *equipment or improvements on the property that does not expand or*
27 *enlarge the square footage of any existing structures or improvements on*
28 *the property; or*

29 (B) *reconstruction or replacement of any existing equipment or*
30 *components of any existing structures or improvements on the property.*

31 Sec. 12. K.S.A. 2013 Supp. 79-1609 is hereby amended to read as
32 follows: 79-1609. Any person aggrieved by any order of the hearing
33 officer or panel may appeal to the state ~~court~~ board of tax appeals by filing
34 a written notice of appeal, on forms approved by the state ~~court~~ board of
35 tax appeals and provided by the county clerk for such purpose, stating the
36 grounds thereof and a description of any comparable property or properties
37 and the appraisal thereof upon which they rely as evidence of inequality of
38 the appraisal of their property, if that be a ground of the appeal, with the
39 state ~~court~~ board of tax appeals and by filing a copy thereof with the
40 county clerk within 30 days after the date of the order from which the
41 appeal is taken. *The notice of appeal may be signed by the taxpayer, any*
42 *person with an executed declaration of representative form from the*
43 *property valuation division of the department of revenue or any person*

1 *authorized to represent the taxpayer in subsection (f) of K.S.A. 74-2433f,*
2 *and amendments thereto. An unsigned or incorrectly signed notice of*
3 *appeal form will be docketed and will not be grounds for dismissal. A*
4 *county or district appraiser may appeal to the state court board of tax*
5 *appeals from any order of the hearing officer or panel. With regard to any*
6 *matter properly submitted to the court board relating to the determination*
7 *of valuation of residential property or real property used for commercial*
8 *and industrial purposes for taxation purposes, it shall be the duty of the*
9 *county appraiser to initiate the production of evidence to demonstrate, by a*
10 *preponderance of the evidence, the validity and correctness of such*
11 *determination. With regard to leased commercial and industrial property,*
12 ~~*the presumption of validity and correctness of such determination shall*~~
13 ~~*exist in favor of the county or district appraiser*~~ *the burden of proof shall*
14 *be on the taxpayer unless, within 30 calendar days following the informal*
15 *meeting required by K.S.A. 79-1448, and amendments thereto, the*
16 *taxpayer furnished to the county or district appraiser a complete income*
17 ~~*and expense statements*~~ *statement for the property for the three years next*
18 *preceding the year of appeal. Such income and expense statement shall be*
19 *in such format acceptable to the board. If the taxpayer submits a single*
20 *property appraisal with an effective date of January 1 of the year*
21 *appealed, the appraisal shall have a presumption of correctness.*

22 Sec. 13. K.S.A. 2013 Supp. 79-2004 is hereby amended to read as
23 follows: 79-2004. (a) Except as provided by K.S.A. 79-4521, and
24 amendments thereto, any person charged with real property taxes on the
25 tax books in the hands of the county treasurer may pay, at such person's
26 option, the full amount thereof on or before December 20 of each year, or
27 $\frac{1}{2}$ thereof on or before December 20 and the remaining $\frac{1}{2}$ on or before
28 May 10 next ensuing. If the full amount of the real property taxes listed
29 upon any tax statement is \$10 or less the entire amount of such tax shall be
30 due and payable on or before December 20.

31 In case the first half of the real property taxes remains unpaid after
32 December 20, the first half of the tax shall draw interest at the rate
33 prescribed by K.S.A. 79-2968, and amendments thereto, ~~plus two~~
34 ~~percentage points~~, per annum and may be paid at any time prior to May 10
35 following by paying $\frac{1}{2}$ of the tax together with interest at such rate from
36 December 20 to date of payment. Subject to the provisions of subsection
37 (d), all real property taxes of the preceding year and accrued interest
38 thereon which remain due and unpaid on May 11 shall accrue interest at
39 the rate prescribed by K.S.A. 79-2968, and amendments thereto, ~~plus two~~
40 ~~percentage points~~, per annum from May 10 until paid, or until the real
41 property is sold for taxes by foreclosure as provided by law. Except as
42 provided by subsection (c), all interest herein provided shall be credited to
43 the county general fund, and whenever any such interest is paid the county

1 treasurer shall enter the amount of interest so paid on the tax rolls in the
2 proper column and account for such sum.

3 (b) Whenever any date prescribed in subsection (a) for the payment
4 of real property taxes occurs on a Saturday or Sunday, such date for
5 payment shall be extended until the next-following regular business day of
6 the office of the county treasurer.

7 (c) The board of county commissioners may enter into an agreement
8 with the governing body of any city located in the county for the
9 distribution of part or all of the interest paid on special assessments levied
10 by the city which remain unpaid.

11 (d) All real property taxes of any year past due and unpaid on the
12 effective date of this section and interest accrued thereon pursuant to this
13 section prior to its amendment by this act shall draw interest at the rate
14 prescribed by K.S.A. 79-2968, and amendments thereto, ~~plus two~~
15 ~~percentage points~~, per annum from the effective date of this section until
16 paid or until the real property is sold for taxes by foreclosure as provided
17 by law.

18 Sec. 14. K.S.A. 2013 Supp. 79-2004a is hereby amended to read as
19 follows: 79-2004a. (a) Any taxpayer charged with personal property taxes
20 on the tax books in the hands of the county treasurer may at such
21 taxpayer's option pay the full amount thereof on or before December 20 of
22 each year, or 1/2 thereof on or before December 20 and the remaining 1/2
23 thereof on or before May 10 next ensuing, except that: (1) All unpaid
24 personal property taxes of the preceding year must first be paid; and (2) if
25 the full amount of the personal property taxes listed upon any tax
26 statement shall be \$10 or less the entire amount of such taxes shall be due
27 and payable on or before December 20.

28 In the event anyone charged with personal property taxes shall fail to
29 pay the first half thereof on or before December 20, the full amount
30 thereof shall become immediately due and payable.

31 In case the first half of the taxes remains unpaid after December 20, the
32 entire and full amount of personal property taxes charged shall draw
33 interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto,
34 ~~plus two percentage points~~, per annum from December 20 to date of
35 payment. Subject to the provisions of subsection (c) all personal property
36 taxes of the preceding year and interest thereon which shall remain due
37 and unpaid on May 11 shall draw interest at the rate prescribed by K.S.A.
38 79-2968, and amendments thereto, ~~plus two percentage points~~, per annum
39 from May 10 until paid. All interest herein provided for shall be credited to
40 the county general fund and retained by the county, and whenever any
41 such interest is paid, the county treasurer shall enter the amount of interest
42 so paid on the tax rolls in the proper column and account for such sum.

43 (b) Whenever any date prescribed in subsection (a) for the payment

1 of personal property taxes occurs on a Saturday or Sunday, such date for
2 payment shall be extended until the next-following regular business day of
3 the office of the county treasurer.

4 (c) All personal property taxes of any year past due and unpaid on the
5 effective date of this section and interest accrued thereon pursuant to this
6 section prior to its amendment by this act shall draw interest at the rate
7 prescribed by K.S.A. 79-2968, and amendments thereto, ~~plus two~~
8 ~~percentage points~~, per annum from the effective date of this section until
9 paid.

10 Sec. 15. K.S.A. 2013 Supp. 2-131e is hereby amended to read as
11 follows: 2-131e. Whenever the board of county commissioners of any
12 county in which there is an officially recognized county fair association,
13 and having a population of not less than 35,000 nor more than 45,000, and
14 having an assessed tangible valuation of not less than \$50,000,000 and not
15 more than \$80,000,000, shall determine, upon the request of such fair
16 association, that it is in the best interest of the county to raise funds for the
17 purchase of grounds or the erection and maintenance of buildings for such
18 fair association, such board of commissioners is hereby authorized and
19 empowered to issue no-fund warrants in an amount not to exceed, in the
20 aggregate, \$5,000 for the purposes stated hereinbefore. No-fund warrants
21 issued hereunder shall be issued in the manner and form and bear interest
22 and be redeemed as prescribed by K.S.A. 79-2940, and amendments
23 thereto, except that they may be issued without the approval of the state
24 ~~count~~ board of tax appeals, and without the notation required by K.S.A.
25 79-2940, and amendments thereto. The authority to issue no-fund
26 warrants, as provided herein, shall not be exercised by the board of county
27 commissioners more than once in any ten-year period. Such warrants shall
28 mature serially in approximately equal annual installments at such yearly
29 dates as to be payable by not more than five tax levies, and the board of
30 county commissioners issuing such warrants shall make a tax levy at the
31 first tax levying period after such warrants are issued, and at such of the
32 next succeeding tax levying periods as may be required, sufficient to pay
33 such warrants as they mature and the interest thereon as the same becomes
34 due. The money collected from issuance of such warrants shall be paid to
35 such fair associations for the purposes herein specified. Such tax levy or
36 levies shall be in addition to all other tax levies authorized or limited by
37 law and shall not be subject to or within the aggregate tax levy limit
38 prescribed by K.S.A. 79-1947, and amendments thereto.

39 Sec. 16. K.S.A. 2013 Supp. 9-1402 is hereby amended to read as
40 follows: 9-1402. (a) Before any deposit of public moneys or funds shall be
41 made by any municipal corporation or quasi-municipal corporation of the
42 state of Kansas with any bank, savings and loan association or savings
43 bank, such municipal or quasi-municipal corporation shall obtain security

1 for such deposit in one of the following manners prescribed by this
2 section.

3 (b) Such bank, savings and loan association or savings bank may give
4 to the municipal corporation or quasi-municipal corporation a personal
5 bond in double the amount which may be on deposit at any given time.

6 (c) Such bank, savings and loan association or savings bank may give
7 a corporate surety bond of some surety corporation authorized to do
8 business in this state, which bond shall be in an amount equal to the public
9 moneys or funds on deposit at any given time less the amount of such
10 public moneys or funds which is insured by the federal deposit insurance
11 corporation or its successor and such bond shall be conditioned that such
12 deposit shall be paid promptly on the order of the municipal corporation or
13 quasi-municipal corporation making such deposits.

14 (d) Such bank, savings and loan association or savings bank may
15 deposit, maintain, pledge, assign, and grant a security interest in, or cause
16 its agent, trustee, wholly-owned subsidiary or affiliate having identical
17 ownership to deposit, maintain, pledge, assign, and grant a security interest
18 in, for the benefit of the governing body of the municipal corporation or
19 quasi-municipal corporation in the manner provided in this act, securities,
20 security entitlements, financial assets and securities accounts owned by the
21 depository institution directly or indirectly through its agent or trustee
22 holding securities on its behalf, or owned by the depository institutions
23 wholly-owned subsidiary or by such affiliate, the market value of which is
24 equal to 100% of the total deposits at any given time, and such securities,
25 security entitlements, financial assets and securities accounts, may be
26 accepted or rejected by the governing body of the municipal corporation or
27 quasi-municipal corporation and shall consist of the following and security
28 entitlements thereto:

29 (1) Direct obligations of, or obligations that are insured as to principal
30 and interest by, the United States of America or any agency thereof and
31 obligations, including but not limited to letters of credit, and securities of
32 United States sponsored corporations which under federal law may be
33 accepted as security for public funds;

34 (2) bonds of any municipal corporation or quasi-municipal
35 corporation of the state of Kansas which have been refunded in advance of
36 their maturity and are fully secured as to payment of principal and interest
37 thereon by deposit in trust, under escrow agreement with a bank, of direct
38 obligations of, or obligations the principal of and the interest on which are
39 unconditionally guaranteed by, the United States of America;

40 (3) bonds of the state of Kansas;

41 (4) general obligation bonds of any municipal corporation or quasi-
42 municipal corporation of the state of Kansas;

43 (5) revenue bonds of any municipal corporation or quasi-municipal

1 corporation of the state of Kansas if approved by the state bank
2 commissioner in the case of banks and by the savings and loan
3 commissioner in the case of savings and loan associations or federally
4 chartered savings banks;

5 (6) temporary notes of any municipal corporation or quasi-municipal
6 corporation of the state of Kansas which are general obligations of the
7 municipal or quasi-municipal corporation issuing the same;

8 (7) warrants of any municipal corporation or quasi-municipal
9 corporation of the state of Kansas the issuance of which is authorized by
10 the state ~~court~~ board of tax appeals and which are payable from the
11 proceeds of a mandatory tax levy;

12 (8) bonds of either a Kansas not-for-profit corporation or of a local
13 housing authority that are rated at least Aa by Moody's Investors Service
14 or AA by Standard & Poor's Corp.;

15 (9) bonds issued pursuant to K.S.A. 12-1740 et seq., and amendments
16 thereto, that are rated at least MIG-1 or Aa by Moody's Investors Service
17 or AA by Standard & Poor's Corp.;

18 (10) notes of a Kansas not-for-profit corporation that are issued to
19 provide only the interim funds for a mortgage loan that is insured by the
20 federal housing administration;

21 (11) bonds issued pursuant to K.S.A. 74-8901 through 74-8916, and
22 amendments thereto;

23 (12) bonds issued pursuant to K.S.A. 68-2319 through 68-2330, and
24 amendments thereto;

25 (13) commercial paper that does not exceed 270 days to maturity and
26 which has received one of the two highest commercial paper credit ratings
27 by a nationally recognized investment rating firm; or

28 (14) (A) negotiable promissory notes together with first lien
29 mortgages on one to four family residential real estate located in Kansas
30 securing payment of such notes when such notes or mortgages:

31 (i) Are underwritten by the federal national mortgage association, the
32 federal home loan mortgage corporation, the federal housing
33 administration or the veterans administration standards; or are valued
34 pursuant to rules and regulations which shall be adopted by both the state
35 bank commissioner and the savings and loan commissioner after having
36 first being submitted to and approved by both the state banking board
37 under K.S.A. 9-1713, and amendments thereto, and the savings and loan
38 board. Such rules and regulations shall be published in only one place in
39 the Kansas administrative regulations as directed by the state rules and
40 regulations board;

41 (ii) have been in existence with the same borrower for at least two
42 years and with no history of any installment being unpaid for 30 days or
43 more; and

1 (iii) are valued at not to exceed 50% of the lesser of the following
2 three values: Outstanding mortgage balance; current appraised value of the
3 real estate; or discounted present value based upon current federal national
4 mortgage association or government national mortgage association interest
5 rates quoted for conventional, federal housing administration or veterans
6 administration mortgage loans.

7 (B) Securities under (A) shall be taken at their value for not more
8 than 50% of the security required under the provisions of this section.

9 (C) Securities under (A) shall be withdrawn immediately from the
10 collateral pool if any installment is unpaid for 30 days or more.

11 (D) A status report on all such loans shall be provided to the investing
12 governmental entity by the financial institution on a quarterly basis.

13 (e) No such bank, savings and loan association or savings bank may
14 deposit and maintain for the benefit of the governing body of a municipal
15 or quasi-municipal corporation of the state of Kansas, any securities which
16 consist of:

17 (1) Bonds secured by revenues of a utility which has been in
18 operation for less than three years; or

19 (2) bonds issued under K.S.A. 12-1740 et seq., and amendments
20 thereto, unless such bonds have been refunded in advance of their maturity
21 as provided in subsection (d) or such bonds are rated at least Aa by
22 Moody's Investors Service or AA by Standard & Poor's Corp.

23 (f) Any expense incurred in connection with granting approval of
24 revenue bonds shall be paid by the applicant for approval.

25 Sec. 17. K.S.A. 2013 Supp. 12-110a is hereby amended to read as
26 follows: 12-110a. (a) Whenever the governing body of any city, the board
27 of county commissioners of any county or any township board shall deem
28 that an emergency exists and that in order properly to protect and service
29 or insure and provide for the health and convenience of the public it is
30 necessary to purchase, repair or replace equipment, apparatus or
31 machinery necessary for the operation of law enforcement, for the disposal
32 of refuse, for fire protection, for street, road and bridge construction, repair
33 or maintenance, for sewer treatment, for water service or for ambulance
34 service, and such city, county or township is without funds for the
35 purchase, repair or replacement of such equipment, apparatus or
36 machinery, the governing body of the city, the board of county
37 commissioners of the county or the township board shall have power to
38 issue and sell no-fund warrants or general obligation bonds to raise
39 revenue for such purchase or replacement in the manner as hereinafter
40 provided and as provided by law and to levy taxes to pay such warrants or
41 bonds. The governing body of such city shall by ordinance and the board
42 of county commissioners or the township board shall by resolution declare
43 that such emergency exists and that such purchase, repair or replacement

1 of equipment, apparatus or machinery is necessary, and stating the
2 maximum amount to be expended for such purchase, repair or
3 replacement. Upon the passage and publication of such ordinance or
4 resolution the governing body of the city, the board of county
5 commissioners or the township board shall file an application with the
6 state ~~court~~ board of tax appeals, asking for permission to make such
7 expenditure and issue warrants or bonds in payment thereof. Such
8 application shall be in writing and shall contain a copy of the ordinance or
9 resolution published and such other information as the governing body or
10 board shall deem necessary adequately to inform the state ~~court~~ board of
11 tax appeals of the emergency existing.

12 If, upon hearing being had in accordance with the provisions of the
13 Kansas administrative procedure act, the state ~~court~~ board of tax appeals
14 shall determine that such expenditure is necessary properly to protect and
15 service or insure and provide for the health and convenience of the public
16 the board shall issue its order in writing and under its seal authorizing the
17 city, county or township to make such expenditure, and to issue warrants
18 or bonds for the purpose of financing the same. The warrants may mature
19 serially at such yearly dates as to be payable by not more than five tax
20 levies. Bonds issued under the authority of this act shall be issued in
21 accordance with the provisions of the general bond law and shall be in
22 addition to and not subject to any bonded debt limitation prescribed by any
23 other law of this state. Thereupon, the governing body of the city, the
24 board of county commissioners or the township board shall have power to
25 make such purchase, repair or replacement and to issue warrants or bonds
26 and levy taxes to pay the same. All tax levies authorized by this section
27 shall be in addition to all other tax levies authorized or limited by law and
28 shall not be subject to, or within the aggregate tax levy prescribed by
29 article 19 of chapter 79 of the Kansas Statutes Annotated, ~~or acts~~
30 ~~amendatory thereof or supplemental and amendments thereto.~~

31 (b) As used in this section, the phrase "township board" means the
32 township trustee, the township clerk, and the township treasurer acting as a
33 board.

34 Sec. 18. K.S.A. 2013 Supp. 12-631 is hereby amended to read as
35 follows: 12-631. Any city may in the manner hereinafter provided by
36 ordinance require persons and property owners owning buildings within
37 such city, which buildings are, or shall be located near a sewer, or in a
38 block within any sewer district in said city through which a sewer extends,
39 to make such connections with the sewer system, as may be necessary in
40 the judgment of the board of health or in the event such city does not have
41 a board of health, in the judgment of the governing body for the protection
42 of the health of the public, for the purpose of disposing of all substances
43 from any such building affecting the public health which may be lawfully

1 and properly disposed of by means of such sewer, and if any person or
2 persons, shall fail, neglect or refuse to so connect any building or buildings
3 with the sewer system as herein provided for, for more than 10 days after
4 being notified in writing by the board of health or governing body of such
5 city to do so, such city may cause such buildings to be connected with said
6 sewer system, or may advertise for bids for the construction and making of
7 such sewer connections, and contract therefor with the lowest responsible
8 bidder or bidders, and may assess the costs and expense thereof against the
9 property and premises so connected in the manner provided by law. All
10 costs incurred by the city under the provisions of this section may be
11 financed, until the assessment is paid, out of the general fund or by the
12 issuance of no-fund warrants. Whenever no-fund warrants are issued under
13 the authority of this act the governing body of such city shall make a tax
14 levy at the first tax levying period for the purpose of paying such warrants
15 and the interest thereon. All such tax levies shall be in addition to all other
16 levies authorized or limited by law and shall not be subject to the
17 aggregate tax levy prescribed in article 19 of chapter 79 of the Kansas
18 Statutes Annotated, *and amendments thereto*. Such warrants shall be
19 issued, registered, redeemed and bear interest in the manner and in the
20 form prescribed by K.S.A. 79-2940, and amendments thereto, except they
21 shall not bear the notation required by said section and may be issued
22 without the approval of the state ~~court~~ board of tax appeals. All moneys
23 received from special assessments levied under the provisions of this
24 section shall, when paid, be placed in the general fund of the city.

25 Sec. 19. K.S.A. 2013 Supp. 12-1664 is hereby amended to read as
26 follows: 12-1664. Where any federal agency has agreed that federal aid
27 shall bear a percentage of the total cost of or fixed or estimated amount of
28 any local program by a public agency but the funds therefor will not be
29 made available until the local program is partly or wholly completed and
30 the public agency must finance all of the costs of the local program until
31 the federal aid is received and the public agency is authorized by law to
32 use current funds or bond or usual temporary note proceeds or a fund built
33 up by levies over a period of years for such local program, such public
34 agency may, to finance the portion to be paid by federal aid, issue
35 temporary notes or no-fund warrants as provided herein. If an election is
36 required to authorize the issuance of bonds by the public agency for the
37 whole or its share of the local program, no temporary notes or no-fund
38 warrants shall be issued under this act until the public agency has held an
39 election and been authorized to issue bonds and if bonds may be issued
40 without an election for the whole or the public agency's share of a local
41 program, no temporary notes or no-fund warrants shall be issued until the
42 proper proceedings have been taken to initiate and authorize the local
43 program. In no case shall temporary notes or no-fund warrants be issued

1 under the authority of this section until there is a written commitment as to
2 the amount of federal aid by an authorized federal agency. Nothing in this
3 act shall prohibit any public agency from the temporary financing of the
4 federal share of a local program from current funds if available or
5 proceeds of bonds or usual temporary notes where the bond issue has been
6 or may be for the entire cost as if no federal aid were to be received. The
7 purpose of this act as to the issuance of temporary notes or no-fund
8 warrants is to make unnecessary the tying up of current funds of a public
9 agency or the issuance of bonds or the usual temporary notes, where
10 authorized, in excess of the public agency's share of the cost of the
11 program. The governing body of the public agency shall have full
12 authority to determine if temporary notes or no-fund warrants shall be
13 issued. No limitations by statutes relating to bonded debt shall apply to
14 such temporary notes and no-fund warrants or use of the money received
15 therefrom. No temporary notes or no-fund warrants shall be issued
16 pursuant to this act unless approved by the state ~~court~~ board of tax appeals,
17 which shall grant such approval only to the amount of the federal aid
18 committed.

19 Sec. 20. K.S.A. 2013 Supp. 12-16,109 is hereby amended to read as
20 follows: 12-16,109. (a) Any municipality which has entered into a written
21 agreement with a state agency providing for a state grant or loan to the
22 municipality for the performance of any public service or the construction
23 of any public improvement, where such grant or loan constitutes a
24 reimbursement for expenditures or obligations incurred by the
25 municipality in undertaking such service or improvement, is hereby
26 authorized to borrow money to temporarily finance such service or
27 improvement. The amount borrowed under the provisions of this act shall
28 not exceed the amount of the loan or grant to be received by the
29 municipality under the terms of the agreement.

30 (b) Such borrowing in anticipation of a state grant or loan may be in
31 the form of temporary notes or no-fund warrants, and shall be issued in
32 substantially the same manner provided by law for the issuance of other
33 temporary notes or no-fund warrants, but the approval of the state ~~court~~
34 board of tax appeals shall not be required. The terms of such notes or
35 warrants shall not exceed the scheduled date the municipality is to be
36 reimbursed by the state loan or grant, as determined by the agreement.

37 Sec. 21. K.S.A. 2013 Supp. 12-1737 is hereby amended to read as
38 follows: 12-1737. The governing body of any city may, for the purposes
39 hereinbefore authorized and provided:

- 40 (a) Receive and expend gifts;
- 41 (b) receive and expend grants-in-aid of state or federal funds;
- 42 (c) issue bonds of the city;
- 43 (d) levy an annual tax of not more than one mill for any city of the

1 first class and not more than two mills for any city of the second or third
2 class, which tax levy may be made for a period not exceeding 10 years
3 upon all taxable tangible property in such city for the purpose of creating a
4 building fund to be used for the purposes herein provided and to pay a
5 portion of the principal and interest on bonds issued by such city under the
6 authority of K.S.A. 12-1774, and amendments thereto;

7 (e) issue no-fund warrants;

8 (f) use moneys from the general operating fund or other appropriate
9 budgeted fund when available;

10 (g) use moneys received from the sale of public buildings or
11 buildings and sites; or

12 (h) combine any two or more of such methods of financing for the
13 purposes herein authorized except that cities shall first use funds received
14 from the payment of insurance claims for damages sustained by any such
15 public building before resorting to methods of financing herein authorized.

16 An election upon the issuance of bonds under the authority of this act
17 shall be required for the purpose of acquiring or constructing city offices,
18 public libraries, auditoriums, community or recreational buildings.

19 When an election upon the issuance of bonds is required, the question
20 of the issuance of such bonds shall be submitted to a vote of the qualified
21 electors of the city at a regular city election or at a special election called
22 for that purpose. No such bonds shall be issued unless a majority of those
23 voting on the question vote in favor of the issuance of the bonds. The bond
24 election shall be called and held and the bonds shall be issued in
25 accordance with the provisions of the general bond law. No levies shall be
26 made for the purpose of creating a building fund under the provisions of
27 this act until a resolution authorizing the making of such levies is adopted
28 by the governing body of the city. Such resolution shall state the specific
29 purpose for which the tax levy is made, the total amount proposed to be
30 raised and the number of years the tax levy shall be made. The resolution
31 shall be published once each week for two consecutive weeks in the
32 official city paper. After publication, the levies may be made unless a
33 petition requesting an election upon the question of whether to make the
34 levies is filed in accordance with this section. Such petition shall be signed
35 by electors equal in number to not less than 10% of the electors who voted
36 at the last preceding regular city election as shown by the poll books, is
37 filed with the city clerk of such city within 60 days following the last
38 publication of the resolution. If a valid petition is filed, the governing body
39 shall submit the question to the voters at an election called for that purpose
40 or at the next regular city election.

41 The levy authorized by this section shall be in addition to and not
42 limited by any other act authorizing or limiting the tax levies of the city.
43 The building fund may be used for the purposes provided by this act at any

1 time after the second levy has been made. If there are insufficient moneys
2 in the building fund for expenditures for such purposes, the governing
3 body of the city may issue bonds of the city in the manner provided by the
4 general bond law of the state and in an amount which, together with the
5 amount raised by the tax levy authorized by this act, will not exceed the
6 total amount stated in the resolution creating such fund. Cities are hereby
7 authorized to invest any portion of the special building fund which is not
8 currently needed in investments authorized by K.S.A. 12-1675, and
9 amendments thereto, in the manner prescribed therein or in direct
10 obligations of the United States government maturing or redeemable at par
11 and accrued interest within three years from date of purchase, the principal
12 and interest whereof is guaranteed by the government of the United States.
13 All interest received on any such investment shall upon receipt thereof be
14 credited to the special building fund.

15 No-fund warrants issued under the authority of this act shall be issued
16 in the manner and form and bear interest and be redeemed as prescribed by
17 K.S.A. 79-2940, and amendments thereto, except that they may be issued
18 without the approval of the state ~~count~~ board of tax appeals and without
19 the notation required by K.S.A. 79-2940, and amendments thereto. The
20 governing body of the city issuing such warrants shall levy a tax for the
21 first tax levying period after such warrants are issued, sufficient to pay
22 such warrants and the interest thereon. All such tax levies shall be in
23 addition to all other levies authorized or limited by law, and none of the
24 tax limitations provided by article 19 of chapter 79 of the Kansas Statutes
25 Annotated, and amendments thereto, shall apply to such levies.

26 Sec. 22. K.S.A. 2013 Supp. 12-1742 is hereby amended to read as
27 follows: 12-1742. Such agreements shall provide for a rental sufficient to
28 repay the principal of and the interest on the revenue bonds. Such
29 agreements also may provide that the lessee shall reimburse the city or
30 county for its actual costs of administering and supervising the issue. The
31 city or county may charge an origination fee. Such fee shall not be deemed
32 a payment in lieu of taxes hereunder. Such fee shall be used exclusively
33 for local economic development activities but shall not be used to pay any
34 administrative costs of the city or county. Except for the origination fee, all
35 other fees paid in excess of such actual costs and any other obligation
36 assumed under the contract shall be deemed payments in lieu of taxes and
37 distributed as provided herein. If the agreement provides for a payment in
38 lieu of taxes to the city or county, such payment, immediately upon receipt
39 of same, shall be transmitted by the city or county to the county treasurer
40 of the county in which the city is located. Payments in lieu of taxes
41 received pursuant to agreements entered into after the effective date of this
42 act shall include all fees or charges paid for services normally and
43 customarily paid from the proceeds of general property tax levies, except

1 for extraordinary services provided for the facility or an extraordinary
2 level of services required by a facility. Payments in lieu of taxes may be
3 required only upon property for which an exemption from ad valorem
4 property taxes has been granted by the state ~~court~~ board of tax appeals.
5 The county treasurer shall apportion such payment among the taxing
6 subdivisions of this state in the territory in which the facility is located.
7 Any payment in lieu of taxes shall be divided by the county treasurer
8 among such taxing subdivisions in the same proportion that the amount of
9 the total mill levy of each individual taxing subdivision bears to the
10 aggregate of such levies of all the taxing subdivisions among which the
11 division is to be made. The county treasurer shall pay such amounts to the
12 taxing subdivisions at the same time or times as their regular operating tax
13 rate mill levy is paid to them. Based upon the assessed valuation which
14 such facility would have if it were upon the tax rolls of the county, the
15 county clerk shall compute the total of the property taxes which would be
16 levied upon such facility by all taxing subdivisions within which the
17 facility is located if such property were taxable.

18 Sec. 23. K.S.A. 2013 Supp. 12-1744a is hereby amended to read as
19 follows: 12-1744a. (a) At least seven days prior to the issuance of any
20 revenue bonds, the city or county shall file a statement with the state ~~court~~
21 board of tax appeals of such proposed issuance containing the following
22 information:

23 (1) The name of the city or county proposing to issue the revenue
24 bonds, the lessee, the guarantor, if any, the paying or fiscal agent, the
25 underwriter, if any, and all attorneys retained to render an opinion on the
26 issue;

27 (2) a legal description of any property to be exempted from ad
28 valorem taxes, including the city or county in which the facility will be
29 located;

30 (3) the appraised valuation of the property to be exempted from ad
31 valorem taxes as shown on the records of the county as of the next
32 preceding January 1;

33 (4) the estimated total cost of the facility showing a division of such
34 total cost between real and personal property;

35 (5) if the facility to be financed is an addition to or further
36 improvement of an existing facility the cost of which was financed by
37 revenue bonds issued under the provisions of this act, the date of issuance
38 of such revenue bonds, and if such facility or any portion thereof is
39 presently exempt from property taxation, the period for which the same is
40 exempt;

41 (6) the principal amount of the revenue bonds to be issued;

42 (7) the amount of any payment to be made in lieu of taxes;

43 (8) an itemized list of service fees or charges to be paid by the lessee

1 together with a detailed description of the services to be rendered therefor;
2 (9) a reasonably detailed description of the use of bond proceeds,
3 including whether they will be used to purchase, acquire, construct,
4 reconstruct, improve, equip, furnish, enlarge or remodel the facility in
5 question; *and*

6 (10) the proposed date of issuance of such revenue bonds.

7 (b) Any change in the information or documents required to be filed
8 pursuant to subsection (a) which does not materially adversely affect the
9 security for the revenue bond issue may be made within the fifteen-day
10 period prior to issuance of the revenue bonds by filing the amended
11 information or document with the state ~~court~~ board of tax appeals.

12 (c) Any notice required to be filed pursuant to the provisions of
13 subsection (a) shall be accompanied by a filing fee, which shall be fixed
14 by rules and regulations of the state ~~court~~ board of tax appeals, in an
15 amount sufficient to defray the cost of reviewing the information and
16 documents required to be contained in the notice.

17 (d) Information required to be filed by subsection (a) of this section
18 shall be in addition to any filing required by K.S.A. 79-210, and
19 amendments thereto.

20 (e) The state ~~court~~ board of tax appeals may require any information
21 listed under subsection (a) deemed necessary, to be filed by a city or
22 county concerning agreements entered into prior to the effective date of
23 this act.

24 (f) The state ~~court~~ board of tax appeals shall prepare and compile
25 annually a report containing the information required to be filed pursuant
26 to subsection (a) for each issuance of revenue bonds made pursuant to
27 K.S.A. 12-1740 et seq., and amendments thereto. Such report shall be
28 published in convenient form for the use and information of the
29 legislature, taxpayers, public officers and other interested parties, and shall
30 be available on January 10 of each year.

31 Sec. 24. K.S.A. 2013 Supp. 12-1744b is hereby amended to read as
32 follows: 12-1744b. Revenue bonds for which notice is required to be filed
33 pursuant to K.S.A. 12-1744a, and amendments thereto, shall not be issued
34 unless the ~~chief judge~~ *chairperson* of the state ~~court~~ board of tax appeals
35 finds all information and documents required to be contained in such
36 notice are complete and timely filed. The state ~~court~~ board of tax appeals
37 shall establish, by rules and regulations, procedures for the filing of the
38 required information and documents in the event that the information and
39 documents originally filed are not found to be complete and timely filed,
40 and such bonds may be issued upon compliance therewith.

41 Sec. 25. K.S.A. 2013 Supp. 12-1744c is hereby amended to read as
42 follows: 12-1744c. Upon the issuance of revenue bonds for which notice is
43 required to be filed pursuant to K.S.A. 12-1744a, and amendments thereto,

1 a certificate evidencing such issuance shall be filed with the ~~chief judge~~
2 *chairperson* of the state ~~court~~ *board* of tax appeals, along with verification
3 thereof by the appropriate bond counsel within 15 days after the date of
4 such issuance.

5 Sec. 26. K.S.A. 2013 Supp. 12-1744d is hereby amended to read as
6 follows: 12-1744d. Failure to comply with the notice filing requirements
7 of this act shall subject all members of the governing body of the issuing
8 city or county who participated in the issuance of the revenue bonds to
9 ouster from office upon complaint filed by the state ~~court~~ *board* of tax
10 appeals in the office of the attorney general.

11 Sec. 27. K.S.A. 2013 Supp. 12-1755 is hereby amended to read as
12 follows: 12-1755. (a) If the owner of any structure has failed to commence
13 the repair or removal of such structure within the time stated in the
14 resolution or has failed to diligently prosecute the same thereafter, the city
15 may proceed to raze and remove such structure, make the premises safe
16 and secure, or let the same to contract. The city shall keep an account of
17 the cost of such work and may sell the salvage from such structure and
18 apply the proceeds or any necessary portion thereof to pay the cost of
19 removing such structure and making the premises safe and secure. All
20 moneys in excess of that necessary to pay such costs and the cost of
21 publications of notice and any postage for mailing of notice, after the
22 payment of all costs, shall be paid to the owner of the premises upon
23 which the structure was located.

24 (b) The city shall give notice to the owner of such structure by
25 restricted mail of the total cost incurred by the city in removing such
26 structure and making the premises safe and secure and the cost of
27 providing notice. Such notice also shall state that payment of such cost is
28 due and payable within 30 days following receipt of such notice. If the
29 cost is not paid within the thirty-day period and if there is no salvageable
30 material or if moneys received from the sale of salvage or from the
31 proceeds of any insurance policy in which the city has created a lien
32 pursuant to K.S.A. 40-3901 et seq., and amendments thereto, are
33 insufficient to pay the cost of such work, the balance shall be collected in
34 the manner provided by K.S.A. 12-1,115, and amendments thereto, or shall
35 be assessed as a special assessment against the lot or parcel of land on
36 which the structure was located and the city clerk at the time of certifying
37 other city taxes, shall certify the unpaid portion of the costs and the county
38 clerk shall extend the same on the tax rolls of the county against such lot
39 or parcel of land. The city may pursue collection both by levying a special
40 assessment and in the manner provided by K.S.A. 12-1,115, and
41 amendments thereto, but only until the full cost and any applicable interest
42 has been paid in full.

43 Whenever any structure is removed from any premises under the

1 provisions of this act, the city clerk shall certify to the county appraiser
2 that such structure, describing the same, has been removed.

3 (c) If there is no salvageable material, or if the moneys received from
4 the sale of salvage or from the proceeds of any insurance policy in which
5 the city has created a lien pursuant to K.S.A. 40-3901 et seq., and
6 amendments thereto, are insufficient to pay the costs of the work and the
7 cost of providing notice, such costs or any portion thereof in excess of that
8 received from the sale of salvage or any insurance proceeds may be
9 financed, until the costs are paid, out of the general fund or by the issuance
10 of no-fund warrants. Whenever no-fund warrants are issued under the
11 authority of this act the governing body of such city shall make a tax levy
12 at the first tax levying period for the purpose of paying such warrants and
13 the interest thereon. All such tax levies shall be in addition to all other
14 levies authorized or limited by law and shall not be subject to the
15 aggregate tax levy prescribed in article 19 of chapter 79 of the Kansas
16 Statutes Annotated, and amendments thereto. Such warrants shall be
17 issued, registered, redeemed and bear interest in the manner and in the
18 form prescribed by K.S.A. 79-2940, and amendments thereto, except they
19 shall not bear the notation required by that section and may be issued
20 without the approval of the state ~~court~~ board of tax appeals. All moneys
21 received from special assessments levied under the provisions of this
22 section or from an action under K.S.A. 12-1,115, and amendments thereto,
23 when and if paid, shall be placed in the general fund of the city.

24 Sec. 28. K.S.A. 2013 Supp. 12-1934 is hereby amended to read as
25 follows: 12-1934. The board of education of any unified school district
26 previously authorized and making an annual tax levy pursuant to K.S.A.
27 12-1925, and amendments thereto, for the purpose of establishing,
28 maintaining and conducting a joint recreation system which as a result of a
29 clerical error of a county clerk will not receive the proceeds from such
30 levy for the calendar year 1993, is hereby authorized to issue no-fund
31 warrants in an amount not to exceed the amount which would have been
32 raised from such levy. Such no-fund warrants shall be issued by the board
33 in the manner and form and shall bear interest and be redeemable in the
34 manner prescribed by K.S.A. 79-2940, and amendments thereto, except
35 that they may be issued without the approval of the state ~~court~~ board of tax
36 appeals, and without the notation required by such section. The board shall
37 make a tax levy at the first tax levying period after such warrants are
38 issued, sufficient to pay such warrants and the interest thereon.

39 Sec. 29. K.S.A. 2013 Supp. 12-3206 is hereby amended to read as
40 follows: 12-3206. The governing body of any city, in the exercise of the
41 power and authority herein granted for the purposes of carrying out the
42 provisions of K.S.A. 12-3204 and 12-3205, and amendments thereto, from
43 and after the effective date of this act and prior to the time that moneys

1 may be available from the levy authorized by K.S.A. 12-3203, and
2 amendments thereto, may issue no-fund warrants in an amount not to
3 exceed the total amount such city could levy in one year under the
4 provisions of K.S.A. 12-3203, and amendments thereto.

5 Whenever no-fund warrants are issued under the authority of this act
6 the governing body of such city shall make a tax levy at the first tax
7 levying period for the purpose of paying such warrants and the interest
8 thereon. All such tax levies shall be in addition to all other levies
9 authorized or limited by law and shall not be subject to the aggregate tax
10 levy prescribed in article 19 of chapter 79 of the Kansas Statutes
11 Annotated, and amendments thereto. Such warrants shall be issued,
12 registered, redeemed and bear interest in the manner and in the form
13 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall
14 not bear the notation required by said section and may be issued without
15 the approval of the state ~~court~~ board of tax appeals.

16 Sec. 30. K.S.A. 2013 Supp. 12-3805 is hereby amended to read as
17 follows: 12-3805. (a) Except to the extent that they are in conflict with this
18 act, the provisions of chapter 10 of *the Kansas Statutes Annotated, and*
19 *amendments thereto*, shall apply to the authorization, and issuance and sale
20 of industrial development bonds by the local units of general government.

21 (b) The principal and interest of all bonds issued under the provisions
22 of this act shall be payable from revenue derived from the leasing or rental
23 of buildings and facilities acquired or constructed with the proceeds
24 received from the sale of such bonds. Whenever by reason of the failure of
25 any lessee to make payment under any contract for the leasing or rental of
26 any such building or facility, it becomes necessary for the local unit of
27 general government to assume the responsibility for the payment of
28 principal and interest upon bonds issued under the provisions of this act,
29 such local unit of general government may issue no-fund warrants in an
30 amount necessary to make such payment. Such warrants shall be issued,
31 registered, redeemed and bear interest in the manner and be in the form
32 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall
33 not bear the notation required by such section and may be issued without
34 approval of the state ~~court~~ board of tax appeals. The governing body of
35 such unit of government shall make a tax levy at the time fixed for the
36 certification of tax levies to the county clerk next following the issuance of
37 such warrants sufficient to pay such warrants and the interest thereon. All
38 such tax levies shall be in addition to all other levies authorized or limited
39 by law.

40 (c) Property acquired or improved under the provisions of this act
41 shall be subject to ad valorem taxation as other property.

42 Sec. 31. K.S.A. 2013 Supp. 14-1060 is hereby amended to read as
43 follows: 14-1060. The provisions of this act shall apply to any city of the

1 second class having a population of more than 4,800 and less than 5,500
2 operating under the manager form of government and located in a county
3 having a population of more than 8,000 and less than 15,000. Whenever
4 the title to any real property, upon which taxes may be due and delinquent,
5 may be vested in any such city, then the state ~~court~~ board of tax appeals is
6 hereby authorized upon application of such city, and for good reasons
7 shown, to compromise, abate or cancel all such taxes or any part thereof.

8 Sec. 32. K.S.A. 2013 Supp. 17-1374 is hereby amended to read as
9 follows: 17-1374. (a) Whenever the board of trustees of any cemetery
10 organized pursuant to K.S.A. 17-1342, and amendments thereto,
11 determines it is necessary to acquire land to enlarge the cemetery and
12 revenues are insufficient to finance the cost of acquisition of such land, the
13 board shall adopt a resolution of intent to make application to the state
14 ~~court~~ board of tax appeals for authority to issue no-fund warrants to pay
15 for the cost of such land and to have such land surveyed, platted into burial
16 lots and otherwise prepared for burial purposes. The notice of intent shall
17 be approved by a majority of the board of trustees. The notice of intent
18 shall state the following: (1) A copy of the budget adopted for the current
19 budget year; (2) the tax rate currently imposed; (3) the statutory tax levy
20 authority of the district; (4) the proposed cost of acquisition of such land;
21 and (5) a detailed explanation for the need of such land and why there are
22 insufficient revenues to finance the cost of acquisition of such land.

23 Such resolution of intent shall be published once each week for two
24 consecutive weeks in a newspaper of general circulation within the
25 cemetery district. If within 30 days after the last publication of the
26 resolution, a petition signed by at least 5% of the qualified voters of the
27 cemetery district requesting an election upon such question, an election
28 shall be called and held thereon. Such election shall be called and held in
29 the manner provided by the general bond law, and the cost of the election
30 shall be borne by the cemetery district. If no protest or no sufficient protest
31 is filed or if an election is held and the proposition carries by a majority of
32 those voting thereon, the board of directors may submit an application
33 which conforms to the resolution of intent to the state ~~court~~ board of tax
34 appeals.

35 (b) If the state ~~court~~ board of tax appeals finds that the evidence
36 submitted in support of the application shows:

37 (1) The need for the acquisition of such land; (2) that there are
38 insufficient revenues to pay for the cost of such acquisition and
39 preparation of such land for burial purposes; and (3) the tax levying
40 authority is insufficient to generate the revenues necessary to pay for the
41 cost of acquisition and preparation of such land for burial purposes, the
42 board may authorize the issuance of no-fund warrants for the payment of
43 the cost of acquisition of such land and preparation of such land for burial

1 purposes. The amount of such warrants shall not exceed \$35,000.

2 (c) No order for the issuance of such no-fund warrants shall be made
3 without a public hearing before the state ~~court~~ board of tax appeals
4 conducted in accordance with the provisions of the Kansas administrative
5 procedure act. Notice of such hearing shall be published at least twice in a
6 newspaper of general circulation within the cemetery district applying for
7 such authority at least 10 days prior to such hearing. The notice shall be in
8 a form prescribed by the state ~~court~~ board of tax appeals. The cost of such
9 publication shall be paid by the cemetery district. Any taxpayer of the
10 cemetery district may file a written protest against such application. Any
11 member of the board of trustees of the cemetery district may appear and be
12 heard in person at such hearing in support of the application. All records
13 and findings of such hearings shall be subject to public inspection.
14 Warrants issued pursuant to this section shall be paid no later than 15 years
15 after issuance. The board of trustees may levy a tax sufficient to pay such
16 warrants. Such tax levies may be levied outside of the aggregate tax levy
17 limit prescribed by law.

18 Sec. 33. K.S.A. 2013 Supp. 19-236 is hereby amended to read as
19 follows: 19-236. That in addition to the powers already given by law, the
20 board of county commissioners of each county shall have power at any
21 meeting, in case of great loss or damage to life or property, to assist in
22 burying the dead, caring for the wounded, rendering temporary aid to the
23 distressed, preventing disease and pestilence, and cleaning up debris, and
24 to issue no-fund warrants of the county therefor not exceeding 1% of the
25 taxable property of the county, and to levy a tax at the first tax levying
26 period thereafter to pay such warrants. Such warrants shall be issued,
27 registered, redeemed and bear interest in the manner and in the form
28 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall
29 not bear the notation required by such section and shall be issued without
30 the approval of the state ~~court~~ board of tax appeals.

31 Sec. 34. K.S.A. 2013 Supp. 19-431 is hereby amended to read as
32 follows: 19-431. (a) Whenever it shall be made to appear to the board of
33 county commissioners of any county or the district board of an appraisal
34 district by evidence satisfactory to such board that the appraiser of such
35 county or district has failed or neglected to properly perform the duties of
36 office, by reasons of incompetency or for any other cause, the board shall
37 enter upon its journal an order suspending or terminating the county or
38 district appraiser from office. Such order shall state the reasons for such
39 suspension or termination, and upon the service of any such order upon the
40 appraiser suspended or terminated such appraiser shall at once be divested
41 of all power as county or district appraiser and shall immediately deliver to
42 the person appointed to discharge the duties of the office of such appraiser,
43 all books, records and papers pertaining to the office. The board of county

1 commissioners or district board shall appoint a temporary appraiser to
2 discharge the duties of the office until the suspension is removed or the
3 vacancy filled, and the person so appointed shall take the oath of office
4 required by law and thereupon such person shall be invested with all of the
5 powers and duties of the office.

6 Within 15 days after service of an order of suspension or termination,
7 the appraiser may request a hearing on the order before the director of
8 property valuation. Upon receipt of a timely request, the director of
9 property valuation shall conduct a hearing in accordance with the
10 provisions of the Kansas administrative procedure act. If the appraiser is a
11 county appraiser, the hearing shall be held at the county seat of such
12 county or if such appraiser is a district appraiser at the county seat of the
13 county within the district having the greater population. At the hearing the
14 director of property valuation shall make inquiry as to all facts connected
15 with such suspension or termination, and if after such inquiry is made the
16 director of property valuation shall determine that the appraiser suspended
17 should be removed permanently and such appraiser's office declared
18 vacated or should be terminated, then the director of property valuation
19 shall render an order removing such appraiser. A copy of such order, duly
20 certified and under the seal of the director of property valuation, shall be
21 sent to the board of county commissioners or district board employing
22 such appraiser who shall cause the same to be recorded in full upon the
23 journal of the board. Immediately upon the service of such order by the
24 director of property valuation such office of appraiser shall be vacant, and
25 the board of county commissioners or district board shall appoint an
26 eligible Kansas appraiser as appraiser to fill such vacancy, who shall
27 qualify as provided by law in such cases. Should the person appointed be
28 other than the person appointed to discharge the duties of the office
29 temporarily, the person discharging the duties of the office temporarily
30 shall immediately transfer to the person appointed to fill the vacancy all
31 the books, records and files of the office.

32 (b) Whenever the director of property valuation shall on such
33 director's own motion conclude, after inquiry, that the appraiser of any
34 county or district has failed or neglected to discharge such appraiser's
35 duties as required by law and that the interest of the public service will be
36 promoted by the removal of such appraiser, the director of property
37 valuation shall enter upon the record of proceeding in such director's office
38 an order suspending or terminating such appraiser from office. Such order
39 shall state the reason for such suspension or termination and from and after
40 the date of service of such order upon such appraiser and the board of
41 county commissioners or district board employing such appraiser, the
42 person suspended or terminated shall be divested of all power as appraiser
43 and shall immediately deliver to the person appointed to discharge the

1 duties of the office of such appraiser, all books, records and papers
2 pertaining to the office. Upon receipt of an order by the director of
3 property valuation suspending or terminating the appraiser of the county or
4 district, the board of county commissioners or district board shall appoint a
5 temporary appraiser to discharge the duties of the office until the
6 suspension is removed or the vacancy filled, and the person appointed
7 shall take the oath of office required by law and thereupon such person
8 shall be invested with all of the powers and duties of the office.

9 Within 15 days after service of an order of suspension or termination by
10 the director of property valuation under this subsection, the appraiser may
11 request a hearing on the order before the state ~~court~~ board of tax appeals.
12 Upon receipt of a timely request, the state ~~court~~ board of tax appeals shall
13 conduct a hearing in accordance with the provisions of the Kansas
14 administrative procedure act. If the appraiser is a county appraiser, the
15 hearing shall be held at the county seat of such county or if such appraiser
16 is a district appraiser such hearing shall be held at the county seat of the
17 county within such district having the greatest population. At the hearing,
18 the state ~~court~~ board of tax appeals shall make inquiry as to all facts
19 connected with such suspension or termination, and if after such inquiry is
20 made the state ~~court~~ board of tax appeals determines that the appraiser
21 suspended should be removed permanently and such appraiser's office
22 declared vacated or should be terminated, then the state ~~court~~ board of tax
23 appeals shall render an order removing such appraiser. A copy of such
24 order, duly certified by the secretary under the seal of the ~~court~~ board,
25 shall be sent to the board of county commissioners or district board, who
26 shall cause the same to be recorded in full upon the journal of the board.
27 Immediately upon the service of such order by the state ~~court~~ board of tax
28 appeals such office of county appraiser shall be vacant, and the board of
29 county commissioners or district board shall appoint an eligible Kansas
30 appraiser as appraiser to fill such vacancy, who shall qualify as provided
31 by law in such cases. Should the person appointed be other than the person
32 appointed to discharge the duties of the office temporarily, the person
33 discharging the duties of the office temporarily shall immediately transfer
34 to the person appointed to fill the vacancy all the books, records and files
35 of the office.

36 Sec. 35. K.S.A. 2013 Supp. 19-15,103 is hereby amended to read as
37 follows: 19-15,103. Whenever no-fund warrants are issued under the
38 authority provided by this act, the board of county commissioners shall
39 make a tax levy at the first tax levying period after such warrants are
40 issued, sufficient to pay such warrants and the interest thereon, except that
41 in lieu of making only one tax levy, such board of county commissioners,
42 if it deems it advisable, may make a tax levy each year for not to exceed
43 five years in approximately equal installments for the purpose of paying

1 said warrants and the interest thereon. All such tax levies shall be in
2 addition to all other levies authorized or limited by law and shall not be
3 subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947, and
4 amendments thereto. Such warrants shall be issued, registered, redeemed
5 and bear interest in the manner and in the form prescribed by K.S.A. 79-
6 2940, and amendments thereto, except they shall not bear the notation
7 required by such section and may be issued without the approval of the
8 state ~~court~~ board of tax appeals.

9 Any surplus existing after the redemption of such warrants shall be
10 handled in the manner prescribed by K.S.A. 79-2940, and amendments
11 thereto. None of the provisions of the cash basis and budget laws of this
12 state shall apply to any expenditures made, the payment of which has been
13 provided for by the issuance of warrants under this act.

14 Sec. 36. K.S.A. 2013 Supp. 19-15,106 is hereby amended to read as
15 follows: 19-15,106. Whenever no-fund warrants are issued under the
16 authority provided by this act, the board of county commissioners shall
17 make a tax levy at the first tax levying period after such warrants are
18 issued, sufficient to pay such warrants and the interest thereon, except that
19 in lieu of making only one tax levy, such board of county commissioners,
20 if it deems it advisable, may make a tax levy each year for not to exceed
21 five years in approximately equal installments for the purpose of paying
22 said warrants and the interest thereon. All such tax levies shall be in
23 addition to all other levies authorized or limited by law and shall not be
24 subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947, and
25 amendments thereto.

26 Such warrants shall be issued, registered, redeemed and bear interest in
27 the manner and in the form prescribed by K.S.A. 79-2940, and
28 amendments thereto, except they shall not bear the notation required by
29 such section and may be issued without the approval of the state ~~court~~
30 board of tax appeals. Any surplus existing after the redemption of such
31 warrants shall be handled in the manner prescribed by K.S.A. 79-2940,
32 and amendments thereto. None of the provisions of the cash basis and
33 budget laws of this state shall apply to any expenditures made, the
34 payment of which has been provided for by the issuance of warrants under
35 this act.

36 Sec. 37. K.S.A. 2013 Supp. 19-15,116 is hereby amended to read as
37 follows: 19-15,116. The board of county commissioners of any county
38 may for the purposes hereinbefore authorized and provided:

- 39 (a) Receive and expend gifts;
- 40 (b) receive and expend grants-in-aid of state or federal funds;
- 41 (c) issue general obligation bonds of the county. If it is determined
42 that it is necessary to issue more than \$300,000 in general obligation bonds
43 for the purposes hereinbefore authorized, such bonds shall not be issued

1 until the question of their issuance has been submitted to a vote of the
2 qualified electors of the county and has been approved by a majority of
3 those voting thereon at a general election or at a special election called for
4 that purpose. Such election shall be called and held and bonds issued in the
5 manner provided by the general bond law;

6 (d) make an annual tax levy of not to exceed one mill for a period of
7 not to exceed 10 years upon all taxable tangible property in the county for
8 the purpose of creating a building fund to be used for the purposes herein
9 provided and to pay a portion of the principal and interest on bonds issued
10 under the authority of K.S.A. 12-1774, and amendments thereto, by cities
11 located in the county, except that no such levies shall be made until a
12 resolution authorizing the same shall be adopted by the board of county
13 commissioners stating the specific purpose for which such fund is created,
14 the total amount proposed to be raised, the number of years such tax levy
15 shall be made and shall be published once each week for three consecutive
16 weeks in the official county newspaper. Whereupon such levies may be
17 made unless a petition requesting an election upon the proposition, signed
18 by electors equal in number to not less than 10% of the electors of the
19 county who voted for the secretary of state at the last preceding general
20 election, is filed with the county clerk within 30 days following the last
21 publication of such resolution. In the event such petition is filed, the board
22 of county commissioners shall submit the question to the voters at an
23 election called for that purpose and held within 90 days after the last
24 publication of the resolution or at the next general election if held within
25 that time and no such levies shall be made unless such proposition shall
26 receive the approval of a majority of the votes cast thereon. Such election
27 shall be called and held in the manner provided in the general bond law.
28 Such building fund may be used for the purposes stated in the resolution
29 establishing the same at any time after the making of the second levy and
30 if there are insufficient moneys in the building fund for such purpose the
31 board of county commissioners may, in the manner provided by the
32 general bond law of the state issue general obligation bonds of the county
33 in an amount which together with the amount raised by the tax levies will
34 not exceed the total amount stated in the resolution creating such fund. All
35 levies authorized under the provisions of this section shall be in addition to
36 and not limited by any other act authorizing or limiting the tax levies of
37 such counties. Counties are hereby authorized to invest any portion of the
38 special building fund which is not currently needed in investments
39 authorized by K.S.A. 12-1675, and amendments thereto, in the manner
40 prescribed therein or in direct obligations of the United States government
41 maturing or redeemable at par and accrued interest within three years from
42 date of purchase, the principal and interest whereof is guaranteed by the
43 government of the United States. All interest received on any such

1 investment shall upon receipt thereof be credited to the special building
2 fund, except that the board of county commissioners of any county which
3 has heretofore established a building fund under the provisions of this act
4 may, if it shall find that the amount of the fund as originally established is
5 insufficient for such purposes, by resolution redetermine and increase the
6 amount necessary to be raised for the purpose for which such fund was
7 originally created and may make or continue to make an annual tax levy of
8 not to exceed one mill upon all of the taxable tangible property of the
9 county for the purpose of providing the additional funds contemplated by
10 the supplemental resolution and to pay a portion of the principal and
11 interest on bonds issued under the authority of K.S.A. 12-1774, and
12 amendments thereto, by cities located in the county. Such supplemental
13 resolution shall be published and shall be subject to petition for election
14 and become effective in like manner as that provided for the original
15 resolution;

16 (e) issue no-fund warrants in the manner and form and bearing
17 interest and redeemable as prescribed by K.S.A. 79-2940, and amendments
18 thereto, except that they may be issued without the approval of the state
19 ~~board~~ board of tax appeals, and without the notation required by such
20 section. The board of county commissioners shall make a tax levy at the
21 first tax levying period after such warrants are issued, sufficient to pay
22 such warrants and the interest thereon. All such levies shall be in addition
23 to all other levies authorized or limited by law and the tax limitations
24 provided by article 19 of chapter 79 of the Kansas Statutes Annotated, *and*
25 *amendments thereto*, shall not apply to such levies;

26 (f) use moneys from the general operating fund or other appropriated
27 budgeted fund when such is available;

28 (g) use moneys received from the sale of public buildings or
29 buildings and sites without regard to limitations prescribed by the budget
30 law;

31 (h) or may combine any two or more of such methods of financing
32 for the purposes herein authorized, except that counties shall first use
33 funds received from the payment of insurance claims for damages
34 sustained by any such public building before resorting to methods of
35 financing herein authorized;

36 (i) authorize the county engineer to supervise the work necessary for
37 the purposes herein provided, including the right of such county engineer
38 to have such work done by force account as well as by contract.

39 Sec. 38. K.S.A. 2013 Supp. 19-15,123 is hereby amended to read as
40 follows: 19-15,123. The board of county commissioners of any county in
41 this state having a population of more than 300,000 may provide
42 additional courtrooms, offices and other facilities as are required by the
43 district court judge to carry out probate and juvenile matters. The quarters

1 and facilities shall be constructed and furnished in available space of the
2 courthouse. The board of county commissioners is hereby authorized to
3 issue no-fund warrants or general obligation bonds for the purpose of
4 paying all costs incurred in providing additional quarters and facilities.
5 Before such warrants shall be issued the board of county commissioners
6 shall have received from the chief judge of the district court a resolution
7 certifying to the necessity of additional quarters. Such no-fund warrants
8 shall be issued in the manner and form, bear interest and be redeemed as
9 prescribed by K.S.A. 79-2940, and amendments thereto, except that
10 warrants may be issued without approval of the state ~~court~~ board of tax
11 appeals, and without the notation required by K.S.A. 79-2940, and
12 amendments thereto. The board of county commissioners shall make a tax
13 levy at the first tax levying period after such warrants are issued, sufficient
14 to pay such warrants and the interest thereon. In lieu of making only one
15 tax levy, the board of county commissioners may, if it deems it advisable,
16 make a tax levy each year for not to exceed five years in approximately
17 equal installments for the purpose of paying the warrants and the interest
18 thereon. All such tax levies shall be in addition to all other levies
19 authorized or limited by law and shall not be subject to or within the
20 aggregate tax levy limitation prescribed by article 19 of chapter 79 of the
21 Kansas Statutes Annotated, and amendments thereto. None of the
22 provisions of the state budget law shall apply to any expenditure which has
23 been provided for by the issuance of warrants under this act. General
24 obligation bonds issued under the authority of this act shall be issued in the
25 manner prescribed by the general bond law but shall not be subject to or
26 within any bonded debt limitation prescribed by any other law of this state
27 and shall not be considered or included in applying any other law limiting
28 bonded indebtedness.

29 Sec. 39. K.S.A. 2013 Supp. 19-2106f is hereby amended to read as
30 follows: 19-2106f. The board of county commissioners of any county
31 previously authorized and making an annual tax levy under the authority
32 of K.S.A. 19-2106e, and amendments thereto, for the operation of a home
33 for the aged, which as the result of an increase in the population of the
34 county was not authorized to levy a tax under the provisions of such act
35 for the operation of such home for the year 1972, is hereby authorized to
36 issue no-fund warrants in an amount not to exceed the amount which could
37 have been raised by the levy of a tax under the provisions of K.S.A. 19-
38 2106e, and amendments thereto, had the same remained applicable to such
39 county. Such no-fund warrants shall be issued by the county in the manner
40 and form and shall bear interest and be redeemable in the manner
41 prescribed by K.S.A. 79-2940, and amendments thereto, except that they
42 may be issued without the approval of the state ~~court~~ board of tax appeals,
43 and without the notation required by such section. The board of county

1 commissioners shall make a tax levy at the first tax levying period after
2 such warrants are issued, sufficient to pay such warrants and the interest
3 thereon. All such tax levies shall be in addition to all other tax levies
4 authorized or limited by law and such tax levies shall not be limited by or
5 subject to the limitation upon the levy of taxes prescribed by article 44 of
6 chapter 79 of the 1971 supplement of the Kansas Statutes Annotated, ~~or~~
7 *and* amendments thereto.

8 Sec. 40. K.S.A. 2013 Supp. 19-2653 is hereby amended to read as
9 follows: 19-2653. Whenever no-fund warrants are issued under the
10 authority provided by this act, the board of county commissioners shall
11 make a tax levy at the first tax levying period after such warrants are
12 issued, sufficient to pay such warrants and the interest thereon, except that
13 in lieu of making only one tax levy, such board of county commissioners,
14 if it deems it advisable, may make a tax levy each year for not to exceed
15 five years in approximately equal installments for the purpose of paying
16 said warrants and the interest thereon. All such tax levies shall be in
17 addition to all other levies authorized or limited by law and shall not be
18 subject to the aggregate tax levy prescribed by K.S.A. 79-1947, and
19 amendments thereto. Such warrants shall be issued, registered, redeemed
20 and bear interest in the manner and in the form prescribed by K.S.A. 79-
21 2940, and amendments thereto, except they shall not bear the notation
22 required by such section and may be issued without the approval of the
23 state ~~court~~ board of tax appeals. Any surplus existing after the redemption
24 of such warrants shall be handled in the manner prescribed by K.S.A. 79-
25 2940, and amendments thereto. None of the provisions of the cash basis
26 and budget laws of this state shall apply to any expenditures made, the
27 payment of which has been provided for by the issuance of warrants under
28 this act.

29 Sec. 41. K.S.A. 2013 Supp. 19-2752a is hereby amended to read as
30 follows: 19-2752a. That whenever a main sewer district has been
31 established under the provisions of K.S.A. 19-2731 to 19-2752, both
32 sections inclusive, and amendments thereto, and the question of the
33 issuance of bonds for the purpose of providing revenue to be used to
34 construct a main trunk sewer system with sewage disposal plant and all
35 appurtenances thereto has been submitted to the qualified electors of such
36 main sewer district and at least 65% of the persons voting on ~~said~~ *such*
37 question shall have voted in favor of the issuance of said bonds in the
38 amount stated on the ballot, and after such election the governing body of
39 such main sewer district was unable to immediately commence work on
40 the construction of ~~said~~ *the* main trunk sewer system and sewage disposal
41 plant and appurtenances because of a shortage of necessary materials and
42 labor and, as a result of such delay, the prices of materials and labor
43 needed for such construction and appurtenances have increased to such an

1 extent that the original amount of bonds voted will not provide sufficient
2 revenue to meet the total cost of such improvements and appurtenances,
3 and the governing body of such main sewer district shall have adopted a
4 resolution declaring such conditions to exist, then the governing body of
5 such main sewer district is hereby authorized and empowered to issue no-
6 fund warrants of such main sewer district in an amount not exceeding six
7 percent of the total amount of bonds authorized by the vote of the electors
8 of such main sewer district, and the revenue derived from the issuance of
9 ~~said~~ such warrants may be used by the governing body of ~~said~~ such main
10 sewer district to provide additional funds to be used in paying the cost of
11 constructing a main trunk sewer system with sewage disposal plant and all
12 appurtenances thereto, except that no warrants shall be issued under the
13 authority conferred by this act unless, and until, an application shall have
14 been filed with the state ~~court~~ board of tax appeals requesting such ~~court~~
15 board to authorize the issuance of such warrants and the ~~court~~ board shall
16 enter its order under its seal authorizing the issuance of the same.

17 The application to such ~~court~~ board shall be signed and sworn to by the
18 governing body of the main sewer district and shall reveal the following:
19 (1) Circumstances which caused the shortage in revenues; (2) a detailed
20 statement showing why the original estimates of necessary expenditures
21 for the improvements to be made are now insufficient; and (3) such other
22 information as the ~~court~~ board shall deem necessary. If the ~~court~~ board
23 shall find the evidence submitted in writing in support of the application
24 shows: (a) That the cost of labor and materials needed for the construction
25 of such main trunk sewer system and sewage disposal plant and all
26 appurtenances has increased since the bonds were originally voted for said
27 construction and improvements; and (b) that the governing body of such
28 main sewer district does not have sufficient funds available to pay the
29 costs of necessary construction and improvements, the ~~court~~ board is
30 empowered to authorize the issuance of warrants in an amount not in
31 excess of the amount hereinbefore authorized. No order for the issuance of
32 such warrants shall be made without a public hearing before the ~~court~~
33 board and notice of such hearing shall be published in two issues of a
34 paper of general circulation within the main sewer district applying for
35 such authority at least ten days prior to such hearing. The notice shall be in
36 such form as the ~~court~~ board shall prescribe, and the expense of such
37 publication shall be borne by the main sewer district.

38 Any taxpayer interested may file a written protest against such
39 application. When the authority to issue warrants under this section is
40 granted to a main sewer district, the governing body of such main sewer
41 district shall make a tax levy, at the first tax-levying period after such
42 warrants are issued, sufficient to pay such warrants and the interest
43 thereon, except that in lieu of making only one tax levy, the governing

1 body, if it deems it advisable, may make a tax levy once each year for not
2 to exceed three years, in approximately equal installments, sufficient to
3 pay such warrants and the interest thereon. Such tax levies shall be in
4 addition to all other tax levies authorized or limited by law. All warrants
5 issued under the authority conferred by this act shall be issued, bear
6 interest, be in the form, registered and redeemed in the manner prescribed
7 in K.S.A. 79-2940, and amendments thereto, and any surplus existing after
8 the redemption of such warrants shall be handled in the manner prescribed
9 in K.S.A. 79-2940, and amendments thereto.

10 Sec. 42. K.S.A. 2013 Supp. 19-3554 is hereby amended to read as
11 follows: 19-3554. The governing body of any district created pursuant to
12 K.S.A. 19-3545 et seq., and amendments thereto, may issue no-fund
13 warrants in amounts sufficient to pay preliminary engineering, financial
14 and legal services to determine the advisability of proceeding with the
15 acquisition or construction of a water supply system. Such warrants shall
16 be authorized, issued, registered and redeemed as prescribed by K.S.A. 79-
17 2940, and amendments thereto, and shall bear interest at a rate not to
18 exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments
19 thereto. Any surplus existing after the redemption of such warrants shall be
20 handled in the manner prescribed by K.S.A. 79-2940, and amendments
21 thereto.

22 The governing body of the district shall make not more than five equal
23 annual tax levies, as determined by the state ~~court~~ board of tax appeals, at
24 the next succeeding tax-levying periods after such warrants are issued in
25 an amount sufficient to pay such warrants and interest thereon.

26 Sec. 43. K.S.A. 2013 Supp. 19-4420 is hereby amended to read as
27 follows: 19-4420. The board of county commissioners of any county
28 adopting the provisions of this act, for the purposes of carrying out the
29 provisions of this act from and after the date of the adoption of the
30 provisions thereof by such county and prior to the time that moneys are
31 available from the tax levy authorized by K.S.A. 19-4421, and
32 amendments thereto, is hereby authorized to issue no-fund warrants in an
33 amount not to exceed the amount which would be raised by the levy of a
34 tax of one mill upon all taxable tangible property in the county, deemed
35 necessary and fixed by resolution of the agency, for such purpose. Such
36 no-fund warrants shall be issued by the county in the manner and form and
37 shall bear interest and be redeemable in the manner prescribed by K.S.A.
38 79-2940, and amendments thereto, except that they may be issued without
39 the approval of the state ~~court~~ board of tax appeals, and without the
40 notation required by such section. The board of county commissioners
41 shall make a tax levy at the first tax levying period after such warrants are
42 issued, sufficient to pay such warrants and the interest thereon. All such
43 tax levies shall be in addition to all other levies authorized or limited by

1 law and the tax limitations provided by article 19 of chapter 79 of the
2 Kansas Statutes Annotated, and amendments thereto, shall not apply to
3 such levies.

4 Sec. 44. K.S.A. 2013 Supp. 19-4442 is hereby amended to read as
5 follows: 19-4442. The board of county commissioners of any county
6 adopting the provisions of this act, for the purposes of carrying out the
7 provisions of this act from and after the date of the adoption of the
8 provisions thereof by such county, and prior to the time that moneys are
9 available from the tax levy authorized by K.S.A. 19-4443, and
10 amendments thereto, is hereby authorized for such purpose, whenever
11 deemed necessary and fixed by resolution of the agency, to issue no-fund
12 warrants in an amount not to exceed the amount which would be raised by
13 the levy of a tax of one mill upon all taxable tangible property in the
14 county. Such no-fund warrants shall be issued by the county in the manner
15 and form and shall bear interest and be redeemable in the manner
16 prescribed by K.S.A. 79-2940, and amendments thereto, except that they
17 may be issued without the approval of the state ~~court~~ board of tax appeals,
18 and without the notation required by said section. The board of county
19 commissioners shall make a tax levy at the first levying period after such
20 warrants are issued, sufficient to pay such warrants and the interest
21 thereon. All such tax levies shall be in addition to all other levies
22 authorized or limited by law.

23 Sec. 45. K.S.A. 2013 Supp. 20-356 is hereby amended to read as
24 follows: 20-356. Any county in which additional divisions of the district
25 court are established or in which additional district magistrate judge
26 positions are established, may pay all of the costs and expenses incidental
27 to or arising out of the establishment, operation and maintenance of the
28 facilities for such additional divisions or positions during the year in which
29 they are established, out of the general fund of the county or if it does not
30 have sufficient moneys available in its general fund for such purpose, such
31 county is hereby authorized and empowered to issue during such year, no-
32 fund warrants for the purpose of providing funds to pay all expenses,
33 costs, salaries payable by any such county and costs incidental to or arising
34 out of the establishment, maintenance and operation of such division or
35 position, including the providing and equipping of courtrooms and other
36 necessary offices and costs incidental thereto or arising therefrom or
37 whenever the board of county commissioners considers it advisable, such
38 board may issue general obligation bonds of the county to pay all of the
39 costs and expenses incidental to or arising out of the establishment,
40 operation and maintenance of facilities for such additional divisions or
41 positions other than costs incurred for payment of salaries, and for the
42 purpose of redeeming no-fund warrants issued under the authority of this
43 section except no-fund warrants issued for payment of salaries. Such no-

1 fund warrants shall be issued in the manner and form, bear interest and be
2 redeemed as prescribed by K.S.A. 79-2940, and amendments thereto,
3 except they may be issued without the approval of the state ~~court~~ board of
4 tax appeals and without the notation required by K.S.A. 79-2940, and
5 amendments thereto.

6 If such no-fund warrants are issued under the provisions of this act, the
7 county issuing the same shall make a tax levy at the first tax levying
8 period after such warrants are issued sufficient to pay the same and the
9 interest thereon. Any such county may make expenditures from its general
10 fund during the year in which the ~~said~~ divisions or positions of the ~~court~~
11 board are created for any of the purposes hereinbefore described, even
12 though such expenditures were not included in the county budget for that
13 year.

14 General obligation bonds issued under the authority of this section shall
15 be issued in the manner prescribed by the general bond law but shall not
16 be subject to or within any bonded debt limitation prescribed by any other
17 law of this state and shall not be considered or included in applying any
18 other law limiting bonded indebtedness.

19 Sec. 46. K.S.A. 2013 Supp. 20-363 is hereby amended to read as
20 follows: 20-363. (a) On and after June 18, 1979, job positions for district
21 court employees whose principal duties involved service of process for the
22 district court of the county immediately prior to such date shall be
23 abolished. Except as provided in subsection (b), on and after such date the
24 office of sheriff in such county shall assume the duties of service of
25 process for the district court of the county and there is hereby created job
26 positions in such sheriff's office in a number equal to the number of job
27 positions abolished in the district court of such county by this section.

28 (b) On and after June 18, 1979, in Wyandotte county the county shall
29 assume the duties of service of process for the district court of such county
30 and there is hereby created job positions in such county, under the
31 supervision of the board of county commissioners, in a number equal to
32 the number of job positions abolished in the district court of such county
33 by this section.

34 (c) In appointing persons to fill the job positions created by this
35 section, due consideration shall be given to appointing those persons
36 whose job positions are abolished by this act. On and after such date the
37 county shall pay the compensation and employer's contributions of such
38 employees and amounts therefor may be paid during the budget year even
39 though the same were not included in the budget of expenditures for such
40 year. On and after June 18, 1979, district court employees shall not
41 perform the function of serving process for the district courts. A county
42 may issue no-fund warrants to cover costs imposed upon the county for
43 calendar year 1979 pursuant to this section and such warrants may be

1 issued without the approval of the state ~~court~~ board of tax appeals.

2 Sec. 47. K.S.A. 2013 Supp. 20-626 is hereby amended to read as
3 follows: 20-626. The board of county commissioners of any county in this
4 state having a population of more than 300,000 is hereby authorized to
5 issue no-fund warrants for the purpose of paying all costs incurred in
6 providing additional quarters in any available space of the courthouse for
7 the holding of court and jury and retiring rooms, except that before such
8 warrants shall be issued the board of county commissioners shall have
9 received from all of the judges of the appropriate court a resolution
10 certifying to necessity of additional quarters. Such no-fund warrants shall
11 be issued in the manner and form, bear interest and be redeemed as
12 prescribed by K.S.A. 79-2940, and amendments thereto, except that they
13 may be issued without the approval of the state ~~court~~ board of tax appeals,
14 and without the notation required by said section. The board of county
15 commissioners shall make a tax levy at the first tax levying period after
16 such warrants are issued, sufficient to pay such warrants and the interest
17 thereon, except that in lieu of making only one tax levy, the county
18 commissioners may, if it deems it advisable, make a tax levy each year for
19 not to exceed five years in approximately equal installments for the
20 purpose of paying said warrants and the interest thereon. All such tax
21 levies shall be in addition to all other levies authorized or limited by law
22 and shall not be subject to or within the aggregate tax levy limitation
23 prescribed by article 19 of chapter 79 of the Kansas Statutes Annotated,
24 ~~and acts amendatory thereof~~ *amendments thereto*. None of the provisions
25 of the state budget law shall apply to any expenditure which has been
26 provided for by the issuance of warrants under this act.

27 Sec. 48. K.S.A. 2013 Supp. 24-133 is hereby amended to read as
28 follows: 24-133. (a) Subject to the provisions of subsection (b), the
29 governing body of any drainage district may issue emergency no-fund
30 warrants of the drainage district to pay the costs and expenses resulting
31 from an emergency within the district. An emergency within the district
32 exists by reason of current injuries to persons or property, or imminent
33 danger thereof, from floods or other injurious action of water in any
34 watercourse within the district. In case of an emergency, the governing
35 body of the district may build new dikes and levees, and repair, expand
36 and strengthen old ones, dig ditches, build jetties, or make any other
37 changes, alterations and additions in existing improvements. The
38 governing body also may build any other new structure or other
39 improvement it deems necessary to solve the problems created by the
40 emergency.

41 The governing body shall levy a tax at the first tax levying period after
42 the issuance to pay the emergency no-fund warrants and interest thereon.
43 The levy shall be in addition to all other levies authorized or limited by

1 law. Emergency no-fund warrants shall be issued, registered, redeemed
2 and bear interest in the manner and in the form prescribed by K.S.A. 79-
3 2940, and amendments thereto, except that such no-fund warrants shall be
4 issued without the approval of the state ~~court~~ board of tax appeals and
5 shall not bear the notation required thereby.

6 (b) Except as provided by subsection (c), the authorized and
7 outstanding no-fund warrant indebtedness of any drainage district shall not
8 exceed 5% of the assessed valuation of the drainage district.

9 (c) If the governing body of a drainage district determines it is
10 necessary to issue no-fund warrants and the amount of such no-fund
11 warrants together with any outstanding no-fund warrants exceed 5% of the
12 assessed valuation of the drainage district prior to issuing any such no-
13 fund warrants under the authority of this section, the governing body shall
14 publish once in a newspaper of general circulation within the district a
15 notice of the intention of the governing body to issue such no-fund
16 warrants. If within 60 days after the publication of such notice, a petition
17 requesting an election on the question of the issuance of the no-fund
18 warrants signed by not less than 5% of the owners of land within the
19 district is filed with the county election officer of the county in which the
20 greater portion of the district is located, the governing body shall submit
21 the question of the issuance of such no-fund warrants at an election held
22 under the provisions of the general bond law.

23 (d) For the purpose of this section, assessed valuation means the
24 value of all taxable tangible property within the drainage district as
25 certified to the county clerk on the preceding August 25 which includes the
26 assessed valuation of motor vehicles as provided by K.S.A. 10-310, and
27 amendments thereto.

28 Sec. 49. K.S.A. 2013 Supp. 24-665 is hereby amended to read as
29 follows: 24-665. The district board may issue no-fund warrants to pay for
30 initial organizational, engineering, legal and administrative expenses of the
31 district, except that the amount so issued shall not exceed the product of
32 two mills times the assessed valuation of the taxable tangible property
33 within the district, which warrants shall be issued, bear interest and be
34 retired in accordance with the provisions of K.S.A. 79-2940, and
35 amendments thereto, except that the approval of the state ~~court~~ board of
36 tax appeals shall not be required. Whenever warrants have been issued
37 under this section, the board shall make a tax levy at the first tax levying
38 period, after such warrants are issued sufficient to pay such warrants and
39 interest.

40 Annually, after the assessment of property for the purpose of taxation
41 has been made in any county in which a part of the joint drainage district
42 lies, the county clerk of such county shall thereupon ascertain the total
43 assessed valuation of all taxable tangible property in his county within the

1 joint drainage district and certify the same to the county clerk of the
2 official county of the joint drainage district designated as authorized by
3 K.S.A. 24-664, and amendments thereto.

4 Sec. 50. K.S.A. 2013 Supp. 24-1219 is hereby amended to read as
5 follows: 24-1219. (a) The district board may issue no-fund warrants to pay
6 for initial organizational, engineering, legal and administrative expenses of
7 the district except that the amount so issued shall not exceed the product of
8 two mills times the assessed valuation of the taxable tangible property
9 within the district. Such warrants shall be issued, bear interest and be
10 retired in accordance with the provisions of K.S.A. 79-2940, and
11 amendments thereto, except that the approval of the state ~~court~~ board of
12 tax appeals shall not be required. Whenever warrants have been issued
13 under this section, the board shall make a tax levy at the first tax levying
14 period, after such warrants are issued, sufficient to pay such warrants and
15 interest.

16 (b) Following incorporation of the district by the secretary of state,
17 the board shall have authority to levy annually a tax of not to exceed two
18 mills to create a general fund for the payment of engineering, legal,
19 clerical, land and interests in land, installation maintenance, operation and
20 other administrative expenses and such tax may be against all of the
21 taxable, tangible property of the district. Whenever the board desires to
22 increase the mill levy for such purposes above two mills, it may adopt a
23 resolution declaring it necessary to increase such annual levy in an amount
24 which together with the current levy shall not exceed a total of four mills.
25 Any such resolution shall state the total amount of the tax to be levied and
26 shall be published once each week for two consecutive weeks in a
27 newspaper of general circulation in the district. Whereupon such annual
28 levy in an amount not to exceed the amount stated in the resolution may be
29 made for the ensuing budget year and each successive budget year unless a
30 petition requesting an election upon the proposition to increase the tax levy
31 in excess of the current tax levy, signed by not less than 5% of the
32 qualified electors in the district is filed with the county election officer
33 within 60 days following the date of the last publication of the resolution.
34 In the event a valid petition is filed, no such increased levy shall be made
35 without such proposition having been submitted to and having been
36 approved by a majority of the qualified electors voting at an election called
37 and held thereon. All such elections shall be called and held in the manner
38 prescribed for the calling and holding of elections upon the question of the
39 issuance of bonds under the general bond law.

40 (c) There is hereby authorized to be established in the watershed
41 districts of the state a fund which shall be called the structure maintenance
42 fund. The fund shall consist of moneys deposited therein from funds
43 received according to provisions of the watershed district law. The amount

1 of funds that may be deposited annually shall be a maximum of .35% of
2 the construction cost of the structure. Moneys in the structure maintenance
3 fund may be used for the purpose of engineering, reconstruction and other
4 required maintenance and other expenses relating to the maintenance of a
5 structure. The watershed board of directors is hereby authorized to invest
6 any portion of the structure maintenance fund, which is not currently
7 needed, in investments authorized by K.S.A. 12-1675, and amendments
8 thereto. All interest received on any such investment shall be credited to
9 the structure maintenance fund.

10 (d) The district board shall have authority to levy a tax, after
11 improvement bonds have been issued in accordance with K.S.A. 24-1214,
12 24-1215 and 24-1220, and amendments thereto, sufficient to pay such
13 bonds and interest.

14 Sec. 51. K.S.A. 2013 Supp. 31-144 is hereby amended to read as
15 follows: 31-144. (a) As used in this act, "school building" means any
16 building or structure operated or used for any purpose by, or located upon
17 the land of, any school district, community college district, area vocational
18 school, area vocational-technical school, institution under the state board
19 of regents or any private or nonpublic school, college or university,
20 whether or not operated for profit. The term school building does not
21 include within its meaning any single-family dwelling or duplex
22 constructed as part of a vocational education program or construction
23 trades class if such single-family dwelling or duplex is to be sold, after its
24 construction, for private use.

25 (b) All school buildings shall be inspected at least once each year. In
26 all cities of the first and second class in which there is a full-time fire chief
27 or full-time fire inspector, the inspection of the school buildings shall be
28 conducted by such chief or inspector. The chief or inspector shall report
29 the findings from the inspection to the state fire marshal within 30 days
30 after such inspection. In all other cases, school buildings shall be inspected
31 by the state fire marshal or the fire marshal's authorized assistants.

32 (c) The state fire marshal shall order the governing body having
33 control of any school building or facility thereof to correct any condition
34 in such building or facility which is in violation of this act, or any
35 condition which the fire marshal deems dangerous, or which in any way
36 prevents a speedy exit from such building. After any such order is
37 rendered, such governing body shall make the changes required to comply
38 therewith. A board of education of any school district is hereby authorized
39 to make expenditures from its general fund or capital outlay fund to
40 comply with such order, or the board may issue no-fund warrants in such
41 amounts as are necessary to pay expenses incurred in complying with such
42 order. Such no-fund warrants shall be issued, registered, paid and
43 redeemed and bear interest as provided by K.S.A. 79-2940, and

1 amendments thereto, except that the approval of the state ~~court~~ *board* of
2 tax appeals shall not be required. Such warrants shall recite that they are
3 issued by the board of education of the school district under authority of
4 this act. Any board of education issuing warrants hereunder shall make a
5 tax levy at the same time as other tax levies are made, after such warrants
6 are issued, sufficient to pay such warrants and the interest thereon.

7 (d) Whenever a board of education receives an order from the state
8 fire marshal pursuant to subsection (c), the board, in lieu of repairing or
9 remodeling the school building or facility as ordered by the state fire
10 marshal, may close such building or facility as an attendance center.
11 Whenever any board of education finds that any such order of the state fire
12 marshal involves a cost in excess of that which the board of education
13 finds the school district can afford, or that the changes ordered are
14 unwarranted or unnecessary, the board may petition for review of such
15 order in the district court of the home county of such school district. Upon
16 receiving such petition, the district court shall appoint three disinterested
17 commissioners, one of whom shall be a licensed architect. The
18 commissioners shall inspect the building or facility affected by the order
19 and report to the court its findings of fact as to the necessity for the
20 improvements or changes ordered by the state fire marshal, together with
21 the estimated cost of each such improvement or change and such other
22 recommendations as the commissioners deem advisable. Upon receiving
23 such findings of fact and recommendations, or any other evidence relating
24 to the petition for review, the court shall enter its order affirming, reversing
25 or modifying the order of the state fire marshal. Such order of the court
26 may be reviewed by the appellate courts in the same manner as other
27 orders and judgments of the district court may be reviewed.

28 (e) Except as provided in subsection (d), any action of the state fire
29 marshal pursuant to this section is subject to review in accordance with the
30 Kansas judicial review act.

31 Sec. 52. K.S.A. 2013 Supp. 38-549 is hereby amended to read as
32 follows: 38-549. The board of directors of any youth camp or home may
33 adopt a resolution at any time before tax moneys are available under
34 authority of this act, and such resolution may provide for the issuance of
35 no-fund warrants in an amount not to exceed the amount which would be
36 produced by a one mill levy on the assessed taxable tangible property in
37 the contracting counties. Such no-fund warrants may be issued without the
38 approval of the state ~~court~~ *board* of tax appeals, and in all other respects
39 shall be issued in accordance to statutes related to no-fund warrants.

40 Sec. 53. K.S.A. 2013 Supp. 68-151n is hereby amended to read as
41 follows: 68-151n. The board of any such county may issue no-fund
42 warrants without the approval of the state ~~court~~ *board* of tax appeals, to
43 provide additional funds to be used to pay a part of the cost of the

1 relocation, construction, reconstruction and improvement of or the
2 acquisition of a site or right-of-way for any road or bridge which is
3 necessitated by the construction of any dam or reservoir by the federal
4 government and part of the total cost of which is to be paid or reimbursed
5 by the federal government. The total amount of such warrants shall not
6 exceed the sum of ~~one hundred fifty thousand dollars~~ (\$150,000). Such
7 warrants shall be in the form and be issued, registered, bear interest and
8 may be sold in the manner provided and all other things relating thereto
9 done as prescribed in K.S.A. 79-2940, ~~or acts amendatory thereof and~~
10 ~~amendments thereto~~, except as herein otherwise expressly provided and
11 except that they shall not bear the notation required by said section, but in
12 lieu thereof they shall bear the notation "issued pursuant to authority
13 granted by (giving a citation of this act)."

14 At the next tax levying time after the issuance of such warrants such
15 board shall make a tax levy sufficient to pay the warrants and the interest
16 thereon, except that if the board determines it to be advisable, said
17 warrants may be issued to mature in two approximately equal annual
18 installments and in such cases, such tax levy may be made each year for a
19 period of not to exceed two years. The tax levies herein authorized shall be
20 in addition to all other tax levies authorized or limited by law and shall not
21 be subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947,
22 and amendments thereto, or that may be fixed by any other law of this
23 state.

24 Sec. 54. K.S.A. 2013 Supp. 72-4142 is hereby amended to read as
25 follows: 72-4142. To provide revenue for the initial purchase of textbooks
26 for use in the textbook rental plan, the board of education of any school
27 district is authorized to issue no-fund warrants in an amount necessary to
28 make such purchase. Such no-fund warrants shall be issued in the manner
29 and form, bear interest and be redeemed as prescribed by K.S.A. 79-2940,
30 and amendments thereto, except that they may be issued without the
31 approval of the state ~~or~~ board of tax appeals.

32 Whenever no-fund warrants are issued under the authority of this act,
33 the board of education shall make a tax levy at the first tax levying period
34 after such warrants are issued, sufficient to pay such warrants and the
35 interest thereon, except that in lieu of making only one tax levy, such
36 board, if it deems it advisable, may make a tax levy each year for not to
37 exceed three years in approximately equal installments for the purpose of
38 paying ~~said~~ such warrants and the interest thereon. All such tax levies shall
39 be in addition to all other levies authorized or limited by law and none of
40 the tax limitations provided by law shall apply to such levy.

41 Sec. 55. K.S.A. 2013 Supp. 72-6441 is hereby amended to read as
42 follows: 72-6441. (a) (1) The board of any district to which the provisions
43 of this subsection apply may levy an ad valorem tax on the taxable

1 tangible property of the district each year for a period of time not to
2 exceed two years in an amount not to exceed the amount authorized by the
3 state ~~court~~ board of tax appeals under this subsection for the purpose of
4 financing the costs incurred by the state that are directly attributable to
5 assignment of ancillary school facilities weighting to enrollment of the
6 district. The state ~~court~~ board of tax appeals may authorize the district to
7 make a levy which will produce an amount that is not greater than the
8 difference between the amount of costs directly attributable to
9 commencing operation of one or more new school facilities and the
10 amount that is financed from any other source provided by law for such
11 purpose, including any amount attributable to assignment of school
12 facilities weighting to enrollment of the district for each school year in
13 which the district is eligible for such weighting. If the district is not
14 eligible, or will be ineligible, for school facilities weighting in any one or
15 more years during the two-year period for which the district is authorized
16 to levy a tax under this subsection, the state ~~court~~ board of tax appeals
17 may authorize the district to make a levy, in such year or years of
18 ineligibility, which will produce an amount that is not greater than the
19 actual amount of costs attributable to commencing operation of the facility
20 or facilities.

21 (2) The state ~~court~~ board of tax appeals shall certify to the state board
22 of education the amount authorized to be produced by the levy of a tax
23 under subsection (a).

24 (3) The state ~~court~~ board of tax appeals may adopt rules and
25 regulations necessary to effectuate the provisions of this subsection,
26 including rules and regulations relating to the evidence required in support
27 of a district's claim that the costs attributable to commencing operation of
28 one or more new school facilities are in excess of the amount that is
29 financed from any other source provided by law for such purpose.

30 (4) The provisions of this subsection apply to any district that: (A)
31 Commenced operation of one or more new school facilities in the school
32 year preceding the current school year or has commenced or will
33 commence operation of one or more new school facilities in the current
34 school year or any or all of the foregoing; (B) is authorized to adopt and
35 has adopted a local option budget which is at least equal to that amount
36 required to qualify for school facilities weighting under K.S.A. 2013 Supp.
37 72-6415b, and amendments thereto; and (C) is experiencing extraordinary
38 enrollment growth as determined by the state board of education.

39 (b) The board of any district that has levied an ad valorem tax on the
40 taxable tangible property of the district each year for a period of two years
41 under authority of subsection (a) may continue to levy such tax under
42 authority of this subsection each year for an additional period of time not
43 to exceed six years in an amount not to exceed the amount computed by

1 the state board of education as provided in this subsection if the board of
2 the district determines that the costs attributable to commencing operation
3 of one or more new school facilities are significantly greater than the costs
4 attributable to the operation of other school facilities in the district. The tax
5 authorized under this subsection may be levied at a rate which will
6 produce an amount that is not greater than the amount computed by the
7 state board of education as provided in this subsection. In computing such
8 amount, the state board shall:

9 (1) Determine the amount produced by the tax levied by the district
10 under authority of subsection (a) in the second year for which such tax was
11 levied and add to such amount the amount of general state aid directly
12 attributable to school facilities weighting that was received by the district
13 in the same year;

14 (2) compute 90% of the amount of the sum obtained under paragraph
15 (1), which computed amount is the amount the district may levy in the first
16 year of the six-year period for which the district may levy a tax under
17 authority of this subsection;

18 (3) compute 75% of the amount of the sum obtained under paragraph
19 (1), which computed amount is the amount the district may levy in the
20 second year of the six-year period for which the district may levy a tax
21 under authority of this subsection;

22 (4) compute 60% of the amount of the sum obtained under paragraph
23 (1), which computed amount is the amount the district may levy in the
24 third year of the six-year period for which the district may levy a tax under
25 authority of this subsection;

26 (5) compute 45% of the amount of the sum obtained under paragraph
27 (1), which computed amount is the amount the district may levy in the
28 fourth year of the six-year period for which the district may levy a tax
29 under authority of this subsection;

30 (6) compute 30% of the amount of the sum obtained under paragraph
31 (1), which computed amount is the amount the district may levy in the
32 fifth year of the six-year period for which the district may levy a tax under
33 authority of this subsection; and

34 (7) compute 15% of the amount of the sum obtained under paragraph
35 (1), which computed amount is the amount the district may levy in the
36 sixth year of the six-year period for which the district may levy a tax under
37 authority of this subsection.

38 In determining the amount produced by the tax levied by the district
39 under authority of subsection (a), the state board shall include any moneys
40 which have been apportioned to the ancillary facilities fund of the district
41 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
42 5118 et seq., and amendments thereto.

43 (c) The proceeds from the tax levied by a district under authority of

1 this section shall be remitted to the state treasurer in accordance with the
2 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
3 each such remittance, the state treasurer shall deposit the entire amount in
4 the state treasury to the credit of the state school district finance fund.

5 Sec. 56. K.S.A. 2013 Supp. 72-6443 is hereby amended to read as
6 follows: 72-6443. (a) The ancillary school facilities weighting of each
7 district shall be determined in each school year in which such weighting
8 may be assigned to enrollment of the district as follows:

9 (1) Add the amount authorized under subsection (a) of K.S.A. 72-
10 6441, and amendments thereto, to be produced by a tax levy and certified
11 to the state board by the state ~~court~~ board of tax appeals to the amount, if
12 any, computed under subsection (b) of K.S.A. 72-6441, and amendments
13 thereto, to be produced by a tax levy;

14 (2) divide the sum obtained under (1) by base state aid per pupil. The
15 quotient is the ancillary school facilities weighting of the district.

16 (b) The provisions of this section shall take effect and be in force
17 from and after July 1, 1997.

18 Sec. 57. K.S.A. 2013 Supp. 72-6451 is hereby amended to read as
19 follows: 72-6451. (a) As used in this section:

20 (1) "School district" or "district" means a school district which: (A)
21 Has a declining enrollment; and (B) has adopted a local option budget in
22 an amount which equals at least 31% of the state financial aid for the
23 school district at the time the district applies to the state ~~court~~ board of tax
24 appeals for authority to make a levy pursuant to this section.

25 (2) "Declining enrollment" means an enrollment which has declined
26 in amount from that of the preceding school year.

27 (b) (1) (A) A school district may levy an ad valorem tax on the
28 taxable tangible property of the district each year for a period of time not
29 to exceed two years in an amount not to exceed the amount authorized by
30 the state ~~court~~ board of tax appeals under this subsection for the purpose
31 of financing the costs incurred by the state that are directly attributable to
32 assignment of declining enrollment weighting to enrollment of the district.
33 The state ~~court~~ board of tax appeals may authorize the district to make a
34 levy which will produce an amount that is not greater than the amount of
35 revenues lost as a result of the declining enrollment of the district. Such
36 amount shall not exceed 5% of the general fund budget of the district in
37 the school year in which the district applies to the state ~~court~~ board of tax
38 appeals for authority to make a levy pursuant to this section.

39 (B) As an alternative to the authority provided in paragraph (1)(A), if
40 a district was authorized to make a levy pursuant to this section in school
41 year 2006-2007, such district shall remain authorized to make a levy at a
42 rate necessary to generate revenue in the same amount that was generated
43 in school year 2007-2008 if the district adopts a local option budget in an

1 amount equal to the state prescribed percentage in effect in school year
2 2006-2007.

3 (2) The state ~~court~~ board of tax appeals shall certify to the state board
4 the amount authorized to be produced by the levy of a tax under this
5 section.

6 (3) The state board shall prescribe guidelines for the data that school
7 districts shall include in cases before the state ~~court~~ board of tax appeals
8 pursuant to this section.

9 (c) A district may levy the tax authorized pursuant to this section for a
10 period of time not to exceed two years unless authority to make such levy
11 is renewed by the state ~~court~~ board of tax appeals. The state ~~court~~ board of
12 tax appeals may renew the authority to make such levy for periods of time
13 not to exceed two years.

14 (d) The state board shall provide to the state ~~court~~ board of tax
15 appeals such school data and information requested by the state ~~court~~
16 board of tax appeals and any other information deemed necessary by the
17 state board.

18 (e) There is hereby established in every district a fund which shall be
19 called the declining enrollment fund. Such fund shall consist of all moneys
20 deposited therein or transferred thereto according to law. The proceeds
21 from the tax levied by a district under authority of this section shall be
22 credited to the declining enrollment fund of the district. The proceeds from
23 the tax levied by a district credited to the declining enrollment fund shall
24 be remitted to the state treasurer in accordance with the provisions of
25 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
26 remittance, the state treasurer shall deposit the entire amount in the state
27 treasury to the credit of the state school district finance fund.

28 (f) In determining the amount produced by the tax levied by the
29 district under authority of this section, the state board shall include any
30 moneys which have been apportioned to the declining enrollment fund of
31 the district from taxes levied under the provisions of K.S.A. 79-5101 et
32 seq. and 79-5118 et seq., and amendments thereto.

33 Sec. 58. K.S.A. 2013 Supp. 72-8203b is hereby amended to read as
34 follows: 72-8203b. Whenever the board of education of any school district
35 shall make a finding that such school district has a temporary cash deficit
36 in any school district fund, such school district may issue temporary notes
37 of the school district for the purpose of borrowing money to meet such
38 temporary cash deficit. The proceeds of any notes issued pursuant to this
39 section shall be credited to the fund found to have such deficit. Such notes
40 may be issued only with the approval of the state ~~court~~ board of tax
41 appeals. Temporary notes issued pursuant to this act shall mature, be
42 retired and paid during the fiscal year during which they are issued. Such
43 notes shall be retired from the proceeds of distributions to the fund in

1 which the temporary cash deficit occurred. Such notes shall be in a form
2 prescribed by the state board of education and may bear interest at a rate
3 not to exceed 5% per annum. No such notes may be issued in an amount in
4 excess of anticipated receipts during the fiscal year of the fund in which
5 the temporary cash deficit occurred. If any such anticipated receipts are
6 not received during the fiscal year in which such notes are issued, such
7 notes shall be retired in the next succeeding fiscal year from the proceeds
8 of later received distributions to such fund or shall be retired from a tax
9 levy upon the taxable tangible property in the school district in an amount
10 sufficient to retire such notes, which levy shall be made at the next tax
11 levying period.

12 Sec. 59. K.S.A. 2013 Supp. 74-2433a is hereby amended to read as
13 follows: 74-2433a. The state ~~court~~ *board* of tax appeals created by K.S.A.
14 74-2433, and amendments thereto, is hereby transferred out of the
15 department of revenue and established as an independent agency ~~and~~
16 ~~administrative law court~~ within the executive branch of state government.

17 Sec. 60. K.S.A. 2013 Supp. 74-2433b is hereby amended to read as
18 follows: 74-2433b. All budgeting, purchasing and related management
19 functions of the state ~~court~~ *board* of tax appeals shall be administered
20 under the direction and supervision of the state ~~court~~ *board* of tax appeals.

21 Sec. 61. K.S.A. 2013 Supp. 74-2433c is hereby amended to read as
22 follows: 74-2433c. All vouchers for expenditures from appropriations to or
23 for the state ~~court~~ *board* of tax appeals shall be approved by the ~~chief~~
24 ~~judge~~ *chairperson* of the state ~~court~~ *board* of tax appeals or a person or
25 persons designated by the ~~chief judge~~ *chairperson* for such purpose.

26 Sec. 62. K.S.A. 2013 Supp. 74-2433d is hereby amended to read as
27 follows: 74-2433d. All records of and appropriations for the state court of
28 tax appeals shall be transferred to the state ~~court~~ *board* of tax appeals on
29 ~~the effective date of this order~~ *July 1, 2014*.

30 Sec. 63. K.S.A. 2013 Supp. 74-2433e is hereby amended to read as
31 follows: 74-2433e. The state ~~court~~ *board* of tax appeals created by K.S.A.
32 74-2433, and amendments thereto, is hereby specifically continued in
33 existence, and it shall have the same powers, functions and duties as were
34 vested by law in it immediately prior to the effective date of this order,
35 except as is herein otherwise specifically provided.

36 Sec. 64. K.S.A. 2013 Supp. 74-2433g is hereby amended to read as
37 follows: 74-2433g. (a) The hearing officers of the small claims and
38 expedited hearings division shall be appointed by the chief hearing officer
39 of the state ~~court~~ *board* of tax appeals.

40 (b) Each hearing officer of the small claims and expedited hearings
41 division shall receive compensation in an amount determined by the ~~chief~~
42 ~~judge~~ *chairperson* and approved by the ~~court~~ *board*.

43 Sec. 65. K.S.A. 2013 Supp. 74-2435 is hereby amended to read as

1 follows: 74-2435. Within amounts budgeted for it, the state ~~court~~ *board* of
2 tax appeals may appoint such employees as may be necessary, which
3 employees shall be in the classified service of the Kansas civil service act,
4 and may appoint a secretary and attorneys, and such secretary and
5 attorneys shall be in the unclassified service of the Kansas civil service act.

6 Sec. 66. K.S.A. 2013 Supp. 74-2436 is hereby amended to read as
7 follows: 74-2436. The ~~court~~ *board* shall keep an accurate record of its
8 official proceedings, and shall keep a common seal of such design as shall
9 be determined by the ~~court~~ *board*. Copies of records of the ~~court~~ *board*,
10 certified by the secretary and attested with the seal of the ~~court~~ *board*, shall
11 be received in evidence with like effect as copies of other public records.
12 The secretary of the ~~court~~ *board* shall be the custodian of the seal and
13 records and be authorized to affix the seal in all proper cases. The
14 secretary or any ~~judge member~~ of the ~~court~~ *board* shall have the power to
15 administer oaths in all matters before the ~~court~~ *board*. Two ~~judges~~
16 ~~members~~ of the ~~court~~ *board* shall constitute a quorum.

17 Sec. 67. K.S.A. 2013 Supp. 74-2437a is hereby amended to read as
18 follows: 74-2437a. The state ~~court~~ *board* of tax appeals shall have the
19 power to summon witnesses from any part of the state to appear and give
20 testimony, and to compel such witnesses to produce records, books, papers
21 and documents relating to any subject matter before the state ~~court~~ *board*
22 of tax appeals, subject to the restrictions of K.S.A. 79-1424, and
23 amendments thereto. Summons, subpoenas and subpoenas duces tecum
24 may be directed to the sheriff of any county and may be made returnable at
25 such time as the ~~court~~ *board* of tax appeals shall determine. No fees shall
26 be charged by the sheriff for service thereof. Witness fees and mileage
27 shall be allowed and may be taxed as costs to either party in the discretion
28 of the ~~court~~ *board*.

29 Sec. 68. K.S.A. 2013 Supp. 74-2437b is hereby amended to read as
30 follows: 74-2437b. The state ~~court~~ *board* of tax appeals shall have power
31 to issue an order directing depositions of witnesses residing within or
32 without the state, to be taken, upon notice to the interested parties, if any,
33 in like manner that depositions of witnesses are taken in civil actions
34 pending in the district court, in any matter before the ~~court~~ *board*.

35 Sec. 69. K.S.A. 2013 Supp. 74-2439 is hereby amended to read as
36 follows: 74-2439. Except as otherwise provided by law, the state ~~court~~
37 *board* of tax appeals shall have the following powers and duties:

38 (a) Constituting, sitting and acting as the state board of equalization
39 as provided in K.S.A. 79-1409, and amendments thereto;

40 (b) authorizing the issuance of emergency warrants by taxing
41 districts, as provided in article 29 of chapter 79 of *the* Kansas Statutes
42 Annotated, and ~~acts amendatory thereof or supplemental amendments~~
43 thereto, and authorizing the issuance of warrants by cities or counties

1 under statutes of this state;

2 (c) authorizing increases in tax levies by taxing districts, as provided
3 in article 19 of chapter 79 of *the* Kansas Statutes Annotated, and ~~acts~~
4 ~~amendatory thereof or supplemental~~ *amendments* thereto;

5 (d) correcting errors and irregularities under the provisions of article
6 17 of chapter 79 of *the* Kansas Statutes Annotated, *and amendments*
7 *thereto*; and

8 (e) hearing and deciding applications for the refund of protested taxes
9 under the provisions of K.S.A. 79-2005, and amendments thereto.

10 Sec. 70. K.S.A. 2013 Supp. 74-2442 is hereby amended to read as
11 follows: 74-2442. There are hereby transferred to, vested in, and imposed
12 upon, the director of property valuation to be executed and exercised by
13 him, all the jurisdiction, rights, powers, duties and authority now vested in
14 or imposed upon the state commission of revenue and taxation with
15 respect to ad valorem tax administration and the assessment of state
16 assessed property, except such as are specifically transferred to, vested in,
17 and imposed upon, the state ~~court~~ *board* of tax appeals. The state
18 commission of revenue and taxation is hereby abolished.

19 Sec. 71. K.S.A. 2013 Supp. 74-2447 is hereby amended to read as
20 follows: 74-2447. On July 1, ~~2008~~ 2014, there are hereby transferred to,
21 vested in, and imposed upon, the state ~~court~~ *board* of tax appeals, all the
22 jurisdiction, rights, powers, duties and authority now vested in or imposed
23 upon the state ~~board~~ *court* of tax appeals. The state ~~board~~ *court* of tax
24 appeals is hereby abolished.

25 Sec. 72. K.S.A. 2013 Supp. 74-4911f is hereby amended to read as
26 follows: 74-4911f. (a) Subject to procedures or limitations prescribed by
27 the governor, any person who is not an employee and who becomes a state
28 officer may elect to not become a member of the system. The election to
29 not become a member of the system must be filed within 90 days of
30 assuming the position of state officer. Such election shall be irrevocable. If
31 such election is not filed by such state officer, such state officer shall be a
32 member of the system.

33 (b) Any such state officer who is a member of the Kansas public
34 employees retirement system, on or after the effective date of this act, may
35 elect to not be a member by filing an election with the office of the
36 retirement system. The election to not become a member of the system
37 must be filed within 90 days of assuming the position of state officer. If
38 such election is not filed by such state officer, such state officer shall be a
39 member of the system.

40 (c) Subject to limitations prescribed by the board, the state agency
41 employing any employee who has filed an election as provided under
42 subsection (a) or (b) and who has entered into an employee participation
43 agreement, as provided in K.S.A. 2013 Supp. 74-49b10, and amendments

1 thereto, for deferred compensation pursuant to the Kansas public
2 employees deferred compensation plan shall contribute to such plan on
3 such employee's behalf an amount equal to 8% of the employee's salary, as
4 such salary has been approved pursuant to K.S.A. 75-2935b, and
5 amendments thereto, or as otherwise prescribed by law. With regard to a
6 state officer who is a member of the legislature who has retired pursuant to
7 the Kansas public employees retirement system and who files an election
8 as provided in this section, employee's salary means per diem
9 compensation as provided by law as a member of the legislature.

10 (d) As used in this section and K.S.A. 74-4927k, and amendments
11 thereto, "state officer" means the secretary of administration, secretary on
12 aging, secretary of commerce, secretary of corrections, secretary of health
13 and environment, secretary of labor, secretary of revenue, secretary of
14 social and rehabilitation services, secretary of transportation, secretary of
15 wildlife, parks and tourism, superintendent of the Kansas highway patrol,
16 secretary of agriculture, executive director of the Kansas lottery, executive
17 director of the Kansas racing commission, president of the Kansas
18 development finance authority, state fire marshal, state librarian, securities
19 commissioner, adjutant general, ~~judges members~~ and chief hearing officer
20 of the state ~~court~~ board of tax appeals, members of the state corporation
21 commission, any unclassified employee on the staff of officers of both
22 houses of the legislature, any unclassified employee appointed to the
23 governor's or lieutenant governor's staff, any person employed by the
24 legislative branch of the state of Kansas, other than any such person
25 receiving service credited under the Kansas public employees retirement
26 system or any other retirement system of the state of Kansas therefor, who
27 elected to be covered by the provisions of this section as provided in
28 subsection (e) of K.S.A. 46-1302, and amendments thereto, or who is first
29 employed on or after July 1, 1996, by the legislative branch of the state of
30 Kansas and any member of the legislature who has retired pursuant to the
31 Kansas public employees retirement system.

32 (e) The provisions of this section shall not apply to any state officer
33 who has elected to remain eligible for assistance by the state board of
34 regents as provided in subsection (a) of K.S.A. 74-4925, and amendments
35 thereto.

36 Sec. 73. K.S.A. 2013 Supp. 75-430 is hereby amended to read as
37 follows: 75-430. (a) The secretary of state shall compile, index and publish
38 a publication to be known as the Kansas register. Such register shall
39 contain:

40 (1) All acts of the legislature required to be published in the Kansas
41 register;

42 (2) all executive orders and directives of the governor which are
43 required to be filed in the office of the secretary of state;

1 (3) summaries of all opinions of the attorney general interpreting acts
2 of the legislature as prepared by the office of the attorney general;

3 (4) notice of any public comment period on contemplated
4 modification of an existing rule and regulation, and, in accordance with the
5 provisions of article 4 of chapter 77 of the Kansas Statutes Annotated, and
6 amendments thereto, all notices of hearings on proposed administrative
7 rules and regulations and the full text of all administrative rules and
8 regulations that have been adopted and filed with the secretary of state;

9 (5) the full text of all administrative rules and regulations which have
10 been adopted and filed in accordance with the provisions of article 4 of
11 chapter 77 of the Kansas Statutes Annotated, and amendments thereto,
12 except that the secretary of state may publish a summary of any rule and
13 regulation together with the address of the state agency from which a copy
14 of the full text of the proposed rules and regulations may be received, if
15 such rule and regulation is lengthy and expensive to publish and otherwise
16 available in published form and a summary will, in the opinion of the
17 secretary, properly notify the public of the contents of such rule and
18 regulation;

19 (6) a cumulative index of all administrative rules and regulations
20 which have been adopted and filed in accordance with the provisions of
21 article 4 of chapter 77 of the Kansas Statutes Annotated, and amendments
22 thereto;

23 (7) all notices of hearings of special legislative interim study
24 committees, descriptions of all prefiled bills and resolutions and
25 descriptions of all bills and resolutions introduced in the legislature during
26 any session of the legislature, and other legislative information which is
27 approved for publication by the legislative coordinating council;

28 (8) the hearings docket of the Kansas supreme court and the court of
29 appeals;

30 (9) summaries of all orders of the state ~~court~~ board of tax appeals
31 which have statewide application;

32 (10) all advertisements for contracts for construction, repairs,
33 improvements or purchases by the state of Kansas or any agency thereof
34 for which competitive bids are required; and

35 (11) any other information which the secretary of state deems to be of
36 sufficient interest to the general public to merit its publication or which is
37 required by law to be published in the Kansas register.

38 (b) The secretary of state shall publish such register at regular
39 intervals, but not less than weekly.

40 (c) Each issue of the register shall contain a table of contents.

41 (d) A cumulative index to all information required by K.S.A. 75-430
42 through 75-434, and amendments thereto, to be published during the
43 previous year shall be published at least once each year.

1 (e) The secretary of state may omit from the register any information
2 the publication of which the secretary deems cumbersome, expensive, or
3 otherwise inexpedient, if the information is made available in printed or
4 processed form by the adopting agency on application for it, and if the
5 register contains a notice stating the general subject matter of the
6 information and the manner in which a copy of it may be obtained.

7 (f) One copy of each issue of the register shall be made available
8 without charge on request to each officer, board, commission, and
9 department of the state having statewide jurisdiction, to each member of
10 the legislature, to each county clerk in the state, and to the supreme court,
11 court of appeals and each district court.

12 (g) The secretary of state shall make paper copies of the register
13 available upon payment of a fee to be fixed by the secretary of state under
14 K.S.A. 75-433, and amendments thereto.

15 Sec. 74. K.S.A. 2013 Supp. 75-37,121 is hereby amended to read as
16 follows: 75-37,121. (a) There is created the office of administrative
17 hearings within the department of administration, to be headed by a
18 director appointed by the secretary of administration. The director shall be
19 in the unclassified service under the Kansas civil service act.

20 (b) The office may employ or contract with presiding officers, court
21 reporters and other support personnel as necessary to conduct proceedings
22 required by the Kansas administrative procedure act for adjudicative
23 proceedings of the state agencies, boards and commissions specified in
24 subsection (h). The office shall conduct adjudicative proceedings of any
25 state agency which is specified in subsection (h) when requested by such
26 agency. Only a person admitted to practice law in this state or a person
27 directly supervised by a person admitted to practice law in this state may
28 be employed as a presiding officer. The office may employ regular part-
29 time personnel. Persons employed by the office shall be under the
30 classified civil service.

31 (c) If the office cannot furnish one of its presiding officers within 60
32 days in response to a requesting agency's request, the director shall
33 designate in writing a full-time employee of an agency other than the
34 requesting agency to serve as presiding officer for the proceeding, but only
35 with the consent of the employing agency. The designee must possess the
36 same qualifications required of presiding officers employed by the office.

37 (d) The director may furnish presiding officers on a contract basis to
38 any governmental entity to conduct any proceeding other than a
39 proceeding as provided in subsection (h).

40 (e) The secretary of administration may adopt rules and regulations:

41 (1) To establish procedures for agencies to request and for the
42 director to assign presiding officers. An agency may neither select nor
43 reject any individual presiding officer for any proceeding except in

1 accordance with the Kansas administrative procedure act;

2 (2) to establish procedures and adopt forms, consistent with the
3 Kansas administrative procedure act, the model rules of procedure, and
4 other provisions of law, to govern presiding officers; and

5 (3) to facilitate the performance of the responsibilities conferred upon
6 the office by the Kansas administrative procedure act.

7 (f) The director may implement the provisions of this section and
8 rules and regulations adopted under its authority.

9 (g) The secretary of administration may adopt rules and regulations to
10 establish fees to charge a state agency for the cost of using a presiding
11 officer.

12 (h) The following state agencies, boards and commissions shall
13 utilize the office of administrative hearings for conducting adjudicative
14 hearings under the Kansas administrative procedures act in which the
15 presiding officer is not the agency head or one or more members of the
16 agency head:

17 (1) On and after July 1, 2005: Department of social and rehabilitation
18 services, juvenile justice authority, department on aging, department of
19 health and environment, Kansas public employees retirement system,
20 Kansas water office, Kansas department of agriculture division of animal
21 health and Kansas insurance department.

22 (2) On and after July 1, 2006: Emergency medical services board,
23 emergency medical services council and Kansas human rights
24 commission.

25 (3) On and after July 1, 2007: Kansas lottery, Kansas racing and
26 gaming commission, state treasurer, pooled money investment board,
27 Kansas department of wildlife, parks and tourism and state ~~court~~ board of
28 tax appeals.

29 (4) On and after July 1, 2008: Department of human resources, state
30 corporation commission, Kansas department of agriculture division of
31 conservation, agricultural labor relations board, department of
32 administration, department of revenue, board of adult care home
33 administrators, Kansas state grain inspection department, board of
34 accountancy and Kansas wheat commission.

35 (5) On and after July 1, 2009, all other Kansas administrative
36 procedure act hearings not mentioned in subsections (1), (2), (3) and (4).

37 (i) (1) Effective July 1, 2005, any presiding officer in agencies
38 specified in subsection (h)(1) which conduct hearings pursuant to the
39 Kansas administrative procedure act, except those exempted pursuant to
40 K.S.A. 77-551, and amendments thereto, and support personnel for such
41 presiding officers, shall be transferred to and shall become employees of
42 the office of administrative hearings. Such personnel shall retain all rights
43 under the state personnel system and retirement benefits under the laws of

1 this state which had accrued to or vested in such personnel prior to the
2 effective date of this section. Such person's services shall be deemed to
3 have been continuous. All transfers of personnel positions in the classified
4 service under the Kansas civil service act shall be in accordance with civil
5 service laws and any rules and regulations adopted thereunder. This
6 section shall not affect any matter pending before an administrative
7 hearing officer at the time of the effective date of the transfer, and such
8 matter shall proceed as though no transfer of employment had occurred.

9 (2) Effective July 1, 2006, any presiding officer in agencies specified
10 in subsection (h)(2) which conduct hearings pursuant to the Kansas
11 administrative procedure act, except those exempted pursuant to K.S.A.
12 77-551, and amendments thereto, and support personnel for such presiding
13 officers, shall be transferred to and shall become employees of the office
14 of administrative hearings. Such personnel shall retain all rights under the
15 state personnel system and retirement benefits under the laws of this state
16 which had accrued to or vested in such personnel prior to the effective date
17 of this section. Such person's services shall be deemed to have been
18 continuous. All transfers of personnel positions in the classified service
19 under the Kansas civil service act shall be in accordance with civil service
20 laws and any rules and regulations adopted thereunder. This section shall
21 not affect any matter pending before an administrative hearing officer at
22 the time of the effective date of the transfer, and such matter shall proceed
23 as though no transfer of employment had occurred.

24 (3) Effective July 1, 2007, any presiding officer in agencies specified
25 in subsection (h)(3) which conduct hearings pursuant to the Kansas
26 administrative procedure act, except those exempted pursuant to K.S.A.
27 77-551, and amendments thereto, and support personnel for such presiding
28 officers, shall be transferred to and shall become employees of the office
29 of administrative hearings. Such personnel shall retain all rights under the
30 state personnel system and retirement benefits under the laws of this state
31 which had accrued to or vested in such personnel prior to the effective date
32 of this section. Such person's services shall be deemed to have been
33 continuous. All transfers of personnel positions in the classified service
34 under the Kansas civil service act shall be in accordance with civil service
35 laws and any rules and regulations adopted thereunder. This section shall
36 not affect any matter pending before an administrative hearing officer at
37 the time of the effective date of the transfer, and such matter shall proceed
38 as though no transfer of employment had occurred.

39 (4) Effective July 1, 2008, any full-time presiding officer in agencies
40 specified in subsection (h)(4) which conduct hearings pursuant to the
41 Kansas administrative procedure act, except those exempted pursuant to
42 K.S.A. 77-551, and amendments thereto, and support personnel for such
43 presiding officers, shall be transferred to and shall become employees of

1 the office of administrative hearings. Such personnel shall retain all rights
2 under the state personnel system and retirement benefits under the laws of
3 this state which had accrued to or vested in such personnel prior to the
4 effective date of this section. Such person's services shall be deemed to
5 have been continuous. All transfers of personnel positions in the classified
6 service under the Kansas civil service act shall be in accordance with civil
7 service laws and any rules and regulations adopted thereunder. This
8 section shall not affect any matter pending before an administrative
9 hearing officer at the time of the effective date of the transfer, and such
10 matter shall proceed as though no transfer of employment had occurred.

11 (5) Effective July 1, 2009, any full-time presiding officer in agencies
12 specified in subsection (h)(5) which conduct hearings pursuant to the
13 Kansas administrative procedure act, except those exempted pursuant to
14 K.S.A. 77-551, and amendments thereto, and support personnel for such
15 presiding officers, shall be transferred to and shall become employees of
16 the office of administrative hearings. Such personnel shall retain all rights
17 under the state personnel system and retirement benefits under the laws of
18 this state which had accrued to or vested in such personnel prior to the
19 effective date of this section. Such person's services shall be deemed to
20 have been continuous. All transfers of personnel positions in the classified
21 service under the Kansas civil service act shall be in accordance with civil
22 service laws and any rules and regulations adopted thereunder. This
23 section shall not affect any matter pending before an administrative
24 hearing officer at the time of the effective date of the transfer, and such
25 matter shall proceed as though no transfer of employment occurred.

26 Sec. 75. K.S.A. 2013 Supp. 75-4201 is hereby amended to read as
27 follows: 75-4201. As used in this act, unless the context otherwise
28 requires:

- 29 (a) "Treasurer" means state treasurer.
30 (b) "Controller" means director of accounts and reports.
31 (c) "Board" means the pooled money investment board.
32 (d) "Bank" means a bank incorporated under the laws of this state, or
33 organized under the laws of the United States or another state and which
34 has a main or branch office in this state.
35 (e) "State moneys" means all moneys in the treasury of the state or
36 coming lawfully into the possession of the treasurer.
37 (f) "State bank account" means state moneys or fee agency account
38 moneys deposited in accordance with the provisions of this act.
39 (g) "Operating account" means a state bank account which is payable
40 or withdrawable, in whole or in part, on demand.
41 (h) "Investment account" means a state bank account which is not
42 payable on demand.
43 (i) "Fee agency account" means a state bank account of any state

1 agency consisting of moneys authorized by law prior to remittance to the
2 state treasurer.

3 (j) "Disbursement" means a payment of any kind whatsoever made
4 from the state treasury or from any operating account, except transfer of
5 moneys between or among operating accounts and investment accounts or
6 either or both of them.

7 (k) "Securities" means, for the purposes of this section and K.S.A.
8 75-4218, and amendments thereto, securities, security entitlements,
9 financial assets and securities account consisting of any one or more of the
10 following, and security entitlements thereto, which may be accepted or
11 rejected by the pooled money investment board:

12 (1) Direct obligations of, or obligations that are insured as to principal
13 and interest by, the United States government or any agency thereof and
14 obligations, letters of credit and securities of United States sponsored
15 enterprises which under federal law may be accepted as security for public
16 funds.

17 (2) Kansas municipal bonds which are general obligations of the
18 municipality issuing the same.

19 (3) Revenue bonds of any agency or arm of the state of Kansas.

20 (4) Revenue bonds of any municipality, as defined by K.S.A. 10-101,
21 and amendments thereto, within the state of Kansas or bonds issued by a
22 public building commission as authorized by K.S.A. 12-1761, and
23 amendments thereto, if approved by the state bank commissioner, except
24 (A) bonds issued under the provisions of K.S.A. 12-1740 et seq., and
25 amendments thereto, unless such bonds are rated at least MIG-1 or Aa by
26 Moody's Investors Service or AA by Standard & Poor's Corp. and (B)
27 bonds secured by revenues of a utility which has been in operation for less
28 than three years. Any expense incurred in connection with granting
29 approval of revenue bonds shall be paid by the applicant for approval.

30 (5) Temporary notes of any municipal corporation or quasi-municipal
31 corporation within the state of Kansas which are general obligations of the
32 municipal corporation or quasi-municipal corporation issuing the same.

33 (6) Warrants of any municipal corporation or quasi-municipal
34 corporation within the state of Kansas the issuance of which is authorized
35 by the state court board of tax appeals and which are payable from the
36 proceeds of a mandatory tax levy.

37 (7) Bonds of any municipal or quasi-municipal corporation of the
38 state of Kansas which have been refunded in advance of their maturity and
39 are fully secured as to payment of principal and interest thereon by deposit
40 in trust, under escrow agreement with a bank, of direct obligations of, or
41 obligations the principal of and the interest on which are unconditionally
42 guaranteed by, the United States of America. A copy of such escrow
43 agreement shall be furnished to the treasurer.

1 (8) Securities listed in paragraph (14) of subsection (d) of K.S.A. 9-
2 1402, and amendments thereto, within limitations of K.S.A. 9-1402, and
3 amendments thereto.

4 (9) A corporate surety bond guaranteeing deposits in a bank, savings
5 or savings and loan association in excess of federal deposit insurance
6 corporation insurance, underwritten by an insurance company authorized
7 to do business in the state of Kansas.

8 (10) Commercial paper that does not exceed 270 days to maturity and
9 which has received one of the two highest commercial paper credit ratings
10 by a nationally recognized investment rating firm.

11 (11) All of such securities shall be current as to interest according to
12 the terms thereof.

13 (l) "Savings bank" means a savings bank organized under the laws of
14 the United States or another state insured by the federal deposit insurance
15 corporation or its successor and having a main or branch office in the
16 county in which a state agency making collection of any fees, tuition, or
17 charges is located.

18 (m) "Savings and loan association" means a savings and loan
19 association incorporated under the laws of this state or organized under the
20 laws of the United States or another state, insured by the federal deposit
21 insurance corporation or its successor and having a main or branch office
22 in the county in which a state agency making collection of any fees, tuition
23 or charges is located.

24 (n) "Custodial bank" means a bank holding on deposit collateral
25 which is security for state bank accounts.

26 (o) "Centralized securities depository" means a clearing agency
27 registered with the securities and exchange commission which provides
28 safekeeping and book-entry settlement services to its participants.

29 (p) "Depository bank" means a bank, savings bank or savings and
30 loan association authorized and eligible to receive state moneys.

31 (q) "Main office" means the place of business specified in the articles
32 of association, certificate of authority or similar document, where the
33 business of the institution is carried on and which is not a branch.

34 (r) "Branch" means any office, agency or other place of business
35 within this state, other than the main office, at which deposits are received,
36 checks paid or money lent with approval of the appropriate regulatory
37 authorities. Branch does not include an automated teller machine, remote
38 service unit or similar device.

39 (s) "Securities," "security entitlements," "financial assets," "securities
40 account," "security agreement," "security interest," "perfection" and
41 "control" shall have the meanings given such terms under the Kansas
42 uniform commercial code.

43 Sec. 76. K.S.A. 2013 Supp. 75-5104 is hereby amended to read as

1 follows: 75-5104. Whenever, under any statute of this state, the director of
2 revenue is authorized to make, adopt or promulgate rules and regulations
3 or rules or regulations, or words of like effect, and whenever in any statute
4 of this state there is reference to any such rule or regulation, such authority
5 and such reference shall after the effective date of this act be deemed to so
6 authorize or refer to the secretary of revenue and not the director of
7 revenue, and no approval for adoption of any such rules and regulations
8 shall be required by the state ~~court~~ board of tax appeals.

9 Sec. 77. K.S.A. 2013 Supp. 75-5107 is hereby amended to read as
10 follows: 75-5107. Whenever, under any statute of this state, the director of
11 property valuation is authorized to make, adopt or promulgate rules and
12 regulations or rules or regulations, or words of like effect, and whenever in
13 any statute of this state there is reference to any such rule or regulation,
14 such authority and such reference shall after the effective date of this act
15 be deemed to so authorize or refer to the secretary of revenue and not the
16 director of property valuation, and no approval for adoption of any such
17 rules and regulations shall be required by the state ~~court~~ board of tax
18 appeals.

19 Sec. 78. K.S.A. 2013 Supp. 75-5121 is hereby amended to read as
20 follows: 75-5121. The secretary of revenue may appoint attorneys for the
21 department of revenue and its divisions and officers, except attorneys for
22 the state ~~court~~ board of tax appeals and the division and director of
23 alcoholic beverage control. All attorneys appointed under this section shall
24 be subject to assignment and reassignment of duty within the department
25 of revenue as may be determined by the attorney designated by the
26 secretary of revenue as chief attorney of the department of revenue. Not
27 more than three attorneys appointed under this section shall be in the
28 classified service under the Kansas civil service act. All other attorneys,
29 including the chief attorney of the department of revenue, appointed under
30 this section shall be in the unclassified service under the Kansas civil
31 service act and shall receive annual salaries fixed by the secretary of
32 revenue and approved by the governor.

33 Sec. 79. K.S.A. 2013 Supp. 75-5161 is hereby amended to read as
34 follows: 75-5161. In addition to other provisions and authority granted
35 under law, the secretary of revenue shall have the authority to equitably
36 resolve any assessment resulting from an audit, or any portion of such
37 assessment, that is pending in the administrative appeals process before the
38 secretary or secretary's designee pursuant to K.S.A. 79-3226 or 79-3610,
39 and amendments thereto, or the state ~~court~~ board of tax appeals, or is
40 pending in the judicial review process before any state or federal district
41 appellate court. Such settlement authority shall include the ability to
42 resolve the amount of tax, penalty or interest due in the settlement
43 agreement.

1 Sec. 80. K.S.A. 2013 Supp. 77-514 is hereby amended to read as
2 follows: 77-514. (a) For all agencies, except for the state ~~court~~ board of
3 tax appeals, the agency head, one or more members of the agency head or
4 a presiding officer assigned by the office of administrative hearings shall
5 be the presiding officer.

6 (b) Any person serving or designated to serve alone or with others as
7 presiding officer is subject to disqualification for administrative bias,
8 prejudice or interest.

9 (c) Any party may petition for the disqualification of a person
10 promptly after receipt of notice indicating that the person will preside or
11 promptly upon discovering facts establishing grounds for disqualification,
12 whichever is later.

13 (d) A person whose disqualification is requested shall determine
14 whether to grant the petition, stating facts and reasons for the
15 determination.

16 (e) If a substitute is required for a person who is disqualified or
17 becomes unavailable for any other reason, any action taken by a duly
18 appointed substitute for a disqualified or unavailable person is as effective
19 as if taken by the latter.

20 (f) If the office of administrative hearings cannot provide a presiding
21 officer, a state agency may enter into agreements with another state agency
22 to provide presiding officers to conduct proceedings under this act.

23 (g) Notwithstanding any quorum requirements, if the agency head of
24 a professional or occupational licensing agency is a body of individuals,
25 the agency head, unless prohibited by law, may designate one or more
26 members of the agency head to serve as presiding officer and to render a
27 final order in the proceeding.

28 (h) Except as otherwise provided by law, in any proceeding under this
29 act, a person shall not be eligible to act as presiding officer, and shall not
30 provide confidential legal or technical advice to a presiding officer in the
31 proceeding, if that person:

32 (1) Has served in an investigatory or prosecutorial capacity in the
33 proceeding or a proceeding arising out of the same event or transaction; or

34 (2) is supervised or directed by a person who would be disqualified
35 under paragraph (1).

36 Sec. 81. K.S.A. 2013 Supp. 79-210 is hereby amended to read as
37 follows: 79-210. The owner or owners of all property which is exempt
38 from the payment of property taxes under the laws of the state of Kansas
39 for a specified period of years, other than property exempt under K.S.A.
40 79-201d and 79-201g, and amendments thereto, shall in each year after
41 approval thereof by the state ~~court~~ board of tax appeals claim such
42 exemption on or before March 1 of each year in which such exemption is
43 claimed in the manner hereinafter provided. All claims for exemption from

1 the payment of property taxes shall be made upon forms prescribed by the
2 director of property valuation and shall identify the property sought to be
3 exempt, state the basis for the exemption claimed and shall be filed in the
4 office of the assessing officer of the county in which such property is
5 located. The assessing officers of the several counties shall list and value
6 for assessment, all property located within the county for which no claim
7 for exemption has been filed in the manner hereinbefore provided. The
8 secretary of revenue shall adopt rules and regulations necessary to
9 administer the provisions of this section. The provisions of this section
10 shall apply to property exempted pursuant to the provisions of section 13
11 of article 11 of the Kansas constitution. The claim for exemption annually
12 filed by the owner of such property with the assessing officer shall include
13 a written statement, signed by the clerk of the city or county granting the
14 exemption, that the property continues to meet all the terms and conditions
15 established as a condition of granting the exemption.

16 Sec. 82. K.S.A. 2013 Supp. 79-213 is hereby amended to read as
17 follows: 79-213. (a) Any property owner requesting an exemption from the
18 payment of ad valorem property taxes assessed, or to be assessed, against
19 their property shall be required to file an initial request for exemption, on
20 forms approved by the state ~~court~~ board of tax appeals and provided by the
21 county appraiser.

22 (b) The initial exemption request shall identify the property for which
23 the exemption is requested and state, in detail, the legal and factual basis
24 for the exemption claimed.

25 (c) The request for exemption shall be filed with the county appraiser
26 of the county where such property is principally located.

27 (d) After a review of the exemption request, and after a preliminary
28 examination of the facts as alleged, the county appraiser shall recommend
29 that the exemption request either be granted or denied, and, if necessary,
30 that a hearing be held. If a denial is recommended, a statement of the
31 controlling facts and law relied upon shall be included on the form.

32 (e) The county appraiser, after making such written recommendation,
33 shall file the request for exemption and the recommendations of the county
34 appraiser with the state ~~court~~ board of tax appeals.

35 (f) Upon receipt of the request for exemption, the ~~court~~ board shall
36 docket the same and notify the applicant and the county appraiser of such
37 fact.

38 (g) After examination of the request for exemption, and the county
39 appraiser's recommendation related thereto, the ~~court~~ board may fix a time
40 and place for hearing, and shall notify the applicant and the county
41 appraiser of the time and place so fixed. A request for exemption pursuant
42 to: (1) Section 13 of article 11 of the Kansas constitution; or (2) K.S.A. 79-
43 201a *Second*, and amendments thereto, for property constructed or

1 purchased, in whole or in part, with the proceeds of revenue bonds under
2 the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments
3 thereto, prepared in accordance with instructions and assistance which
4 shall be provided by the department of commerce, shall be deemed
5 approved unless scheduled for hearing within 30 days after the date of
6 receipt of all required information and data relating to the request for
7 exemption, and such hearing shall be conducted within 90 days after such
8 date. Such time periods shall be determined without regard to any
9 extension or continuance allowed to either party to such request. In any
10 case where a party to such request for exemption requests a hearing
11 thereon, the same shall be granted. Hearings shall be conducted in
12 accordance with the provisions of the Kansas administrative procedure act.
13 In all instances where the ~~court~~ board sets a request for exemption for
14 hearing, the county shall be represented by its county attorney or county
15 counselor.

16 (h) Except as otherwise provided by subsection (g), in the event of a
17 hearing, the same shall be originally set not later than 90 days after the
18 filing of the request for exemption with the ~~court~~ board.

19 (i) During the pendency of a request for exemption, no person, firm,
20 unincorporated association, company or corporation charged with real
21 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
22 2004a, and amendments thereto, on the tax books in the hands of the
23 county treasurer shall be required to pay the tax from the date the request
24 is filed with the county appraiser until the expiration of 30 days after the
25 ~~court~~ board issued its order thereon and the same becomes a final order. In
26 the event that taxes have been assessed against the subject property, no
27 interest shall accrue on any unpaid tax for the year or years in question nor
28 shall the unpaid tax be considered delinquent from the date the request is
29 filed with the county appraiser until the expiration of 30 days after the
30 ~~court~~ board issued its order thereon. In the event the ~~court~~ board
31 determines an application for exemption is without merit and filed in bad
32 faith to delay the due date of the tax, the tax shall be considered delinquent
33 as of the date the tax would have been due pursuant to K.S.A. 79-2004 and
34 79-2004a, and amendments thereto, and interest shall accrue as prescribed
35 therein.

36 (j) In the event the ~~court~~ board grants the initial request for
37 exemption, the same shall be effective beginning with the date of first
38 exempt use except that, with respect to property the construction of which
39 commenced not to exceed 24 months prior to the date of first exempt use,
40 the same shall be effective beginning with the date of commencement of
41 construction.

42 (k) In conjunction with its authority to grant exemptions, the ~~court~~
43 board shall have the authority to abate all unpaid taxes that have accrued

1 from and since the effective date of the exemption. In the event that taxes
2 have been paid during the period where the subject property has been
3 determined to be exempt, the ~~court~~ board shall have the authority to order
4 a refund of taxes for the year immediately preceding the year in which the
5 exemption application is filed in accordance with subsection (a).

6 (1) The provisions of this section shall not apply to: (1) Farm
7 machinery and equipment exempted from ad valorem taxation by K.S.A.
8 79-201j, and amendments thereto; (2) personal property exempted from ad
9 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
10 apparel, household goods and personal effects exempted from ad valorem
11 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
12 property exempted from ad valorem taxation by K.S.A. 79-201d, and
13 amendments thereto; (6) merchants' and manufacturers' inventories
14 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
15 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
16 and amendments thereto; (8) property exempted from ad valorem taxation
17 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all
18 property previously acquired by the secretary of transportation or a
19 predecessor in interest, which is used in the administration, construction,
20 maintenance or operation of the state system of highways. The secretary of
21 transportation shall at the time of acquisition of property notify the county
22 appraiser in the county in which the property is located that the acquisition
23 occurred and provide a legal description of the property acquired; (9)
24 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,
25 and amendments thereto, including all property previously acquired by the
26 Kansas turnpike authority which is used in the administration,
27 construction, maintenance or operation of the Kansas turnpike. The Kansas
28 turnpike authority shall at the time of acquisition of property notify the
29 county appraiser in the county in which the property is located that the
30 acquisition occurred and provide a legal description of the property
31 acquired; (10) aquaculture machinery and equipment exempted from ad
32 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
33 this section, "aquaculture" has the same meaning ascribed thereto by
34 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
35 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
36 amendments thereto; (12) property used exclusively by the state or any
37 municipality or political subdivision of the state for right-of-way purposes.
38 The state agency or the governing body of the municipality or political
39 subdivision shall at the time of acquisition of property for right-of-way
40 purposes notify the county appraiser in the county in which the property is
41 located that the acquisition occurred and provide a legal description of the
42 property acquired; (13) machinery, equipment, materials and supplies
43 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments

1 thereto; (14) vehicles owned by the state or by any political or taxing
2 subdivision thereof and used exclusively for governmental purposes; (15)
3 property used for residential purposes which is exempted pursuant to
4 K.S.A. 79-201x from the property tax levied pursuant to K.S.A. 72-6431,
5 and amendments thereto; (16) from and after July 1, 1998, vehicles which
6 are owned by an organization having as one of its purposes the assistance
7 by the provision of transit services to the elderly and to disabled persons
8 and which are exempted pursuant to K.S.A. 79-201 *Ninth, and*
9 *amendments thereto*; (17) from and after July 1, 1998, motor vehicles
10 exempted from taxation by subsection (e) of K.S.A. 79-5107, and
11 amendments thereto; (18) commercial and industrial machinery and
12 equipment exempted from property or ad valorem taxation by K.S.A. 2013
13 Supp. 79-223, and amendments thereto; (19) telecommunications
14 machinery and equipment and railroad machinery and equipment
15 exempted from property or ad valorem taxation by K.S.A. 2013 Supp. 79-
16 224, and amendments thereto; and (20) property exempted from property
17 or ad valorem taxation by K.S.A. 2013 Supp. 79-234, and amendments
18 thereto.

19 (m) The provisions of this section shall apply to property exempt
20 pursuant to the provisions of section 13 of article 11 of the Kansas
21 constitution.

22 (n) The provisions of subsection (k) as amended by this act shall be
23 applicable to all exemption applications filed in accordance with
24 subsection (a) after December 31, 2001.

25 Sec. 83. K.S.A. 2013 Supp. 79-213a is hereby amended to read as
26 follows: 79-213a. Any group, association, corporation or individual who
27 has not been assessed or levied a tax on its personal or real property prior
28 to July 1, 1985, and who has applied for exemption from ad valorem
29 taxation on such property premised upon use for purposes described in
30 K.S.A. 79-201 *Second*, and amendments thereto, between July 1, 1986,
31 and January 1, 1990, shall not be liable for any taxes prior to January 1,
32 1987, if such group, association, corporation or individual had a
33 reasonable basis to believe that it would not be assessed or taxed under the
34 laws of the state of Kansas, and did not deceive or otherwise mislead, by
35 affirmative misrepresentation, the county appraiser or other taxing
36 authority in relationship to the use or ownership of such property. The
37 burden of proof shall rest with the party claiming exemption. Relief may
38 be granted under this section by a court in any pending tax appeal, by
39 remand to the state ~~court~~ board of tax appeals or upon the filing of an
40 initial application pursuant to K.S.A. 79-213, and amendments thereto.

41 Sec. 84. K.S.A. 2013 Supp. 79-213d is hereby amended to read as
42 follows: 79-213d. When any taxpayer has filed an application requesting
43 an exemption from the payment of all or a portion of the ad valorem

1 property taxes assessed, or to be assessed, against such taxpayer's property,
2 the county appraiser shall notify the county clerk that the exemption
3 application has been filed and the county clerk shall not be required to
4 include the assessed valuation of such property in the applicable taxing
5 districts until such time as the application is denied by the state ~~court~~
6 *board* of tax appeals or, if judicial review of ~~court's~~ *the board's* order is
7 sought, until such time as judicial review is finalized. The provisions of
8 this section shall be effective on and after July 1, 2008.

9 Sec. 85. K.S.A. 2013 Supp. 79-332a is hereby amended to read as
10 follows: 79-332a. (a) Any person, corporation or association owning oil
11 and gas leases or engaged in operating for oil or gas who fails to make and
12 file a statement of assessment on or before April 1 shall be subject to a
13 penalty as follows:

14 (1) The appraiser shall, after having ascertained the assessed value of
15 the property of such taxpayer, add 5% thereto as a penalty for late filing if
16 the failure is not for more than one month, with an additional 5% for each
17 additional month or fraction thereof during which such failure continues,
18 not exceeding 25% in the aggregate.

19 (2) If the statement of assessment is filed more than one year from
20 April 1, the appraiser shall, after having ascertained the assessed value of
21 the property of such taxpayer, add 50% thereto as a penalty for late filing.
22 The county treasurer may not distribute any taxes assessed under this
23 section and paid under protest by the taxpayer pursuant to K.S.A. 79-2005,
24 and amendments thereto, until such time as the appeal is final.

25 (b) For good cause shown the county appraiser may extend the time
26 in which to make and file such statement. Such request for extension of
27 time shall be in writing and shall be received by the county appraiser prior
28 to the due date of the statement of assessment.

29 (c) Whenever any person, corporation or association owning oil and
30 gas leases or engaged in operating for oil or gas shall fail to make and
31 deliver to the county appraiser of every county wherein the property to be
32 assessed is located, a full and complete statement of assessment relative to
33 such property as required by blank forms prepared or approved for the
34 purpose by the director of property valuation to elicit the information
35 necessary to fix the valuation of the property, the appraiser shall ascertain
36 the assessed value of the property of such taxpayer, and shall add 50%
37 thereto as a penalty for failing to file such statement.

38 (d) The state ~~court~~ *board* of tax appeals shall have the authority to
39 abate any penalty imposed under the provisions of this section and order
40 the refund of the abated penalty, whenever excusable neglect on the part of
41 the person, corporation or association required to make and file the
42 statement of assessment is shown, or whenever the property for which a
43 statement of assessment was not filed as required by law is repossessed,

1 judicially or otherwise, by a secured creditor and such secured creditor
2 pays the taxes and interest due.

3 Sec. 86. K.S.A. 2013 Supp. 79-425a is hereby amended to read as
4 follows: 79-425a. (a) Whenever a tract of land which has been assessed
5 shall thereafter be divided into tracts owned by different persons, any one
6 or more of such persons, after giving 10 days' written notice to the other
7 persons at their respective mailing addresses, may make application to the
8 county appraiser for an apportionment of the assessed valuation of such
9 tract among the several tracts, and the county appraiser is authorized to
10 apportion such valuation among the owners of such tracts according to the
11 value of their respective interests as shown by evidence available at a time
12 designated by the county appraiser. Upon the apportionment of the
13 assessed valuation among the several tracts and the levying of tax against
14 each such tract, the county treasurer, upon payment of such tax on any
15 such tract, shall issue a receipt therefor and, in any case where such tax is
16 not paid on any of such tracts, it shall be sold for delinquent taxes in the
17 same manner prescribed by law for sale of real estate for delinquent taxes.
18 If taxes levied on a tract of land prior to its division are delinquent, the
19 owner of any divided portion of such tract may have that portion released
20 from the tax lien by paying to the county treasurer the share of the
21 delinquent tax attributable to such divided portion as shown by the
22 apportionment made of the whole tract's assessed valuation among the
23 divided portions by the county appraiser.

24 (b) Any person aggrieved by the application of the provisions of
25 subsection (a) may, within 10 days after the apportionment decision of the
26 county appraiser, appeal to the state ~~court~~ board of tax appeals, and the
27 ~~court~~ board shall have the power, upon a showing that such decision was
28 erroneous, to substitute an apportionment of the assessed valuation of a
29 tract of land for that of the county appraiser.

30 Sec. 87. K.S.A. 2013 Supp. 79-5a27 is hereby amended to read as
31 follows: 79-5a27. On or before June 15, 1989, and on or before June 15
32 each year thereafter, the director of property valuation shall certify to the
33 county clerk of each county the amount of assessed valuation apportioned
34 to each taxing unit therein for properties valued and assessed under K.S.A.
35 79-5a01 et seq., and amendments thereto. The county clerk shall include
36 such assessed valuations in the applicable taxing districts with all other
37 assessed valuations in those taxing districts and on or before July 1 notify
38 the appropriate officials of each taxing district within the county of the
39 assessed valuation estimates to be utilized in the preparation of budgets for
40 ad valorem tax purposes. If in any year the county clerk has not received
41 the applicable valuations from the director of property valuation, the
42 county clerk shall use the applicable assessed valuations of the preceding
43 year as an estimate for such notification. If the public utility has filed an

1 application for exemption of all or a portion of its property, the director
2 shall notify the county clerk that the exemption application has been filed
3 and the county clerk shall not be required to include such assessed
4 valuation in the applicable taxing districts until such time as the
5 application is denied by the state ~~court~~ board of tax appeals or, if judicial
6 review of the ~~court's~~ board's order is sought, until such time as judicial
7 review is finalized.

8 Sec. 88. K.S.A. 2013 Supp. 79-6a14 is hereby amended to read as
9 follows: 79-6a14. Whenever the director of property valuation shall
10 determine that it is advisable to abate motor carrier ad valorem tax
11 liabilities determined to be uncollectable accounts the director shall file a
12 petition with the state ~~court~~ board of tax appeals setting forth: (a) The
13 name of the debtor; (b) the year for which the tax is due; (c) the amount of
14 the obligation; (d) a review or statement of actions taken to collect such
15 taxes; and (e) one or more of the grounds for abatement as hereinafter set
16 forth.

17 The state ~~court~~ board of tax appeals, within 60 days after the petition is
18 filed by the director of property valuation, may approve or disapprove of
19 the abatement of any motor carrier ad valorem tax liability submitted by
20 the director. The director shall prepare an order abating any tax liability,
21 the abatement of which has been approved by the state ~~court~~ board of tax
22 appeals, upon receiving notice of such approval. The director shall prepare
23 an order abating any tax liability submitted to and not specifically
24 disapproved by the state ~~court~~ board of tax appeals within 60 days of the
25 filing of the petition to abate said tax liability. A list of all tax liabilities
26 abated under the authority of this section shall be filed with the secretary
27 of state and thereafter preserved by the secretary as a public record.

28 Sec. 89. K.S.A. 2013 Supp. 79-1404a is hereby amended to read as
29 follows: 79-1404a. The director of property valuation shall have authority
30 to review any valuation change made by a county or district appraiser
31 pursuant to K.S.A. 79-1448 and 79-2005, and amendments thereto, or a
32 hearing officer or panel pursuant to K.S.A. 79-1606, and amendments
33 thereto, and may rescind such change upon written findings that such
34 change has caused property not to be valued according to law, provided
35 however, no valuation change shall be rescinded more than 60 days after
36 the date of such change. Any party aggrieved by an order of the director of
37 property valuation rescinding a valuation change may appeal such order to
38 the state ~~court~~ board of tax appeals as provided in K.S.A. 74-2438, and
39 amendments thereto.

40 Sec. 90. K.S.A. 2013 Supp. 79-1409 is hereby amended to read as
41 follows: 79-1409. The state ~~court~~ board of tax appeals shall constitute a
42 state board of equalization, and shall equalize the valuation and assessment
43 of property throughout the state; and shall have power to equalize the

1 assessment of all property in this state between persons, firms or
2 corporations of the same assessment district, between cities and townships
3 of the same county, and between the different counties of the state, and the
4 property assessed by the director of property valuation in the first instance.
5 And any person feeling aggrieved by the action of the county board of
6 equalization may, within 45 days after the decision of such board, appeal
7 to the state board of equalization for a determination of such grievance.

8 It shall be the duty of the state board of equalization to meet in its
9 office, or such other place within any county of the state as the board shall
10 deem advisable, to perform the work of equalization as hereinbefore
11 provided. Such board may meet at any time on and after January 15 of
12 each year as it may deem necessary and shall meet from the 11th day of
13 July, or the next following business day if such date shall fall on a day
14 other than a regular business day, until the 25th day of August as the
15 business of the board shall require. Whenever the valuation of any taxing
16 district, whether it be a county, township, city, school district, or otherwise,
17 is changed by the state board of equalization, the officers of such taxing
18 district who have authority to levy taxes are required to use the valuation
19 so fixed by the state board as a basis for making their levies for all
20 purposes. In case a change is made in such valuation, the state ~~court~~ board
21 of tax appeals shall certify the equalized values to the director of property
22 valuation who shall forthwith certify the same to the county clerks of the
23 several counties of the state or to the counties affected by such
24 equalization; and such county clerks shall carry the real estate and tangible
25 personal property on the tax rolls of their respective counties at the
26 valuations so certified, and shall use such valuations as the basis of all tax
27 levies, except that any certification received by a county clerk after August
28 25 may be handled as an abatement, refund, or added tax as the
29 certification warrants.

30 The director of property valuation shall apportion the amount of tax for
31 state purposes as required by law to be raised in the state among the
32 several counties therein, in proportion to the valuation of the taxable
33 property therein for the year as equalized by the state board of
34 equalization.

35 Sec. 91. K.S.A. 2013 Supp. 79-1410 is hereby amended to read as
36 follows: 79-1410. It shall be the duty of the director of property valuation
37 to compile the abstracts of assessments received from county clerks into
38 tabular statements convenient for the use of the state ~~court~~ board of tax
39 appeals.

40 Sec. 92. K.S.A. 2013 Supp. 79-1413a is hereby amended to read as
41 follows: 79-1413a. Whenever upon complaint made to the state ~~court~~
42 board of tax appeals by the county or district appraiser, the director of
43 property valuation, the board of county commissioners, any property

1 taxpayer or any aggrieved party, and a summary proceeding in that behalf
2 had, it shall be made to appear to the satisfaction of the ~~court~~ board that
3 the appraisal of real property or tangible personal property in any county is
4 not in substantial compliance with law and the guidelines and timetables
5 prescribed by the director of property valuation, and that the interest of the
6 public will be promoted by a reappraisal of such property, the state ~~court~~
7 board of tax appeals shall order a reappraisal of all or any part of the
8 property in such county to be made by one or more persons, to be
9 appointed by the state ~~court~~ board of tax appeals for that purpose, the
10 expense of any such reappraisal to be borne by the county in which is
11 situated the property to be reappraised. The state ~~court~~ board of tax
12 appeals shall, upon its own motion, after a hearing, order any such
13 reappraisal if it shall clearly appear that the public would be benefited
14 thereby. Due notice of the time and place fixed for such summary
15 proceeding or hearing shall be mailed to the county clerk and the county
16 appraiser of the county involved, the director of property valuation, who
17 shall be made a party to the proceeding, and to the party filing any such
18 complaint. Upon ordering such a reappraisal the state ~~court~~ board of tax
19 appeals may order all or any part of the taxable real property and tangible
20 personal property in such county to be reappraised, and shall either
21 designate the person or persons to make such reappraisal or permit the
22 board of county commissioners to designate such persons with the
23 approval of the state ~~court~~ board of tax appeals. The cost of such
24 reappraisal shall be paid from the county general fund, the special
25 countywide reappraisal fund established by K.S.A. 79-1482, and
26 amendments thereto, the issuance of no-fund warrants, or from a special
27 assessment equalization fund in the same manner as provided in K.S.A.
28 79-1607 and 79-1608, and amendments thereto, for the payment of the
29 cost of appraisals.

30 The persons designated shall have access to all official records in the
31 office of the county clerk, county treasurer, county or district appraiser and
32 register of deeds pertaining to listing, assessment, and records of the
33 ownership of real property and tangible personal property in such county
34 and all powers of the assessing officials in the county pertaining to
35 discovery of taxable property in the county. They shall reappraise all such
36 taxable real property and tangible personal property in the county as shall
37 be ordered by the state ~~court~~ board of tax appeals, except that which is
38 state assessed. They shall make such reappraisals on forms approved by
39 the state director of property valuation, and shall deliver the same upon
40 completion to the county or district appraiser who shall retain the same for
41 use of the county or district appraisers, the county board of equalization
42 and the state ~~court~~ board of tax appeals.

43 No person, firm, corporation, partnership, or association, other than the

1 county or district appraiser, shall commence any contracted reappraisal in
2 any county until a written agreement has been entered into between the
3 board of county commissioners and such contractors. Such agreement
4 shall specifically set out the duties of the reappraisers, and shall contain a
5 stipulation that upon completion of the reappraisal and before final
6 payment to the reappraisers under the agreement, the reappraisers will
7 notify each taxpayer of its recommendations as to the valuation of such
8 taxpayer's property, by mailing such information to the taxpayer's last
9 known address. Pursuant to K.S.A. 79-1460, and amendments thereto, the
10 county or district appraiser shall not be authorized to use the valuations
11 submitted by the reappraisers in the year the reappraisal was completed
12 unless the reappraisal was completed and delivered to such appraiser on or
13 before March 1 of the year in which the valuations established are used as
14 a basis for the levy of taxes. Before entering into any contracts with the
15 county commissioners for reappraisals of property, every reappraiser shall
16 give and file with the board of county commissioners a good and sufficient
17 surety bond by a surety company authorized to do business in this state,
18 approved by the county attorney, in such sum as the county commissioners
19 shall fix, but not less than the amount to be received by the reappraisers
20 under the terms of the contract and conditioned for the faithful
21 performance of all duties required of such reappraisers under the terms of
22 the contract entered into, and the execution and filing of such a bond shall
23 be a condition precedent to entering into such an agreement and to
24 commencing work on the contract of reappraisal. Such bond shall be
25 further conditioned to remain in full force and effect for one year
26 subsequent to the date of the printing of the change of value notices for the
27 reappraisal and the delivery thereof to the county or district appraiser.

28 Sec. 93. K.S.A. 2013 Supp. 79-1422 is hereby amended to read as
29 follows: 79-1422. (a) Any person required to file a statement listing
30 property for assessment and taxation purposes under the provisions of this
31 act who fails to make and file such statement on or before the date
32 prescribed by K.S.A. 79-306, and amendments thereto, shall be subject to
33 a penalty as follows:

34 The appraiser shall, after having ascertained the assessed value of the
35 property of such taxpayer, add 5% thereto as a penalty for late filing if the
36 failure is not for more than one month, with an additional 5% for each
37 additional month or fraction thereof during which such failure continues,
38 not exceeding 25% in the aggregate.

39 For good cause shown the appraiser may extend the time in which to
40 make and file such statement. Such request for extension of time must be
41 in writing and shall state just and adequate reasons on which the request
42 may be granted. The request must be received by the appraiser prior to the
43 due date of the statement.

1 (b) If, within one year following the date prescribed by K.S.A. 79-
2 306, and amendments thereto, any person shall fail to make and file the
3 statement listing property for assessment and taxation purposes or shall
4 fail to make and file a full and complete statement listing property for such
5 purposes, the appraiser shall proceed to ascertain the assessed value of the
6 property of such taxpayer, and for this purpose the appraiser may examine
7 under oath any person or persons whom the appraiser deems to have
8 knowledge thereof. The appraiser shall, after having ascertained the
9 assessed value of such property, add 50% thereto as a penalty for failure to
10 file such statement or for failure to file a full and complete statement.

11 (c) The state ~~court~~ board of tax appeals shall have the authority to
12 abate any penalty imposed under the provisions of this section and order
13 the refund of the abated penalty, whenever excusable neglect on the part of
14 the person required to make and file the statement listing property for
15 assessment and taxation purposes is shown, or whenever the property for
16 which a statement of assessment was not filed as required by law is
17 repossessed, judicially or otherwise, by a secured creditor and such
18 secured creditor pays the taxes and interest due.

19 Sec. 94. K.S.A. 2013 Supp. 79-1426 is hereby amended to read as
20 follows: 79-1426. Any county assessor, deputy assessor, member of the
21 state ~~court~~ board of tax appeals, director of property valuation, or member
22 of any county board of equalization, and every other person whose duty it
23 is to list, value, assess or equalize real estate or tangible personal property
24 for taxation, who shall knowingly or willfully fail to list or return for
25 assessment or valuation any real estate or personal property, or who shall
26 knowingly or willfully list or return for assessment or valuation any real
27 estate or personal property at other than as provided for by law, or any
28 assessing officer who shall willfully or knowingly fail to appraise, assess
29 or to equalize the values of any real estate or tangible personal property,
30 which is subject to general property taxes as required in K.S.A. 79-1439,
31 and amendments thereto, shall be deemed guilty of a misdemeanor, and
32 upon conviction thereof shall be fined in any sum not exceeding \$500 or
33 imprisonment in the county jail for a period not exceeding 90 days, and in
34 addition thereto shall forfeit his or her office if an officer mentioned
35 herein. A variance of 10% in the appraisal at fair market value in money
36 shall not be considered a violation of this section.

37 Sec. 95. K.S.A. 2013 Supp. 79-1427a is hereby amended to read as
38 follows: 79-1427a. (a) If, the county appraiser discovers, after the tax roll
39 has been certified to the county clerk, that any tangible personal property
40 subject to taxation has been omitted from the tax rolls, the county clerk
41 shall place such property on the tax roll as an added tax, or if, after one
42 year from the date prescribed by K.S.A. 79-306, and amendments thereto,
43 for the listing of tangible personal property, the county appraiser discovers

1 that any tangible personal property which was subject to taxation in any
2 year or years within two years next preceding January 1 of the calendar
3 year in which it was discovered has not been listed or has been
4 underreported for whatever reason, such property shall be deemed to have
5 escaped taxation. In the case of property which has not been listed, it shall
6 be the duty of the county appraiser to list and appraise such property and,
7 for an added tax, add penalties as prescribed in K.S.A. 79-1422, and
8 amendments thereto, and which shall be designated on the appraisal roll as
9 an added appraisal for that year. In the case of property which has escaped
10 taxation, it shall be the duty of the county appraiser to list and appraise
11 such property and add 50% thereto as a penalty for escaping taxation for
12 each such year during which such property was not listed, and it shall be
13 designated on the appraisal roll as "escaped appraisal" for each such
14 preceding year or years. In the case of property which has been listed but
15 underreported, it shall be the duty of the county appraiser to list and
16 appraise the underreported portion of such property and add 50% thereto
17 as a penalty for escaping taxation for each such year during which such
18 property was underreported, and it shall be designated on the appraisal roll
19 as "escaped appraisal" for each such preceding year or years. The county
20 clerk, upon receipt of the valuation for such property in either of the
21 aforementioned cases, shall place such property on the tax rolls and
22 compute the amount of tax due based upon the mill levy for the year or
23 years in which such tax should have been levied, and shall certify such
24 amount to the county treasurer as an added or escaped appraisal. The
25 amount of such tax shall be due immediately and payable within 45 days
26 after the issuance of an additional or escaped property tax bill by the
27 county treasurer. The county treasurer may not distribute any taxes
28 assessed under this section and paid under protest by the taxpayer pursuant
29 to K.S.A. 79-2005, and amendments thereto, until such time as the appeal
30 is final. No interest shall be imposed unless the tax remains unpaid after
31 such 45-day period. Taxes levied pursuant to this section which remain
32 unpaid after such 45-day period shall be deemed delinquent and the county
33 treasurer shall collect and distribute such tax in the same manner as
34 prescribed by law for the collection and distribution of other taxes levied
35 upon property which are delinquent. If the owner of such property is
36 deceased, taxes charged as herein provided shall be levied against the
37 estate of such deceased person for only two calendar years preceding death
38 and shall be paid by the legal representative or representatives of such
39 estate. In the event that such escaped appraisal is due to any willful or
40 clerical error of the county appraiser, such property shall be appraised at its
41 fair market value and no penalty shall be added.

42 (b) A taxpayer with a grievance as to any penalty applied pursuant to
43 the provisions of this section, may appeal to the state ~~court~~ board of tax

1 appeals on forms prepared by the state ~~court~~ board of tax appeals and
2 provided by the county appraiser. The state ~~court~~ board of tax appeals shall
3 have the authority to abate any penalty imposed under the provisions of
4 this section and order the refund of the abated penalty, whenever excusable
5 neglect on the part of the person required to make and file the statement
6 listing property for assessment and taxation purposes is shown, or
7 whenever the property which has been deemed to have escaped taxation is
8 repossessed, judicially or otherwise, by a secured creditor and such
9 creditor pays the taxes and interest due. No interest shall be assessed
10 during the pendency of this appeal.

11 (c) The provisions of this section shall apply to any tangible personal
12 property discovered during the calendar years 1982, 1983, 1984 and any
13 year thereafter to have escaped appraisal and taxation during any such year
14 or any year within two years next preceding any such year.

15 Sec. 96. K.S.A. 2013 Supp. 79-1437f is hereby amended to read as
16 follows: 79-1437f. Except as otherwise provided by K.S.A. 79-1460, and
17 amendments thereto, contents of the real estate sales validation
18 questionnaire shall be made available only to the following people for the
19 purposes listed hereafter:

20 (a) County officials for cooperating with and assisting the director of
21 property valuation in developing the information as provided for in K.S.A.
22 79-1487, and amendments thereto;

23 (b) any property owner, or the owner's representative, for prosecuting
24 an appeal of the valuation of such owner's property or for determining
25 whether to make such an appeal, but access shall be limited to the contents
26 of those questionnaires concerning the same constitutionally prescribed
27 subclass of property as that of such owner's property;

28 (c) the county appraiser and appraisers employed by the county for
29 the appraisal of property located within the county;

30 (d) appraisers licensed or certified pursuant to K.S.A. 58-4101 et seq.,
31 and amendments thereto, for appraisal of property and preparation of
32 appraisal reports;

33 (e) financial institutions for conducting appraisals and evaluations as
34 required by federal and state regulators;

35 (f) the county appraiser or the appraiser's designee, hearing officers or
36 panels appointed pursuant to K.S.A. 79-1602 or 79-1611, and amendments
37 thereto, and the state ~~court~~ board of tax appeals for conducting valuation
38 appeal proceedings;

39 (g) the board of county commissioners for conducting any of the
40 board's statutorily prescribed duties;

41 (h) the director of property valuation for conducting any of the
42 director's statutorily prescribed duties; and

43 (i) a person licensed pursuant to the real estate brokers' and

1 salespersons' act for purposes of fulfilling such person's statutory duties
2 and providing information on market value of property to clients and
3 customers.

4 Sec. 97. K.S.A. 2013 Supp. 79-1476 is hereby amended to read as
5 follows: 79-1476. The director of property valuation is hereby directed and
6 empowered to administer and supervise a statewide program of reappraisal
7 of all real property located within the state. Except as otherwise authorized
8 by K.S.A. 19-428, and amendments thereto, each county shall comprise a
9 separate appraisal district under such program, and the county appraiser
10 shall have the duty of reappraising all of the real property in the county
11 pursuant to guidelines and timetables prescribed by the director of
12 property valuation and of updating the same on an annual basis. In the case
13 of multi-county appraisal districts, the district appraiser shall have the duty
14 of reappraising all of the real property in each of the counties comprising
15 the district pursuant to such guidelines and timetables and of updating the
16 same on an annual basis. Commencing in 2000, every parcel of real
17 property shall be actually viewed and inspected by the county or district
18 appraiser once every six years. Any county or district appraiser shall be
19 deemed to be in compliance with the foregoing requirement in any year if
20 17% or more of the parcels in such county or district are actually viewed
21 and inspected.

22 Compilation of data for the initial preparation or updating of
23 inventories for each parcel of real property and entry thereof into the state
24 computer system as provided for in K.S.A. 79-1477, and amendments
25 thereto, shall be completed not later than January 1, 1989. Whenever the
26 director determines that reappraisal of all real property within a county is
27 complete, notification thereof shall be given to the governor and to the
28 state ~~court~~ board of tax appeals.

29 Valuations shall be established for each parcel of real property at its fair
30 market value in money in accordance with the provisions of K.S.A. 79-
31 503a, and amendments thereto.

32 In addition thereto valuations shall be established for each parcel of
33 land devoted to agricultural use upon the basis of the agricultural income
34 or productivity attributable to the inherent capabilities of such land in its
35 current usage under a degree of management reflecting median production
36 levels in the manner hereinafter provided. A classification system for all
37 land devoted to agricultural use shall be adopted by the director of
38 property valuation using criteria established by the United States
39 department of agriculture soil conservation service. For all taxable years
40 commencing after December 31, 1989, all land devoted to agricultural use
41 which is subject to the federal conservation reserve program shall be
42 classified as cultivated dry land for the purpose of valuation for property
43 tax purposes pursuant to this section. For all taxable years commencing

1 after December 31, 1999, all land devoted to agricultural use which is
2 subject to the federal wetlands reserve program shall be classified as native
3 grassland for the purpose of valuation for property tax purposes pursuant
4 to this section. Productivity of land devoted to agricultural use shall be
5 determined for all land classes within each county or homogeneous region
6 based on an average of the eight calendar years immediately preceding the
7 calendar year which immediately precedes the year of valuation, at a
8 degree of management reflecting median production levels. The director of
9 property valuation shall determine median production levels based on
10 information available from state and federal crop and livestock reporting
11 services, the soil conservation service, and any other sources of data that
12 the director considers appropriate.

13 The share of net income from land in the various land classes within
14 each county or homogeneous region which is normally received by the
15 landlord shall be used as the basis for determining agricultural income for
16 all land devoted to agricultural use except pasture or rangeland. The net
17 income normally received by the landlord from such land shall be
18 determined by deducting expenses normally incurred by the landlord from
19 the share of the gross income normally received by the landlord. The net
20 rental income normally received by the landlord from pasture or rangeland
21 within each county or homogeneous region shall be used as the basis for
22 determining agricultural income from such land. The net rental income
23 from pasture and rangeland which is normally received by the landlord
24 shall be determined by deducting expenses normally incurred from the
25 gross income normally received by the landlord. Commodity prices, crop
26 yields and pasture and rangeland rental rates and expenses shall be based
27 on an average of the eight calendar years immediately preceding the
28 calendar year which immediately precedes the year of valuation. Net
29 income for every land class within each county or homogeneous region
30 shall be capitalized at a rate determined to be the sum of the contract rate
31 of interest on new federal land bank loans in Kansas on July 1 of each year
32 averaged over a five-year period which includes the five years
33 immediately preceding the calendar year which immediately precedes the
34 year of valuation, plus a percentage not less than 0.75% nor more than
35 2.75%, as determined by the director of property valuation, except that the
36 capitalization rate calculated for property tax year 2003, and all such years
37 thereafter, shall not be less than 11% nor more than 12%.

38 Based on the foregoing procedures the director of property valuation
39 shall make an annual determination of the value of land within each of the
40 various classes of land devoted to agricultural use within each county or
41 homogeneous region and furnish the same to the several county appraisers
42 who shall classify such land according to its current usage and apply the
43 value applicable to such class of land according to the valuation schedules

1 prepared and adopted by the director of property valuation under the
2 provisions of this section.

3 It is the intent of the legislature that appraisal judgment and appraisal
4 standards be followed and incorporated throughout the process of data
5 collection and analysis and establishment of values pursuant to this
6 section.

7 For the purpose of the foregoing provisions of this section the phrase
8 "land devoted to agricultural use" shall mean and include land, regardless
9 of whether it is located in the unincorporated area of the county or within
10 the corporate limits of a city, which is devoted to the production of plants,
11 animals or horticultural products, including but not limited to: Forages;
12 grains and feed crops; dairy animals and dairy products; poultry and
13 poultry products; beef cattle, sheep, swine and horses; bees and apiary
14 products; trees and forest products; fruits, nuts and berries; vegetables;
15 nursery, floral, ornamental and greenhouse products. Land devoted to
16 agricultural use shall not include those lands which are used for
17 recreational purposes, other than that land established as a controlled
18 shooting area pursuant to K.S.A. 32-943, and amendments thereto, which
19 shall be deemed to be land devoted to agricultural use, suburban
20 residential acreages, rural home sites or farm home sites and yard plots
21 whose primary function is for residential or recreational purposes even
22 though such properties may produce or maintain some of those plants or
23 animals listed in the foregoing definition.

24 The term "expenses" shall mean those expenses typically incurred in
25 producing the plants, animals and horticultural products described above
26 including management fees, production costs, maintenance and
27 depreciation of fences, irrigation wells, irrigation laterals and real estate
28 taxes, but the term shall not include those expenses incurred in providing
29 temporary or permanent buildings used in the production of such plants,
30 animals and horticultural products.

31 The provisions of this act shall not be construed to conflict with any
32 other provisions of law relating to the appraisal of tangible property for
33 taxation purposes including the equalization processes of the county and
34 state ~~court~~ board of tax appeals.

35 Sec. 98. K.S.A. 2013 Supp. 79-1478 is hereby amended to read as
36 follows: 79-1478. The state shall assume a portion of the costs incurred by
37 any county in complying with the provisions of this act. The portion of the
38 cost to be paid to each such county by the state shall be determined in
39 accordance with a statewide payment schedule adopted by the secretary of
40 revenue. Such schedule shall contain a specified amount according to class
41 or subclass of property as specified in K.S.A. 79-1459, and amendments
42 thereto, to be paid by the state to each county on a per parcel basis.
43 Payments shall be made to counties as authorized under the provisions of

1 this section in accordance with appropriation acts of the legislature. No
2 county for which the state ~~court~~ board of tax appeals has issued an order
3 pursuant to K.S.A. 79-1479, and amendments thereto, shall be entitled to
4 receive any payment from the state under the provisions of this section for
5 the period of time such an order is in effect.

6 The state division of property valuation shall make assistance available
7 to any county in the reappraisal of property located in such county upon
8 such county's request. Any county requesting such assistance shall make
9 reimbursement for the costs incurred by the state in providing the same.
10 Counties are hereby authorized to contract with private appraisal firms to
11 conduct the reappraisal of property within the county. Selection of a
12 private firm whose products or services are necessary to conduct a
13 reappraisal must be made from a list of approved firms supplied by the
14 director of property valuation. Contracts executed between counties and
15 such firms must meet the specifications of the director of property
16 valuation.

17 Sec. 99. K.S.A. 2013 Supp. 79-1478a is hereby amended to read as
18 follows: 79-1478a. The director of property valuation shall order the state
19 treasurer to withhold all or a portion of funds appropriated by the
20 legislature pursuant to K.S.A. 79-1478, and amendments thereto, upon a
21 finding by the director that a county is not in compliance with statutes,
22 rules and regulations or directives governing property taxation. The order
23 of the director shall be served on the county as provided in K.S.A. 60-304,
24 and amendments thereto. Any county aggrieved by such order may appeal
25 to the state ~~court~~ board of tax appeals as provided in K.S.A. 74-2438, and
26 amendments thereto, which shall conduct a summary proceeding thereon
27 pursuant to the Kansas administrative procedure act.

28 Unless the funds withheld under this section are restored by the state
29 ~~court~~ board of tax appeals, such funds shall be deposited in a special
30 training fund to be utilized by the director of property valuation to correct
31 the problem resulting in the withholding of the funds and to provide
32 training for county officials.

33 Sec. 100. K.S.A. 2013 Supp. 79-1479 is hereby amended to read as
34 follows: 79-1479. (a) On or before January 15, 1992, and quarterly
35 thereafter, the county or district appraiser shall submit to the director of
36 property valuation a progress report indicating actions taken during the
37 preceding quarter calendar year to implement the appraisal of property in
38 the county or district. Whenever the director of property valuation shall
39 determine that any county has failed, neglected or refused to properly
40 provide for the appraisal of property or the updating of the appraisals on an
41 annual basis in substantial compliance with the provisions of law and the
42 guidelines and timetables prescribed by the director, the director shall file
43 with the state ~~court~~ board of tax appeals a complaint stating the facts upon

1 which the director has made the determination of noncompliance as
2 provided by K.S.A. 79-1413a, and amendments thereto. If, as a result of
3 such proceeding, the state ~~court~~ board of tax appeals finds that the county
4 is not in substantial compliance with the provisions of law and the
5 guidelines and timetables of the director of property valuation providing
6 for the appraisal of all property in the county or the updating of the
7 appraisals on an annual basis, it shall order the immediate assumption of
8 the duties of the office of county appraiser by the director of the division
9 of property valuation until such time as the director of property valuation
10 determines that the county is in substantial compliance with the provisions
11 of law. In addition, the ~~court~~ board shall order the state treasurer to
12 withhold all or a portion of the county's entitlement to moneys from either
13 or both of the local ad valorem tax reduction fund and the city and county
14 revenue sharing fund for the year following the year in which the order is
15 issued. Upon service of any such order on the board of county
16 commissioners, the appraiser shall immediately deliver to the director of
17 property valuation, or the director's designee, all books, records and papers
18 pertaining to the appraiser's office.

19 Any county for which the director of the division of property valuation
20 is ordered by the state ~~court~~ board of tax appeals to assume the
21 responsibility and duties of the office of county appraiser shall reimburse
22 the state for the actual costs incurred by the director of the division of
23 property valuation in the assumption and carrying out of such
24 responsibility and duties, including any contracting costs in the event it is
25 necessary for the director of property valuation to contract with private
26 appraisal firms to carry out such responsibilities and duties.

27 (b) On or before June 1 of each year, the director of property
28 valuation shall review the appraisal of property in each county or district
29 to determine if property within the county or district is being appraised or
30 valued in accordance with the requirements of law. If the director
31 determines the property in any county or district is not being appraised in
32 accordance with the requirements of law, the director of property valuation
33 shall notify the county or district appraiser and the board of county
34 commissioners of any county or counties affected that the county has 30
35 days within which to submit to the director a plan for bringing the
36 appraisal of property within the county into compliance.

37 If a plan is submitted and approved by the director the county or district
38 shall proceed to implement the plan as submitted. The director shall
39 continue to monitor the program to insure that the plan is implemented as
40 submitted. If no plan is submitted or if the director does not approve the
41 plan, the director shall petition the state ~~court~~ board of tax appeals for a
42 review of the plan or, if no plan is submitted, for authority for the division
43 of property valuation to assume control of the appraisal program of the

1 county and to proceed to bring the same into compliance with the
2 requirements of law.

3 If the state ~~court~~ board of tax appeals approves the plan, the county or
4 district appraiser shall proceed to implement the plan as submitted. If no
5 plan has been submitted or the plan submitted is not approved, the ~~court~~
6 board shall fix a time within which the county may submit a plan or an
7 amended plan for approval. If no plan is submitted and approved within
8 the time prescribed by the ~~court~~ board, the ~~court~~ board shall order the
9 division of property valuation to assume control of the appraisal program
10 of the county and shall certify its order to the state treasurer who shall
11 withhold distributions of the county's share of moneys from the county and
12 city revenue sharing fund and the local ad valorem tax reduction fund and
13 credit the same to the general fund of the state for the year following the
14 year in which the ~~court's~~ board's order is made. The director of property
15 valuation shall certify the amount of the cost incurred by the division in
16 bringing the program in compliance to the state ~~court~~ board of tax appeals.
17 The ~~court~~ board shall order the county commissioners to reimburse the
18 state for such costs.

19 (c) The state ~~court~~ board of tax appeals shall within 60 days after the
20 publication of the Kansas assessment/sales ratio study review such
21 publication to determine county compliance with K.S.A. 79-1439, and
22 amendments thereto. If in the determination of the ~~court~~ board one or
23 more counties are not in substantial compliance and the director of
24 property valuation has not acted under subsection (b) ~~above~~, the ~~court~~
25 board shall order the director of property valuation to take such corrective
26 action as is necessary or to show cause for noncompliance.

27 Sec. 101. K.S.A. 2013 Supp. 79-1481 is hereby amended to read as
28 follows: 79-1481. No hearing officer or panel shall issue an order
29 applicable uniformly to all property in any class in any area or areas of the
30 county, which order changes the assessment of such class of property in
31 such area or areas, without the approval of the state ~~court~~ board of tax
32 appeals. Whenever any hearing officer or panel proposes to issue any such
33 order, it shall make written application to the state ~~court~~ board of tax
34 appeals for a hearing on such matter if such change constitutes the final
35 decision of the county. The state ~~court~~ board of tax appeals shall set a time
36 and place for a hearing thereon within five days of receipt of such
37 application. The hearing shall be conducted in accordance with the
38 provisions of the Kansas administrative procedure act. The time set for
39 hearing such matter shall in no event be more than 30 days following the
40 date of receipt of such application. The state ~~court~~ board of tax appeals
41 shall notify the hearing officer or panel, the county or district appraiser and
42 the director of property valuation, of the time and place set for hearing.
43 The director of property valuation shall be made a party to such hearing.

1 Sec. 102. K.S.A. 2013 Supp. 79-1489 is hereby amended to read as
2 follows: 79-1489. The director shall determine the mid-year ratios for each
3 county and notify the board of county commissioners thereof. When the
4 final ratios are determined, the director shall notify the board of county
5 commissioners of each county of the ratios determined for such county. If
6 the board of county commissioners disagrees with the ratios determined
7 for the county, such board, within 15 days after receipt of such notice, may
8 appeal such determination to the state ~~court~~ board of tax appeals. Written
9 notice of appeal shall be served on the state ~~court~~ board of tax appeals and
10 the director by certified mail. The notice of appeal shall clearly and
11 specifically state the facts upon which the appeal is based. The state ~~court~~
12 board of tax appeals shall conduct a summary proceeding in accordance
13 with the provisions of the Kansas administrative procedure act within 30
14 days of receipt of the written notice of appeal and shall issue findings and
15 a final order within 30 days after the conclusion of such summary
16 proceeding. If the state ~~court~~ board of tax appeals finds that corrections in
17 the ratios are necessary, it shall order the director to make necessary
18 corrections consistent with such findings prior to the publication of the
19 study.

20 Sec. 103. K.S.A. 2013 Supp. 79-1611 is hereby amended to read as
21 follows: 79-1611. The board of county commissioners of each county may
22 appoint at least one hearing officer or county hearing panel of not fewer
23 than three individuals to hear and determine appeals from the final
24 determination of classification and appraised valuation of real or personal
25 property by the county appraiser. The board of county commissioners, with
26 the approval of the director of property valuation, may unite with the board
27 of county commissioners of one or more counties to form a district for the
28 purpose of appointing at least one hearing officer or district hearing panel
29 of not fewer than three individuals. In any county wherein a hearing
30 officer or county or district hearing panel is not appointed pursuant to this
31 section any appeal from the final determination of the county appraiser
32 shall be filed directly with the state ~~court~~ board of tax appeals as provided
33 in K.S.A. 79-1609, and amendments thereto.

34 The board of county commissioners shall fix the salary to be paid the
35 hearing officer or each member of the county hearing panel. In the case of
36 a district hearing officer or district hearing panel, the salary to be paid shall
37 be fixed by joint resolution by the boards of county commissioners
38 published in the official county newspaper of each county. The board of
39 county commissioners of each county is hereby authorized to levy a tax
40 upon all taxable tangible property in the county in an amount necessary to
41 pay all costs incurred in complying with this section and K.S.A. 79-1494,
42 and amendments thereto.

43 No person may serve as a hearing officer or on a county or district

1 hearing panel who is not qualified by virtue of experience and training in
2 the field of property appraisal and property tax administration, such
3 qualifications to be determined by the director of property valuation who
4 shall prescribe guidelines governing the duties of the hearing officers or
5 county and district hearing panels. Each hearing officer and member of a
6 county or district hearing panel shall attend and complete a training
7 program conducted by the director of property valuation or the director's
8 designee. Any person who has performed an appraisal of any property the
9 appraised valuation of which is appealed to a hearing officer or the county
10 or district hearing panel shall not hear such appeal and may not participate
11 in any deliberations on such appeal. The board of county commissioners,
12 or individual members thereof, may serve as a hearing officer or as
13 members of the county or district hearing panel provided they meet the
14 foregoing requirements.

15 Whenever the director of property valuation shall conclude that any
16 person appointed as a hearing officer or to a county or district hearing
17 panel has failed or neglected to discharge such person's duties as required
18 by law and that the interest of the public will be promoted by the removal
19 of such person, the director of property valuation shall issue an order
20 suspending or terminating such person as a hearing officer or member of
21 the hearing panel in the same manner and subject to the same conditions
22 provided in subsection (b) of K.S.A. 19-431, and amendments thereto.

23 The provisions of this section shall apply to all taxable years
24 commencing after December 31, 1997.

25 Sec. 104. K.S.A. 2013 Supp. 79-1701 is hereby amended to read as
26 follows: 79-1701. The county clerk shall, prior to November 1, correct the
27 following clerical errors in the assessment and tax rolls for the current
28 year, which are discovered prior to such date:

- 29 (a) Errors in the description or quantity of real estate listed;
- 30 (b) errors which have caused improvements to be assessed upon real
31 estate when no such improvements were in existence;
- 32 (c) errors whereby improvements located upon one tract or lot of real
33 estate have been assessed as being upon another tract or lot;
- 34 (d) errors whereby taxes have been charged upon property which the
35 state ~~court~~ board of tax appeals has specifically declared to be exempt
36 from taxation under the constitution or laws of the state;
- 37 (e) errors whereby the taxpayer has been assessed twice in the same
38 year for the same property in one or more taxing districts in the county;
- 39 (f) errors whereby the assessment of either real or personal property
40 has been assigned to a taxing district in which the property did not have its
41 taxable situs; and
- 42 (g) errors whereby the values or taxes are understated or overstated as
43 a result of a mathematical miscomputation on the part of the county.

1 Sec. 105. K.S.A. 2013 Supp. 79-1702 is hereby amended to read as
2 follows: 79-1702. If any taxpayer, municipality or taxing district shall have
3 a grievance described under the provisions of K.S.A. 79-1701 or 79-
4 1701a, and amendments thereto, which is not remediable thereunder solely
5 because not reported within the time prescribed therein, or which was
6 remediable thereunder and reported to the proper official or officials
7 within the time prescribed but which has not been remedied by such
8 official or officials, such grievance may be presented to the state ~~court~~
9 *board* of tax appeals and if it shall be satisfied from competent evidence
10 produced that there is a real grievance, it may direct that the same be
11 remedied either by canceling the tax, if uncollected, together with all
12 penalties charged thereon, or if the tax has been paid, by ordering a refund
13 of the amount found to have been unlawfully charged and collected and
14 interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto,
15 minus two percentage points.

16 In all cases where the identical property owned by any taxpayer has
17 been assessed for the current tax year in more than one county in the state,
18 the ~~court~~ *board* is hereby given authority to determine which county is
19 entitled to the assessment of the property and to charge legal taxes thereon,
20 and if the taxes have been paid in a county not entitled thereto, the ~~court~~
21 *board* is hereby empowered to direct the authorities of the county which
22 has so unlawfully collected the taxes to refund the same to the taxpayer
23 with all penalties charged thereon.

24 No tax grievance shall be considered by the state ~~court~~ *board* of tax
25 appeals unless the same is filed within four years from the date the tax
26 would have become a lien on real estate.

27 In all cases where an error results in an understatement of values or
28 taxes as a result of the correction of the clerical errors listed in subsection
29 (a), (c), (f) or (g) of K.S.A. 79-1701, and amendments thereto, the state
30 ~~court~~ *board* of tax appeals, if it shall be satisfied from competent evidence
31 produced that there is an understatement as a result of a clerical error, may
32 order an additional assessment or tax bill, or both, to be issued so that the
33 proper value of the property in question is reflected, except that, in no such
34 case shall the taxpayer be assessed interest or penalties on any tax which
35 may be assessed. No increase shall be ordered to correct such error that
36 extends back more than two years from the date of the most recent tax
37 year. If such error applies to property which has been sold or otherwise
38 transferred subsequent to the time the error was made, no such additional
39 assessment or tax bill shall be issued.

40 Errors committed in the valuation and assessment process that are not
41 specifically described in K.S.A. 79-1701, and amendments thereto, shall
42 be remediable only under the provisions of K.S.A. 79-2005, and
43 amendments thereto.

1 Sec. 106. K.S.A. 2013 Supp. 79-1703 is hereby amended to read as
2 follows: 79-1703. (a) Except as provided in subsection (b) or as otherwise
3 provided by law, no board of county commissioners or other officer of any
4 county shall have power to release, discharge, remit or commute any
5 portion of the taxes assessed or levied against any person or property
6 within their respective jurisdictions for any reason whatever. Any taxes so
7 discharged, released, remitted or commuted may be recovered by civil
8 action from the members of the board of county commissioners or such
9 other officer and the sureties of their official bonds at the suit of the
10 attorney general, the county attorney, or of any citizen of the county or the
11 board of education of any school district a part of the territory of which is
12 in such county, as the case may be, and when collected shall be paid into
13 the county treasury to be properly apportioned and paid to the county,
14 municipalities, school districts and other taxing subdivisions entitled
15 thereto.

16 (b) In the event a person, partnership or corporation has failed to pay
17 any portion of the taxes assessed or levied against its property located
18 within any county and such person, partnership or corporation is a debtor
19 in an action filed pursuant to the United States bankruptcy code, the
20 county commissioners of any such county may compromise, assign,
21 transfer or otherwise settle such tax claim in such fashion as the
22 commissioners deem to be in the best interest of the state and all taxing
23 subdivisions affected thereby, subject to approval by the state ~~court~~ board
24 of tax appeals; except that, the state and each other taxing subdivision
25 affected by any such settlement shall receive the same proportional share
26 of its respective tax claim. The state ~~court~~ board of tax appeals shall
27 respond to such settlement request within 30 days from the date of
28 receiving such request or such request shall be deemed approved.

29 Sec. 107. K.S.A. 2013 Supp. 79-1704 is hereby amended to read as
30 follows: 79-1704. Whenever in any city of the first class having a
31 population of more than 20,000 and less than 24,000 inhabitants, the title
32 to any real property, upon which taxes may be due and delinquent, may be
33 vested in such city, then the state ~~court~~ board of tax appeals is hereby
34 authorized upon application of such city, and for good reason shown, to
35 compromise, abate or cancel all such taxes or any part thereof.

36 Sec. 108. K.S.A. 2013 Supp. 79-1964a is hereby amended to read as
37 follows: 79-1964a. When it is apparent to the governing body of any
38 taxing district except cities, counties, community colleges, and school
39 districts at tax levying time that the rate of levy, for any individual fund for
40 which the board desires to make a levy, is so limited by the maximum levy
41 limit for the individual fund or by the aggregate limit, that it is impossible
42 to raise sufficient tax plus receipts from all other sources, to finance the
43 proposed budget of expenditures for such fund for the ensuing budget year,

1 the governing body may make application to the state ~~court~~ *board* of tax
2 appeals for authority to increase such rate of levy. The application shall be
3 signed and sworn to, and shall have a majority approval of any governing
4 body composed of three members or less, and a ³/₄ majority of any
5 governing body composed of more than three members. The application
6 shall reveal the following:

- 7 (1) A copy of the proposed budget for the ensuing budget year;
- 8 (2) a detailed statement showing why the proposed budget of
9 expenditures cannot be reduced so that the amount to be raised by taxation
10 for such fund will not exceed the individual fund limit of levy, or the
11 limitation placed upon such fund by reason of the aggregate limit; and
- 12 (3) the proposed rate of levy for each fund of such taxing district,
13 such rates to be computed so that the total, except those specifically
14 exempted, does not exceed the aggregate limit.

15 If the state ~~court~~ *board* of tax appeals finds that evidence submitted in
16 support of the application shows that the rate of levy for any fund is so
17 limited that it will be impossible for the taxing district to pay for the
18 imperative governmental functions payable from such fund, the state ~~court~~
19 *board* of tax appeals is empowered to authorize such taxing district to
20 increase the rate of levy for such fund for that particular year. The order of
21 the state ~~court~~ *board* of tax appeals shall state definitely the exact increase
22 (in mills) in the rate of levy authorized for such fund. The amount of
23 increases in the rate of levy for any fund of any taxing district shall not
24 exceed 25% of the maximum limit of levy for such fund. The amount of
25 increase in the rate of levy for any fund of any taxing district shall not
26 exceed 25% of the amount of levy for such fund which can be made within
27 the aggregate limit. Such tax levy may be levied outside of the aggregate
28 limit prescribed by this article or any amendments thereto.

29 No order for an increased levy for any fund of any taxing district shall
30 be made without a public hearing before the state ~~court~~ *board* of tax
31 appeals conducted in accordance with the provisions of the Kansas
32 administrative procedure act. In addition to notice to the parties, notice of
33 such hearing shall be published in two issues of a paper of general
34 circulation within the district applying for such authority at least 10 days
35 prior to such hearing. The notice shall be in such form as the state ~~court~~
36 *board* of tax appeals prescribes, and the expense of such publication shall
37 be borne by the taxing district making application. Any taxpayer interested
38 may file a written protest against such application. All records and findings
39 of such hearings shall be subject to public inspection.

40 Sec. 109. K.S.A. 2013 Supp. 79-1964b is hereby amended to read as
41 follows: 79-1964b. Whenever it shall be the opinion of the majority of the
42 members of any body authorized to levy taxes in any taxing district other
43 than a city, county or community college located in any county adjoining a

1 regular army post or military reservation, or of any officer solely charged
2 with that duty therein, that the rates of levy in the particular taxing district
3 under consideration are so limited as to be insufficient for the raising of
4 the funds necessary to supply the needs of such taxing district for general
5 or maintenance expenses for the current tax year, such levying officers or
6 officer shall have authority to fix rates of levy in such district which will
7 raise an amount of money for such taxing district not exceeding by 50%
8 the amount of money which can be raised in such taxing district for the
9 current tax year by using the rates limited by law. No such authority shall
10 be exercised until an application for its exercise shall be made to the state
11 ~~court~~ board of tax appeals, which body, if the evidence submitted in
12 support of the application shall show an emergency need for the additional
13 amount hereby authorized or any part thereof, is hereby empowered to
14 order such increase as may have been shown to be necessary, but no order
15 for the making of such increased levy shall be made without a public
16 hearing before the state ~~court~~ board of tax appeals conducted in
17 accordance with the provisions of the Kansas administrative procedure act.
18 In addition to notice to the parties, notice of such hearing shall be
19 published in two issues of a paper of general circulation within the district
20 applying for such authority at least 10 days prior to such hearing. The
21 notice shall be in such form as the state ~~court~~ board of tax appeals may
22 prescribe, and the expense of such publication shall be borne by the district
23 making application. At no time shall any increase authorized by the state
24 ~~court~~ board of tax appeals in any such taxing district exceed by more than
25 50% the amount of money that can be raised by taxation in any such
26 district for the current tax year.

27 Sec. 110. K.S.A. 2013 Supp. 79-2005 is hereby amended to read as
28 follows: 79-2005. (a) Any taxpayer, before protesting the payment of such
29 taxpayer's taxes, shall be required, either at the time of paying such taxes,
30 or, if the whole or part of the taxes are paid prior to December 20, no later
31 than December 20, or, with respect to taxes paid in whole or in part in an
32 amount equal to at least $\frac{1}{2}$ of such taxes on or before December 20 by an
33 escrow or tax service agent, no later than January 31 of the next year, to
34 file a written statement with the county treasurer, on forms approved by
35 the state ~~court~~ board of tax appeals and provided by the county treasurer,
36 clearly stating the grounds on which the whole or any part of such taxes
37 are protested and citing any law, statute or facts on which such taxpayer
38 relies in protesting the whole or any part of such taxes. When the grounds
39 of such protest is an assessment of taxes made pursuant to K.S.A. 79-332a
40 and 79-1427a, and amendments thereto, the county treasurer may not
41 distribute the taxes paid under protest until such time as the appeal is final.
42 When the grounds of such protest is that the valuation or assessment of the
43 property upon which the taxes are levied is illegal or void, the county

1 treasurer shall forward a copy of the written statement of protest to the
2 county appraiser who shall within 15 days of the receipt thereof, schedule
3 an informal meeting with the taxpayer or such taxpayer's agent or attorney
4 with reference to the property in question. The county appraiser shall
5 review the appraisal of the taxpayer's property with the taxpayer or such
6 taxpayer's agent or attorney and may change the valuation of the taxpayer's
7 property, if in the county appraiser's opinion a change in the valuation of
8 the taxpayer's property is required to assure that the taxpayer's property is
9 valued according to law, and shall, within 15 business days thereof, notify
10 the taxpayer in the event the valuation of the taxpayer's property is
11 changed, in writing of the results of the meeting. In the event the valuation
12 of the taxpayer's property is changed and such change requires a refund of
13 taxes and interest thereon, the county treasurer shall process the refund in
14 the manner provided by subsection (l).

15 (b) No protest appealing the valuation or assessment of property shall
16 be filed pertaining to any year's valuation or assessment when an appeal of
17 such valuation or assessment was commenced pursuant to K.S.A. 79-1448,
18 and amendments thereto, nor shall the second half payment of taxes be
19 protested when the first half payment of taxes has been protested.
20 Notwithstanding the foregoing, this provision shall not prevent any
21 subsequent owner from protesting taxes levied for the year in which such
22 property was acquired, nor shall it prevent any taxpayer from protesting
23 taxes when the valuation or assessment of such taxpayer's property has
24 been changed pursuant to an order of the director of property valuation.

25 (c) A protest shall not be necessary to protect the right to a refund of
26 taxes in the event a refund is required because the final resolution of an
27 appeal commenced pursuant to K.S.A. 79-1448, and amendments thereto,
28 occurs after the final date prescribed for the protest of taxes.

29 (d) If the grounds of such protest shall be that the valuation or
30 assessment of the property upon which the taxes so protested are levied is
31 illegal or void, such statement shall further state the exact amount of
32 valuation or assessment which the taxpayer admits to be valid and the
33 exact portion of such taxes which is being protested.

34 (e) If the grounds of such protest shall be that any tax levy, or any
35 part thereof, is illegal, such statement shall further state the exact portion
36 of such tax which is being protested.

37 (f) Upon the filing of a written statement of protest, the grounds of
38 which shall be that any tax levied, or any part thereof, is illegal, the county
39 treasurer shall mail a copy of such written statement of protest to the state
40 ~~court~~ board of tax appeals and the governing body of the taxing district
41 making the levy being protested.

42 (g) Within 30 days after notification of the results of the informal
43 meeting with the county appraiser pursuant to subsection (a), the

1 protesting taxpayer may, if aggrieved by the results of the informal
2 meeting with the county appraiser, appeal such results to the state ~~court~~
3 *board* of tax appeals.

4 (h) After examination of the copy of the written statement of protest
5 and a copy of the written notification of the results of the informal meeting
6 with the county appraiser in cases where the grounds of such protest is that
7 the valuation or assessment of the property upon which the taxes are levied
8 is illegal or void, the ~~court~~ *board* shall conduct a hearing in accordance
9 with the provisions of the Kansas administrative procedure act, unless
10 waived by the interested parties in writing. If the grounds of such protest is
11 that the valuation or assessment of the property is illegal or void the ~~court~~
12 *board* shall notify the county appraiser thereof.

13 (i) In the event of a hearing, the same shall be originally set not later
14 than 90 days after the filing of the copy of the written statement of protest
15 and a copy, when applicable, of the written notification of the results of the
16 informal meeting with the county appraiser with the ~~court~~ *board*. With
17 regard to any matter properly submitted to the ~~court~~ *board* relating to the
18 determination of valuation of residential property or real property used for
19 commercial and industrial purposes for taxation purposes, it shall be the
20 duty of the county appraiser to initiate the production of evidence to
21 demonstrate, by a preponderance of the evidence, the validity and
22 correctness of such determination except that no such duty shall accrue to
23 the county or district appraiser with regard to leased commercial and
24 industrial property unless the property owner has furnished to the county
25 or district appraiser a complete income and expense statement for the
26 property for the three years next preceding the year of appeal. No
27 presumption shall exist in favor of the county appraiser with respect to the
28 validity and correctness of such determination. In all instances where the
29 ~~court~~ *board* sets a request for hearing and requires the representation of the
30 county by its attorney or counselor at such hearing, the county shall be
31 represented by its county attorney or counselor.

32 (j) When a determination is made as to the merits of the tax protest,
33 the ~~court~~ *board* shall render and serve its order thereon. The county
34 treasurer shall notify all affected taxing districts of the amount by which
35 tax revenues will be reduced as a result of a refund.

36 (k) If a protesting taxpayer fails to file a copy of the written statement
37 of protest and a copy, when applicable, of the written notification of the
38 results of the informal meeting with the county appraiser with the ~~court~~
39 *board* within the time limit prescribed, such protest shall become null and
40 void and of no effect whatsoever.

41 (l) (1) In the event the ~~court~~ *board* orders that a refund be made
42 pursuant to this section or the provisions of K.S.A. 79-1609, and
43 amendments thereto, or a court of competent jurisdiction orders that a

1 refund be made, and no appeal is taken from such order, or in the event a
2 change in valuation which results in a refund pursuant to subsection (a),
3 the county treasurer shall, as soon thereafter as reasonably practicable,
4 refund to the taxpayer such protested taxes and, with respect to protests or
5 appeals commenced after the effective date of this act, interest computed at
6 the rate prescribed by K.S.A. 79-2968, and amendments thereto, minus
7 two percentage points, per annum from the date of payment of such taxes
8 from tax moneys collected but not distributed. Upon making such refund,
9 the county treasurer shall charge the fund or funds having received such
10 protested taxes, except that, with respect to that portion of any such refund
11 attributable to interest the county treasurer shall charge the county general
12 fund. In the event that the state ~~court~~ board of tax appeals or a court of
13 competent jurisdiction finds that any time delay in making its decision is
14 unreasonable and is attributable to the taxpayer, it may order that no
15 interest or only a portion thereof be added to such refund of taxes.

16 (2) No interest shall be allowed pursuant to paragraph (1) in any case
17 where the tax paid under protest was inclusive of delinquent taxes.

18 (m) Whenever, by reason of the refund of taxes previously received
19 or the reduction of taxes levied but not received as a result of decreases in
20 assessed valuation, it will be impossible to pay for imperative functions for
21 the current budget year, the governing body of the taxing district affected
22 may issue no-fund warrants in the amount necessary. Such warrants shall
23 conform to the requirements prescribed by K.S.A. 79-2940, and
24 amendments thereto, except they shall not bear the notation required by
25 such section and may be issued without the approval of the state ~~court~~
26 board of tax appeals. The governing body of such taxing district shall
27 make a tax levy at the time fixed for the certification of tax levies to the
28 county clerk next following the issuance of such warrants sufficient to pay
29 such warrants and the interest thereon. All such tax levies shall be in
30 addition to all other levies authorized by law.

31 (n) Whenever a taxpayer appeals to the ~~court~~ board of tax appeals
32 pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, or
33 pays taxes under protest related to one property whereby the assessed
34 valuation of such property exceeds 5% of the total county assessed
35 valuation of all property located within such county and the taxpayer
36 receives a refund of such taxes paid under protest or a refund made
37 pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, the
38 county treasurer or the governing body of any taxing subdivision within a
39 county may request the pooled money investment board to make a loan to
40 such county or taxing subdivision as provided in this section. The pooled
41 money investment board is authorized and directed to loan to such county
42 or taxing subdivision sufficient funds to enable the county or taxing
43 subdivision to refund such taxes to the taxpayer. The pooled money

1 investment board is authorized and directed to use any moneys in the
2 operating accounts, investment accounts or other investments of the state
3 of Kansas to provide the funds for such loan. Each loan shall bear interest
4 at a rate equal to the net earnings rate of the pooled money investment
5 portfolio at the time of the making of such loan. The total aggregate
6 amount of loans under this program shall not exceed \$50,000,000 of
7 unencumbered funds pursuant to article 42 of chapter 75 of the Kansas
8 Statutes Annotated, and amendments thereto. Such loan shall not be
9 deemed to be an indebtedness or debt of the state of Kansas within the
10 meaning of section 6 of article 11 of the constitution of the state of Kansas.
11 Upon certification to the pooled money investment board by the county
12 treasurer or governing body of the amount of each loan authorized
13 pursuant to this subsection, the pooled money investment board shall
14 transfer each such amount certified by the county treasurer or governing
15 body from the state bank account or accounts prescribed in this subsection
16 to the county treasurer who shall deposit such amount in the county
17 treasury. Any such loan authorized pursuant to this subsection shall be
18 repaid within four years. The county or taxing subdivision shall make not
19 more than four equal annual tax levies at the time fixed for the certification
20 of tax levies to the county clerk following the making of such loan
21 sufficient to pay such loan within the time period required under such loan.
22 All such tax levies shall be in addition to all other levies authorized by law.

23 (o) The county treasurer shall disburse to the proper funds all portions
24 of taxes paid under protest and shall maintain a record of all portions of
25 such taxes which are so protested and shall notify the governing body of
26 the taxing district levying such taxes thereof and the director of accounts
27 and reports if any tax protested was levied by the state.

28 (p) This statute shall not apply to the valuation and assessment of
29 property assessed by the director of property valuation and it shall not be
30 necessary for any owner of state assessed property, who has an appeal
31 pending before the state ~~court~~ board of tax appeals, to protest the payment
32 of taxes under this statute solely for the purpose of protecting the right to
33 a refund of taxes paid under protest should that owner be successful in that
34 appeal.

35 Sec. 111. K.S.A. 2013 Supp. 79-2416d is hereby amended to read as
36 follows: 79-2416d. The state ~~court~~ board of tax appeals shall have the
37 authority, upon such application and proper showing as the ~~court~~ board
38 may require, to cancel all penalties and accrued interest on real estate taxes
39 where such real estate taxes were incurred prior to January 1, 1910.

40 Sec. 112. K.S.A. 2013 Supp. 79-2925a is hereby amended to read as
41 follows: 79-2925a. On or before August 1, 1974, the board of county
42 commissioners of Shawnee county shall prepare a budget for such county
43 for the period commencing January 1, 1975, and ending December 31,

1 1975, and thereafter each budget prepared by ~~said~~ the board for an ensuing
2 budget year shall be prepared for a period commencing January 1 and
3 ending December 31 of the succeeding calendar year. In order to provide
4 moneys sufficient for the operation of such county during the period
5 between November 1, 1974, and December 31, 1974, ~~said~~ the board is
6 hereby authorized to issue no-fund warrants in an amount not to exceed $\frac{1}{6}$
7 of the amount of the budget of expenditures adopted for the 1975 budget
8 year. Such warrants shall be issued, registered, redeemed and bear interest
9 in the manner and in the form prescribed by K.S.A. 79-2940, and
10 amendments thereto, except that they shall not bear the notation required
11 by ~~said~~ such section and may be issued without the approval of the state
12 ~~court~~ board of tax appeals. Moneys received from the issuance of such
13 warrants may be expended during the period for which the warrants were
14 issued, even though the same were not budgeted for, and any tax levied to
15 redeem ~~said~~ such warrants shall be exempt from the limitations imposed
16 under the provisions of K.S.A. 79-5001 to 79-5016, inclusive, and
17 amendments thereto.

18 Sec. 113. K.S.A. 2013 Supp. 79-2938 is hereby amended to read as
19 follows: 79-2938. Whenever during the current budget year it becomes
20 apparent to the governing body of any taxing district that because of
21 unforeseen circumstances the revenues of the current budget year for any
22 fund are insufficient to finance the adopted budget of expenditures for
23 such fund for the current budget year, the governing body may make
24 application to the state ~~court~~ board of tax appeals for authority to issue
25 warrants to pay for such budgeted expenditures. The application shall be
26 signed and sworn to, and shall have a majority approval of any governing
27 body composed of three members or less, and a $\frac{3}{4}$ majority of any
28 governing body composed of more than three members. The application
29 shall reveal the following: (1) The circumstances which caused the
30 shortage in revenues; (2) a copy of the budget adopted for the current
31 budget year; and (3) a detailed statement showing why the budget of
32 expenditures cannot be reduced during the remainder of the current budget
33 year so that additional revenue will not be necessary. If the state ~~court~~
34 board of tax appeals shall find that the evidence submitted in writing in
35 support of the application shows:

36 (a) That the adopted budget of revenues balanced with the adopted
37 budget of expenditures;

38 (b) that the governing body exercised prudent judgment at the time of
39 preparing the budget of revenues; and

40 (c) that the budget of expenditures cannot be reduced during the
41 remainder of the current budget year so that additional revenue will not be
42 necessary, the state ~~court~~ board of tax appeals is empowered to authorize
43 the issuance of warrants for the payment of that portion (in dollars) of the

1 unfinanced budget of expenditures which the state ~~court~~ board of tax
2 appeals deems necessary. The amount of such warrants for any fund of any
3 taxing district shall not exceed 25% of the amount of money that could
4 have been raised by levy for such fund under the individual fund limit for
5 the payment of expenses for the current budget year, nor shall the amount
6 of such warrants for any fund, of any taxing district exceed 25% of the
7 amount of money that could have been raised by levy for such fund under
8 the limitation placed upon such fund by reason of the aggregate limit, and
9 in no case shall the total amount of such warrants for all funds exceed 25%
10 of the amount of money that could have been raised by levy within the
11 aggregate limit prescribed by law for such taxing district for the payment
12 of expenses of the current budget year. The limitations of the foregoing
13 provision shall have no application to funds for payment of general
14 obligation bonds and interest thereon.

15 No order for the issuance of such warrants shall be made without a
16 public hearing before the state ~~court~~ board of tax appeals conducted in
17 accordance with the provisions of the Kansas administrative procedure act.
18 In addition to notice to the parties, notice of such hearing shall be
19 published in two issues of a paper of general circulation within the district
20 applying for such authority at least 10 days prior to such hearing. The
21 notice shall be in such form as the state ~~court~~ board of tax appeals
22 prescribes, and the expense of such publication shall be borne by the
23 taxing district making application. Any taxpayer interested may file a
24 written protest against such application. Any member of the governing
25 body of the taxing district making an application hereunder may appear
26 and be heard in person at such hearing in support of the application. All
27 records and findings of such hearings shall be subject to public inspection.
28 Whenever the authority to issue warrants under this section is granted, the
29 governing body of such taxing district shall make a tax levy, at the first
30 tax-levying period after such authority is granted, sufficient to pay such
31 warrants, and such tax levy may be levied outside of the aggregate tax levy
32 limit prescribed by law.

33 Sec. 114. K.S.A. 2013 Supp. 79-2939 is hereby amended to read as
34 follows: 79-2939. Whenever there is an unforeseen occurrence which
35 causes an expense in any fund of any municipality or other taxing district
36 which could not have been anticipated at the time the budget for the
37 current budget year was prepared, and by reason of such unforeseen
38 occurrence the governing body of any such municipality or taxing district
39 is of the opinion that it will be impossible to pay for such unforeseen
40 expense and pay for the imperative functions of the fund without incurring
41 indebtedness in excess of the adopted budget of expenditures for the
42 current budget year, the governing body may make application to the state
43 ~~court~~ board of tax appeals for authority to issue no-fund warrants to pay

1 for such unforeseen expense. The application shall be signed and sworn to,
2 and shall have a majority approval of any governing body composed of
3 three members or less, and a $\frac{3}{4}$ majority of any governing body composed
4 of more than three members. The application shall reveal: (1) The nature
5 of the unforeseen occurrence; (2) a copy of the final budget adopted for the
6 current budget year; and (3) a detailed statement showing why the
7 budgeted expenditures for the current budget year cannot be reduced
8 during the remainder of the current budget year so that the total
9 expenditure for the current budget year, including the unforeseen expense,
10 will not exceed the adopted budget. If the state ~~court~~ board of tax appeals
11 shall find that the evidence submitted in writing in support of the
12 application shows:

13 (a) There was an occurrence which could not have been foreseen at
14 the time the budget for the current budget year was prepared; and

15 (b) that from the time of such unforeseen occurrence to the end of the
16 current budget year it will be impossible to reduce the expenditures of the
17 adopted budget to the extent the total expenditure for the current budget
18 year, including the unforeseen expense, will not exceed the adopted
19 budget, the state ~~court~~ board of tax appeals is empowered to authorize the
20 issuance of warrants for the payment of that portion-(, in dollars), of such
21 unforeseen expense which must be in excess of the adopted budget. The
22 amount of such warrants for a public utility fund shall not exceed the
23 amount of money on hand in the utility fund not required for budgeted
24 expenses. The amount of such warrants for any fund, excepting public
25 utility funds, of any municipality or other taxing district, other than a
26 township, shall not exceed the amount of money that could have been
27 raised by levy for such fund under the individual fund limit for the
28 payment of expenses of the current budget year, nor shall the amount of
29 such warrants for any fund, of any municipality or other taxing district,
30 other than a township, exceed the amount of money that could have been
31 raised by levy for such fund under the limitation placed upon such fund by
32 reason of the aggregate limit, and in no case shall the total amount of such
33 warrants for all such tax funds, other than warrants issued by a township,
34 exceed the amount of money that would have been raised by levy within
35 the aggregate limit prescribed by law for such municipality or other taxing
36 district for the payment of expenses of the current budget year.

37 No order for the issuance of such warrants shall be made without a
38 public hearing before the state ~~court~~ board of tax appeals conducted in
39 accordance with the provisions of the Kansas administrative procedure act.
40 In addition to notice to the parties, notice of such hearing shall be
41 published in two issues of a paper of general circulation within the district
42 applying for such authority at least 10 days prior to such hearing. The
43 notice shall be in such form as the state ~~court~~ board of tax appeals

1 prescribes, and the expense of such application shall be borne by the
2 municipality or taxing district making application. Any taxpayer interested
3 may file a written protest against such application. Any member of the
4 governing body of the municipality or other taxing district making
5 application hereunder may appear and be heard in person at such hearing
6 in support of the application. All records and findings of such hearings
7 shall be subject to public inspection.

8 Whenever the authority to issue warrants under this section is granted,
9 the governing body of such municipality or other taxing district shall make
10 not more than five equal annual tax levies, as determined by the state ~~court~~
11 *board* of tax appeals, except as to any public utility funds, at the next
12 succeeding tax-levying periods after such authority is granted, sufficient to
13 pay such warrants, and such tax levy or levies may be levied outside of the
14 aggregate tax levy limit prescribed by law. If there is money in the fund
15 over and above the amount needed for the adopted budget, such money
16 shall be used and the tax levy or levies shall be only for the difference, if
17 any, between the money available and the amount of warrants issued. Any
18 municipality having a surplus in any public utility fund may use such
19 surplus to pay the warrants authorized by the state ~~court~~ *board* of tax
20 appeals under this section. When the money must be raised by a tax levy
21 the taxing unit may issue and sell at par no-fund warrants in multiples of
22 \$100 and place the money in the fund and issue regular warrants in the
23 usual manner. Whenever any municipality or taxing district receives
24 insurance money in payment of damage occasioned by the unforeseen
25 occurrence, and authority to issue warrants is authorized by the state ~~court~~
26 *board* of tax appeals under this section, such insurance money shall be
27 deposited with the county treasurer immediately and used by the county
28 treasurer in lieu of ad valorem taxes as provided in K.S.A. 79-2940, and
29 amendments thereto. This section shall not require a deposit of insurance
30 money in excess of the total amount of such warrants and interest thereon.

31 Sec. 115. K.S.A. 2013 Supp. 79-2940 is hereby amended to read as
32 follows: 79-2940. A certified copy of orders issued by the state ~~court~~
33 *board* of tax appeals authorizing the issuance of warrants in accordance
34 with the provisions of K.S.A. 79-2938 and 79-2939, and amendments
35 thereto, shall be delivered by the state ~~court~~ *board* of tax appeals to the
36 county treasurer, county clerk, and clerk of the municipality or other taxing
37 district. Warrants issued thereunder shall be issued in like manner as other
38 warrants, or such warrants in multiples of \$100 not exceeding the amount
39 authorized and to be raised by tax levy may be issued and sold at par and
40 the money placed in the fund and paid out on regular warrants, and the
41 warrants or single warrant issued under this section shall bear interest at
42 the rate of not more than the maximum rate of interest prescribed by
43 K.S.A. 10-1009, and amendments thereto, except that such warrants shall

1 be made payable at the office of the county treasurer, shall be designated
2 on their face as "no-fund warrants," and shall also bear the notation "issued
3 pursuant to authority granted by order No. _____, dated _____
4 of the state ~~court~~ board of tax appeals."

5 Such warrants, when presented to the county treasurer, shall be
6 registered in accordance with the provisions of K.S.A. 10-807 and 10-808,
7 and amendments thereto. No warrants shall be registered in excess of the
8 amount authorized by the state ~~court~~ board of tax appeals. The county
9 treasurer shall maintain a separate register for such warrants and all
10 warrants issued under a particular order of the state ~~court~~ board of tax
11 appeals shall be registered under the particular order number in the
12 register. When the tax levy to redeem warrants issued under K.S.A. 79-
13 2938 and 79-2939, and amendments thereto, is made, the county treasurer
14 shall keep the proceeds of such tax levy in a separate fund and charge the
15 warrants against such fund when paid. In the event a surplus exists in any
16 such fund at any tax levying time, the county treasurer shall certify the
17 amount of such surplus to the county clerk and the county clerk shall
18 deduct the levy equivalent of such surplus from the general fund tax levy
19 of such district, and the maximum general fund levy and aggregate limit of
20 such taxing district shall be reduced accordingly, and that amount of
21 surplus shall be considered and used as revenue in lieu of ad valorem taxes
22 for such taxing district.

23 On January 1 following such action by the county clerk, and in that
24 event only, the county treasurer shall transfer to the general fund of such
25 taxing district the amount of surplus as used by the county clerk in
26 reducing ad valorem taxes, except that the governing body of any city may
27 request, by resolution, that the county treasurer pay to the city treasurer all
28 money collected from the levy for the payment of emergency warrants.
29 Upon presentation of such resolution, the county treasurer shall pay to the
30 city treasurer all moneys collected from the levy for the payment of such
31 warrants and the city treasurer shall deposit the money in the bond and
32 interest fund and redeem the emergency warrants for which such levy was
33 made and shall forthwith exhibit such redeemed warrants to the county
34 treasurer who shall record such redemption in the warrant register. The
35 provisions of this act shall not apply to utilities managed, operated and
36 controlled by a board of public utilities as provided for by chapter 126 of
37 the Laws of Kansas for 1929.

38 Sec. 116. K.S.A. 2013 Supp. 79-2941 is hereby amended to read as
39 follows: 79-2941. Whenever it shall be apparent to a majority of the
40 members of any board authorized to levy taxes in any taxing district in any
41 county adjoining a United States army post or military reservation, or to
42 any officer solely charged with that duty therein, that the rates of levy in
43 the particular taxing district under consideration are so limited as to be

1 insufficient for the raising of funds necessary to supply the needs of such
2 taxing district for general maintenance expenses for the current tax year,
3 such officers or officer shall have the authority to issue warrants to meet
4 such general maintenance expenses for the current tax year to the amount
5 of money not exceeding 50% of the amount of money which can be raised
6 in such taxing district by using the rates limited by law. No such authority
7 to issue warrants shall be exercised until an application for such exercise
8 shall be made to the state ~~court~~ board of tax appeals, which body, if the
9 evidence submitted in support of the application shall show an emergency
10 need for the issue of warrants for the additional amount hereby authorized
11 or any part thereof, is hereby empowered to order the issuance of such
12 warrants as may be shown to be necessary, but no order for the issuance of
13 such warrants shall be made without a public hearing before the state ~~court~~
14 board of tax appeals conducted in accordance with the provisions of the
15 Kansas administrative procedure act. In addition to notice to the parties,
16 notice of such hearing shall be published in two issues of a paper of
17 general circulation within the district applying for such authority at least
18 10 days prior to such hearing.

19 The notice shall be in such form as the state ~~court~~ board of tax appeals
20 shall prescribe, and the expense of such publication shall be borne by the
21 district making application. At no time shall the issuance of such warrants
22 authorized by the state ~~court~~ board of tax appeals in any such taxing
23 district exceed in amount 50% of the amount of money that can be raised
24 by taxation in any such district for the current tax year under the existing
25 rates.

26 Sec. 117. K.S.A. 2013 Supp. 79-2951 is hereby amended to read as
27 follows: 79-2951. Whenever there is an unforeseen occurrence which
28 causes an expense in any fund of any city of the second class having a
29 population over 3,000 and located in a county having a population of not
30 less than 14,000 nor more than 16,000 with a total assessed tangible
31 valuation under \$30,000,000 which could not have been anticipated at the
32 time the budget for the current budget year was prepared, and by reason of
33 such unforeseen occurrence the governing body of any such city is of the
34 opinion that it will be impossible to pay for such unforeseen expense and
35 pay for the imperative functions of such fund without incurring
36 indebtedness in excess of the adopted budget of expenditures for the
37 current budget year, the governing body may make application to the state
38 ~~court~~ board of tax appeals for authority to issue warrants to pay for such
39 unforeseen expense. The application shall be signed and sworn to, and
40 shall have a majority approval of any governing body composed of three
41 members or less, and a $\frac{3}{4}$ majority of any governing body composed of
42 more than three members. The application shall reveal: (1) The nature of
43 the unforeseen occurrence; (2) a copy of the final budget adopted for the

1 current budget year; and (3) a detailed statement showing why the
2 budgeted expenditures for the current budget year cannot be reduced
3 during the remainder of the current budget year so that the total
4 expenditure for the current budget year, including the unforeseen expense,
5 will not exceed the adopted budget. If the ~~court~~ board shall find that the
6 evidence submitted in writing in support of the application shows:

7 (a) There was an occurrence which could not have been foreseen at
8 the time the budget for the current budget year was prepared; and

9 (b) that from the time of such unforeseen occurrence to the end of the
10 current budget year it will be impossible to reduce the expenditures of the
11 adopted budget to the extent the total expenditure for the current budget
12 year, including the unforeseen expense, will not exceed the adopted
13 budget, the ~~court~~ board is empowered to authorize the issuance of warrants
14 for the payment of that portion-(, in dollars), of such unforeseen expense
15 which must be in excess of the adopted budget. The amount of such
16 warrants for a public utility fund shall not exceed the amount of money on
17 hand in the utility fund not required for budgeted expenses. The amount of
18 such warrants for any fund, excepting public utility funds, of any such city
19 shall not exceed 50% of the amount of money that could have been raised
20 by levy for such fund under the individual fund limit for the payment of
21 expenses of the current budget year nor shall the amount of such warrants
22 for any fund, of any such city exceed 50% of the amount of money that
23 could have been raised by levy for such fund under the limitation placed
24 upon such fund by reason of the aggregate limit. In no case shall the total
25 amount of such warrants for all such tax funds exceed 50% of the amount
26 of money that could have been raised by levy within the aggregate limit
27 prescribed by law for such city for the payment of expenses of the current
28 budget year.

29 No order for the issuance of such warrants shall be made without a
30 public hearing before the ~~court~~ board conducted in accordance with the
31 provisions of the Kansas administrative procedure act. In addition to notice
32 to the parties, notice of such hearing shall be published in two issues of a
33 paper of general circulation within the city applying for such authority at
34 least 10 days prior to such hearing. The notice shall be in such form as the
35 ~~court~~ board shall prescribe, and the expense of such application shall be
36 borne by the taxing district making application. Any taxpayer interested
37 may file a written protest against such application. All records and findings
38 of such hearings shall be subject to public inspection. That whenever the
39 authority to issue warrants under this section is granted, the governing
40 body of such city shall make a tax levy, except as to any public utility
41 funds, at the first tax levying period after such authority is granted,
42 sufficient to pay such warrants, and such tax levy may be levied outside of
43 the aggregate tax levy limit prescribed by law. If there is money in the

1 fund over and above the amount needed for the adopted budget such
2 money shall be used and the tax levy shall be only for the difference, if
3 any, between the money available and the amount of warrants issued. Any
4 such city having a surplus in any public utility fund may use such surplus
5 to pay the warrants authorized by the ~~court~~ *board* under this section. When
6 the money must be raised by a tax levy such city may issue and sell at par
7 no-fund warrants in multiples of \$100 as hereinafter provided and place
8 the money in the fund and issue regular warrants in the usual manner.
9 Whenever any such city receives insurance money in payment of damage
10 occasioned by the unforeseen occurrence, and authority to issue warrants
11 is authorized by the ~~court~~ *board* under this section, such insurance money
12 shall be deposited with the county treasurer immediately and used by the
13 county treasurer in lieu of ad valorem taxes as provided in K.S.A. 79-
14 2940, and amendments thereto. This section shall not require a deposit of
15 insurance money in excess of the total amount of such warrants and
16 interest thereon.

17 Sec. 118. K.S.A. 2013 Supp. 79-2977 is hereby amended to read as
18 follows: 79-2977. (a) (1) Notwithstanding the provisions of any other law
19 to the contrary, with respect to the following taxes administered by the
20 department of revenue, an amnesty from the assessment or payment of all
21 penalties and interest with respect to unpaid taxes or taxes due and owing
22 shall apply upon compliance with the provisions of this section and if such
23 tax liability is paid in full within the amnesty period, from October 1,
24 2003, to November 30, 2003: (A) Privilege tax under K.S.A. 79-1106 et
25 seq., and amendments thereto; (B) taxes under the Kansas estate tax act,
26 K.S.A. 2013 Supp. 79-15,100 et seq., and amendments thereto; (C) taxes
27 under the Kansas income tax act, K.S.A. 79-3201 et seq., and amendments
28 thereto; (D) taxes under the Kansas withholding and declaration of
29 estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto; (E)
30 taxes under the Kansas cigarette and tobacco products act, K.S.A. 79-3301
31 et seq., and amendments thereto; (F) taxes under the Kansas retailers' sales
32 tax act, K.S.A. 79-3601 et seq., and amendments thereto and the Kansas
33 compensating tax act, K.S.A. 79-3701 et seq., and amendments thereto;
34 (G) local sales and use taxes under K.S.A. 12-187 et seq., and amendments
35 thereto; (H) liquor enforcement tax under K.S.A. 79-4101 et seq., and
36 amendments thereto; (I) liquor drink tax under K.S.A. 79-41a01 et seq.,
37 and amendments thereto; and (J) mineral severance tax under K.S.A. 79-
38 4216 et seq., and amendments thereto.

39 (2) Except for the Kansas privilege tax and individual and corporate
40 income tax, amnesty shall apply only to tax liabilities due and unpaid for
41 tax periods ending on or before December 31, 2002. For the Kansas
42 privilege tax and individual and corporate income tax, amnesty shall apply
43 only to tax liabilities due and unpaid for tax periods ending on or before

1 December 31, 2001. For the eligible taxes and tax periods, amnesty shall
2 apply to the under-reporting of such tax liabilities, the nonpayment of such
3 taxes and the nonreporting of such tax liabilities.

4 (3) Amnesty shall not apply to any matter or matters for which, on or
5 after February 6, 2003, any one of the following circumstances exist: (A)
6 The taxpayer has received notice of the commencement of an audit; (B) an
7 audit is in progress; (C) the taxpayer has received notice of an assessment
8 pursuant to K.S.A. 79-2971 or 79-3643, and amendments thereto; (D) as a
9 result of an audit, the taxpayer has received notice of a proposed or
10 estimated assessment or notice of an assessment; (E) the time to
11 administratively appeal an issued assessment has not yet expired; or (F) an
12 assessment resulting from an audit, or any portion of such assessment, is
13 pending in the administrative appeals process before the secretary or
14 secretary's designee pursuant to K.S.A. 79-3226 or 79-3610, and
15 amendments thereto, or the state ~~court~~ board of tax appeals, or is pending
16 in the judicial review process before any state or federal district or
17 appellate court. Amnesty shall not apply to any matter that is the subject of
18 an assessment, or any portion of an assessment, which has been affirmed
19 by a reviewing state or federal district or appellate court. Amnesty shall
20 not apply to any party to any criminal investigation or to any civil or
21 criminal litigation that is pending in any court of the United States or this
22 state for nonpayment, delinquency or fraud in relation to any tax imposed
23 by the state of Kansas.

24 (b) Upon written application by the taxpayer, on forms prescribed by
25 the secretary of revenue, and upon compliance with the provisions of this
26 section, the department of revenue shall not seek to collect any penalty or
27 interest which may be applicable with respect to taxes eligible for amnesty.

28 (c) Amnesty for penalties and interest shall be granted only to those
29 eligible taxpayers who, within the amnesty period of October 1, 2003, to
30 November 30, 2003, and in accordance with rules and regulations
31 established by the secretary of revenue, have properly filed a tax return for
32 each taxable period for which amnesty is requested, paid the entire balance
33 of tax due and obtained approval of such amnesty by the department of
34 revenue.

35 (d) If a taxpayer elects to participate in the amnesty program
36 established pursuant to this section as evidenced by full payment of the tax
37 due as established by the secretary of revenue, that election shall constitute
38 an express and absolute relinquishment of all administrative and judicial
39 rights of appeal with respect to such tax liability. No tax payment received
40 pursuant to this section shall be eligible for refund or credit. No payment
41 of penalties or interest made prior to October 1, 2003, shall be eligible for
42 amnesty.

43 (e) For tax returns for which amnesty has been requested, nothing in

1 this section shall be interpreted to prohibit the department from adjusting
2 such tax return as a result of a federal, department or other state agency
3 audit.

4 (f) Fraud or intentional misrepresentation of a material fact in
5 connection with an application for amnesty shall void such application and
6 any waiver of penalties and interest from amnesty.

7 (g) Discovery of fraud relating to the underlying tax liability shall
8 void the abatement of any liability as a result of any amnesty.

9 (h) The department may promulgate such rules and regulations or
10 issue administrative guidelines as are necessary to administer the
11 provisions of this section.

12 (i) The provisions of this section shall be effective on and after July 1,
13 2003.

14 Sec. 119. K.S.A. 2013 Supp. 79-3107c is hereby amended to read as
15 follows: 79-3107c. (a) Any person, before protesting the payment of
16 mortgage registration fees, shall be required, within 30 days after the time
17 of paying such fees, to file a written protest statement with the register of
18 deeds, on forms approved by the director of property valuation and
19 provided by the register of deeds, clearly stating the grounds on which the
20 whole or any part of such fees are protested and citing any law, statute or
21 facts upon which such person relies in protesting the whole or any part of
22 such fees. The register of deeds shall forward a copy of the written
23 statement of protest to the county treasurer and to the state ~~court~~ board of
24 tax appeals within 15 days of the receipt thereof.

25 (b) Upon receipt of the protest statement, the ~~court~~ board shall docket
26 the same and notify the protestant and the county register of deeds of such
27 fact.

28 (c) After examination of the protest statement, the ~~court~~ board shall
29 fix a time and place for hearing, unless waived by the interested parties in
30 writing, and shall notify the protestant and the county register of deeds of
31 the time and place so fixed.

32 (d) In the event of a hearing, the same shall be originally set not later
33 than 90 days after the filing of the protest statement with the ~~court~~ board
34 and shall be conducted in accordance with the provisions of the Kansas
35 administrative procedure act.

36 (e) When a determination is made as to the merits of a protest
37 statement, the ~~court~~ board shall enter its order thereon and give notice of
38 the same to the protestant, county treasurer, county register of deeds and
39 other interested parties as determined by the ~~court~~ board by mailing to
40 each a certified copy of its order. The date of an order, for purposes of
41 filing an appeal to the district court, shall be the date of certification.

42 (f) In the event the ~~court~~ board orders that a refund be made and no
43 appeal is taken from such order, the county treasurer shall, as soon

1 thereafter as reasonably practicable, refund to the protestant such protested
2 mortgage registration fees. Upon making such refund, the county treasurer
3 shall charge the fund or funds having received such protested fees.

4 Sec. 120. K.S.A. 2013 Supp. 79-3221 is hereby amended to read as
5 follows: 79-3221. (a) All returns required by this act shall be made as
6 nearly as practical in the same form as the corresponding form of income
7 tax return by the United States. Unless another identifying number has
8 been assigned to an individual by the internal revenue service for purposes
9 of filing such individual's federal income tax return, the social security
10 number issued to an individual, the individual's spouse, and all dependents
11 of such individual for purposes of section 205 (c)(2)(A) of the social
12 security act shall be used as the identifying number and included on the
13 return when filing such return.

14 (b) All returns shall be filed in the office of the director of taxation on
15 or before the 15th day of the fourth month following the close of the
16 taxable year, except as provided in subsection (c) hereof. Tentative returns
17 may be filed before the close of the taxable year and the estimated tax
18 computed on such return, paid, but no interest will be paid on any
19 overpayment of tax liability, computed on such tentative return.

20 (c) The director of taxation may grant a reasonable extension of time
21 for filing returns in accordance with rules and regulations of the secretary
22 of revenue. Whenever any such extension of time to file is requested by a
23 taxpayer and granted by the director with respect to any tax year
24 commencing after December 31, 1992, no penalty authorized by K.S.A.
25 79-3228, and amendments thereto, shall be imposed if 90% of the liability
26 is paid on or before the original due date.

27 (d) In the case of an individual serving in the armed forces of the
28 United States, or serving in support of such armed forces, in an area
29 designated by the president of the United States by executive order as a
30 "combat zone" as defined under 26 U.S.C. § 112 at any time during the
31 period designated by the president by executive order as the period of
32 combatant activities in such zone for the purposes of such section, or
33 hospitalized as a result of injury received or sickness incurred while
34 serving in such an area during such time, the period of service in such
35 area, plus the period of continuous qualified hospitalization attributable to
36 such injury or sickness, and the next 180 days thereafter, shall be
37 disregarded in determining, under article 32 of chapter 79 of the Kansas
38 Statutes Annotated, and amendments thereto, in respect to any tax liability,
39 including any interest, penalty, additional amount, or addition to the tax, of
40 such individual:

41 (1) Whether any of the following acts was performed within the time
42 prescribed therefor: (A) Filing any return of income tax; (B) payment of
43 any income tax or installment thereof; (C) filing a notice of appeal with the

1 director of taxation or the state ~~court~~ board of tax appeals for
2 redetermination of a deficiency or for a review of a decision rendered by
3 either the director or the state ~~court~~ board of tax appeals; (D) allowance of
4 a credit or refund of any income tax; (E) filing a claim for credit or refund
5 of any income tax; (F) bringing suit upon any such claim for credit or
6 refund; (G) assessment of any income tax; (H) giving or making any
7 notice or demand for the payment of any income tax, or with respect to
8 any liability to the state of Kansas in respect of any income tax; (I)
9 collection, by the director of taxation or the director's agent, by warrant,
10 levy or otherwise, of the amount of any liability in respect to any income
11 tax; (J) bringing suit by the state of Kansas, or any officer on its behalf, in
12 respect to any liability in respect of any income tax; and (K) any other act
13 required or permitted under the Kansas income tax act specified in rules
14 and regulations adopted by the secretary of revenue under this section;

15 (2) the amount of any credit or refund.

16 (e) (1) Subsection (d) shall not apply for purposes of determining the
17 amount of interest on any overpayment of tax.

18 (2) If an individual is entitled to the benefits of subsection (d) with
19 respect to any return and such return is timely filed, determined after the
20 application of subsection (d), subsections (e)(5) and (e)(7) of K.S.A. 79-
21 32,105, and amendments thereto, shall not apply.

22 (f) The provisions of subsections (d) through (j) shall apply to the
23 spouse of any individual entitled to the benefits of subsection (d). Except
24 in the case of the combat zone designated for purposes of the Vietnam
25 conflict, this subsection shall not cause subsections (d) through (j) to apply
26 for any spouse for any taxable year beginning more than two years after
27 the date designated under 26 U.S.C. § 112, and amendments thereto, as the
28 date of termination of combatant activities in a combat zone.

29 (g) The period of service in the area referred to in subsection (d) shall
30 include the period during which an individual entitled to benefits under
31 subsection (d) is in a missing status, within the meaning of 26 U.S.C. §
32 6013(f)(3).

33 (h) (1) Notwithstanding the provisions of subsection (d), any action
34 or proceeding authorized by K.S.A. 79-3229, and amendments thereto, as
35 well as any other action or proceeding authorized by law in connection
36 therewith, may be taken, begun or prosecuted. In any other case in which
37 the secretary determines that collection of the amount of any assessment
38 would be jeopardized by delay, the provisions of subsection (d) shall not
39 operate to stay collection of such amount by levy or otherwise as
40 authorized by law. There shall be excluded from any amount assessed or
41 collected pursuant to this subsection the amount of interest, penalty,
42 additional amount, and addition to the tax, if any, in respect of the period
43 disregarded under subsection (d). In any case to which this subsections

1 relates, if the secretary is required to give any notice to or make any
2 demand upon any person, such requirement shall be deemed to be satisfied
3 if the notice or demand is prepared and signed, in any case in which the
4 address of such person last known to the secretary is in an area for which
5 United States post offices under instructions of the postmaster general are
6 not, by reason of the combatant activities, accepting mail for delivery at
7 the time the notice or demand is signed. In such case the notice or demand
8 shall be deemed to have been given or made upon the date it is signed.

9 (2) The assessment or collection of any tax under the provisions of
10 article 32 of chapter 79 of the Kansas Statutes Annotated, and amendments
11 thereto, or any action or proceeding by or on behalf of the state in
12 connection therewith, may be made, taken, begun or prosecuted in
13 accordance with law, without regard to the provisions of subsection (d),
14 unless prior to such assessment, collection, action or proceeding it is
15 ascertained that the person concerned is entitled to the benefits of
16 subsection (d).

17 (i) (1) Any individual who performed Desert Shield services, and the
18 spouse of such individual, shall be entitled to the benefits of subsections
19 (d) through (j) in the same manner as if such services were services
20 referred to in subsection (d).

21 (2) For purposes of this subsection, the term "Desert Shield services"
22 means any services in the armed forces of the United States or in support
23 of such armed forces if:

24 (A) Such services are performed in the area designated by the
25 president as the "Persian Gulf Desert Shield area"; and

26 (B) such services are performed during the period beginning on
27 August 2, 1990, and ending on the date on which any portion of the area
28 referred to in subsection (i)(2)(A) is designated by the president as a
29 combat zone pursuant to 26 U.S.C. § 112.

30 (j) For purposes of subsection (d), the term "qualified hospitalization"
31 means:

32 (1) Any hospitalization outside the United States; and

33 (2) any hospitalization inside the United States, except that not more
34 than five years of hospitalization may be taken into account under this
35 subsection. This subsection shall not apply for purposes of applying
36 subsections (d) through (j) with respect to the spouse of an individual
37 entitled to the benefits of subsection (d).

38 Sec. 121. K.S.A. 2013 Supp. 79-3226 is hereby amended to read as
39 follows: 79-3226. (a) As soon as practicable after the return is filed, the
40 director of taxation shall examine it and shall determine the correct amount
41 of the tax. If the tax found due shall be greater than the amount theretofore
42 paid, or if a claim for a refund is denied, notice shall be mailed to the
43 taxpayer. Within 60 days after the mailing of such notice the taxpayer may

1 request an informal conference with the secretary of revenue or the
2 secretary's designee relating to the tax liability or denial of refund by filing
3 a written request with the secretary of revenue or the secretary's designee
4 which sets forth the objections to the proposed liability or proposed denial
5 of refund. The purpose of such conference shall be to review and
6 reconsider all facts and issues that underlie the proposed liability or
7 proposed denial of refund. The secretary of revenue or the secretary's
8 designee shall hold an informal conference with the taxpayer and shall
9 issue a written final determination thereon. The informal conference shall
10 not constitute an adjudicative proceeding under the Kansas administrative
11 procedure act. Informal conferences held pursuant to this section may be
12 conducted by the secretary of revenue or the secretary's designee. The
13 rules of evidence shall not apply to an informal conference and no record
14 shall be made, except at the request and expense of the secretary of
15 revenue or the secretary's designee or taxpayer. The taxpayer may bring to
16 the informal conference an attorney, certified public accountant and any
17 other person to represent the taxpayer or to provide information. Because
18 the purpose of the department staff is to aid the secretary or secretary's
19 designee in the proper discharge of the secretary's or secretary's designee's
20 duties, the secretary or secretary's designee may confer at any time with
21 any staff member with respect to the case under reconsideration. The
22 secretary of revenue or the secretary's designee shall issue a written final
23 determination within 270 days of the date of the request for informal
24 conference unless the parties agree in writing to extend the time for issuing
25 such final determination. A final determination issued within or after 270
26 days, with or without extension, constitutes final agency action subject to
27 administrative review by the state ~~court~~ board of tax appeals. In the event
28 that a written final determination is not rendered within 270 days, the
29 taxpayer may appeal to the state ~~court~~ board of tax appeals at any time
30 provided that a written extension of time is not in effect.

31 (b) A final determination finding additional tax shall be accompanied
32 by a notice and demand for payment. Notice under this section shall be
33 sent by first-class mail in the case of individual taxpayers and by
34 registered or certified mail in the case of all other taxpayers. The tax shall
35 be paid within 20 days thereafter, together with interest at the rate per
36 month prescribed by subsection (a) of K.S.A. 79-2968, and amendments
37 thereto, on the additional tax from the date the tax was due unless an
38 appeal is taken in the manner provided by K.S.A. 74-2438, and
39 amendments thereto, but no additional tax shall be assessed for less than
40 \$5 unless the secretary or the secretary's designee determines the
41 administration and collection cost involved in collecting an amount over
42 \$5 but less than \$100 would not warrant collection of the amount due.
43 Interest at such rate shall continue to accrue on any additional tax liability

1 during the course of any appeal.

2 Sec. 122. K.S.A. 2013 Supp. 79-3233g is hereby amended to read as
3 follows: 79-3233g. In all cases where the income tax liability exceeds the
4 sum of \$100 including penalties and interest, the secretary shall petition
5 the state ~~court~~ board of tax appeals to abate such income tax liability
6 setting forth the name of the debtor, the year for which the tax is due, and
7 the grounds for abatement as set forth in K.S.A. 79-3233i, and
8 amendments thereto.

9 The state ~~court~~ board of tax appeals may, within 60 days after the
10 petition is filed by the secretary, approve or disapprove the requested
11 abatement. The secretary shall prepare an order abating any tax
12 indebtedness that has been approved by the ~~court~~ board or that has been
13 submitted to and not specifically disapproved by the ~~court~~ board within 60
14 days of the filing of the petition. Notwithstanding any other contrary
15 provision of law, a list of all tax indebtedness abated under the authority of
16 this section shall be filed with the secretary of state and thereafter
17 preserved as a public record.

18 Sec. 123. K.S.A. 2013 Supp. 79-32,193 is hereby amended to read as
19 follows: 79-32,193. (a) The secretary of revenue is hereby authorized and
20 directed to promptly negotiate, approve and recommend judicial approval
21 of a settlement agreement to resolve all tax refund claims pending in the
22 Barker class action for the amounts set forth in subsection (d). As used in
23 this section, "Barker class action" means the consolidated class action
24 styled Keyton E. Barker, et al. v. State of Kansas, et al., Nos. 89-CV-666
25 and 89-CV-1100, filed in the district court of Shawnee county, Kansas. The
26 settlement agreement shall include:

27 (1) Any stipulations, terms and conditions which may be necessary to
28 effectuate the prompt and final disposition of the Barker class action;

29 (2) stipulations that the plaintiffs in the Barker class action shall
30 dismiss, with prejudice, their pending motion for an award of attorney's
31 fees under 42 U.S.C. § 1988, and that class counsel in the Barker class
32 action may submit one or more applications with the district court of
33 Shawnee county, Kansas, for an award of reasonable litigation costs and
34 expenses, including reasonable attorney's fees; and

35 (3) provisions for joint administration under the supervision of the
36 secretary of revenue and class counsel or their respective designees in
37 accordance with methodologies for the calculation and payment of refund
38 claims to eligible persons. The settlement agreement shall be submitted to
39 the district court of Shawnee county, Kansas, no later than June 15, 1994,
40 and such court shall have all necessary jurisdiction to fully implement the
41 provisions of this act.

42 (b) Subject to the provisions of subsection (c), any person who paid
43 Kansas individual income tax on or on account of federal military

1 retirement benefits for any or all of the tax years from 1984 through 1991
2 shall be entitled to receive refund payments in an aggregate amount equal
3 to that portion of the tax actually paid pursuant to the Kansas income tax
4 act which is attributable to federal military retirement benefits, plus
5 interest on the amount of overpayment at the rate of 5% per annum from
6 the date of overpayment through December 31, 1991, in accordance with
7 the terms of the settlement agreement referenced in subsection (a) and the
8 provisions of this act. Refund payments of such aggregate amount shall be
9 made in three equal annual installments. As used in this section, "federal
10 military retirement benefits" shall include all benefits calculated and paid
11 by the United States in accordance with applicable provisions of title 10
12 and 14 of the United States code as retired pay, retainer pay or survivor's
13 benefits. Where any person otherwise entitled to receive a refund payment
14 under this section is deceased, such refund shall be paid upon a claim duly
15 made on behalf of the estate of the deceased or in the absence of any such
16 claim upon a claim by or on behalf of a surviving spouse and if none upon
17 the claim of any heir at law.

18 (c) There is hereby created a military retirees income tax refund fund
19 in the state treasury which shall be administered by the secretary of
20 revenue in accordance with this section and appropriation acts. No
21 expenditures from the military retirees income tax refund fund shall be
22 made until and unless the settlement agreement referenced in subsection
23 (a) is approved by the district court of Shawnee county, Kansas, after
24 eligible persons have been afforded reasonable notice and an opportunity
25 to be heard.

26 (1) In the event of judicial approval, administration of the military
27 retirees income tax refund fund shall be subject to the jurisdiction and
28 supervisory control of the district court of Shawnee county, Kansas, until
29 such time as all refund payments have been made to eligible persons in
30 accordance with the terms of the settlement agreement. The payment of
31 refunds as provided in the settlement agreement shall represent a final and
32 complete settlement of all claims, including any appeal or administrative
33 process perfected pursuant to law for the purpose of obtaining a refund of
34 income tax imposed upon federal military retirement benefits, of all
35 federal military retired personnel for taxable years 1984 through 1991
36 against the state of Kansas, its departments, agencies, officials, employees
37 and agents regarding the taxation of federal military retirement benefits for
38 the taxable years 1984 through 1991. No claim for refund submitted by a
39 federal military retired individual or, if such individual is deceased, on
40 behalf of the estate of the deceased or, in the absence of any such claim,
41 upon a claim by or on behalf of a surviving spouse and, if none, upon the
42 claim of any heir-at-law, after 18 months from the date of judicial approval
43 of the settlement agreement shall be allowed if due diligence has been

1 exercised in attempting to locate any such individual. For so long as the
2 judicial process is active in regard to the settlement agreement described
3 herein, all administrative appeals or related activity by the director of
4 taxation or the state ~~court~~ board of tax appeals concerning claims for
5 refunds of income tax imposed upon federal military retirement benefits
6 for taxable years 1984 through 1991 shall be held in abeyance. Upon final
7 judicial approval of the settlement agreement, all such administrative
8 appeals shall be deemed dismissed with prejudice to all parties.

9 (2) In the event that the settlement agreement does not receive
10 judicial approval, no expenditures or refund payments shall be made
11 pursuant to this section, and all pending administrative appeals or related
12 activities shall proceed in accordance with applicable law.

13 (d) (1) The aggregate amount, including interest thereon as provided
14 by subsection (b), equal to that portion of Kansas individual income tax
15 actually paid by all individuals for any or all of the taxable years 1984
16 through 1991, pursuant to the Kansas income tax act which is attributable
17 to federal military retirement benefits, as calculated and determined
18 pursuant to subsection (b), shall be certified on or before December 15,
19 1994, by the secretary of revenue to the director of accounts and reports.

20 (2) On December 20, 1994, the director of accounts and reports shall
21 transfer the amount equal to $\frac{1}{3}$ of the amount certified pursuant to
22 paragraph (1) from the state budget stabilization fund to the military
23 retirees income tax refund fund. On April 29, 1995, the director of
24 accounts and reports shall transfer the amount equal to $\frac{1}{3}$ of the amount
25 certified pursuant to paragraph (1) from the state general fund to the
26 military retirees income tax refund fund. On June 30, 1995, the director of
27 accounts and reports shall transfer the amount equal to $\frac{1}{3}$ of the amount
28 certified pursuant to paragraph (1) from the state general fund to the
29 military retirees income tax refund fund.

30 (3) Expenditures from the military retirees income tax refund fund
31 shall be made upon warrants of the director of accounts and reports
32 pursuant to vouchers approved by the secretary of revenue or by the
33 secretary's designee in accordance with the settlement agreement
34 referenced in subsection (a) as approved by the district court of Shawnee
35 county, Kansas.

36 (e) If any ~~clause subparagraph~~, paragraph or subsection of this act
37 shall be held invalid or unconstitutional, it shall be conclusively presumed
38 that the legislature would have enacted the remainder of this act without
39 such invalid or unconstitutional ~~clause subparagraph~~, paragraph or
40 subsection.

41 Sec. 124. K.S.A. 2013 Supp. 79-3694 is hereby amended to read as
42 follows: 79-3694. (a) (1) An application for a refund claim that is
43 incomplete, not supported by the required documentation or otherwise

1 fails to meet the requirements specified in K.S.A. 2013 Supp. 79-3693,
2 and amendments thereto, whether submitted to the department or to a
3 retailer, shall not be considered a valid refund claim for the purpose of any
4 of the following:

5 (A) Tolling the statute of limitations provisions of K.S.A. 79-3609,
6 and amendments thereto, except that for any refund application returned to
7 the applicant for failing to meet the requirements of K.S.A. 2013 Supp. 79-
8 3693, and amendments thereto, the applicant shall have 60 days from the
9 date of the department's written notice to file with the department a
10 complete refund application meeting the requirements of K.S.A. 2013
11 Supp. 79-3693, and amendments thereto; or

12 (B) commencing the running of the 120-day provision of subsection
13 (d) of K.S.A. 79-3609, and amendments thereto, for payment of refunds
14 without interest.

15 (2) If an application for a refund claim is incomplete, not supported
16 by the required documentation or otherwise fails to meet the requirements
17 specified in K.S.A. 2013 Supp. 79-3693, and amendments thereto, the
18 substance or merits of the incomplete refund application shall not be
19 reviewed by the department, and the incomplete application shall be
20 returned to the applicant. At the time, the applicant shall be notified in
21 writing of the actions, corrections, information or additional
22 documentation that are needed to complete the application, and that the
23 applicant shall have 60 days from the date of the department's written
24 notice to file a complete refund application satisfying the requirements of
25 K.S.A. 2013 Supp. 79-3693, and amendments thereto. The applicant also
26 shall be provided with a written description of the method by which an
27 informal conference may be requested pursuant to K.S.A. 79-3226, and
28 amendments thereto, to request a review of the determination that the
29 refund application is incomplete. Each review of the department's
30 determination that the taxpayer submitted a refund application that was
31 incomplete, not supported by the required documentation, or otherwise
32 failed to meet the requirements specified in K.S.A. 2013 Supp. 79-3693,
33 and amendments thereto, shall be limited to determining whether the
34 refund application, as originally submitted, complied with the
35 requirements of K.S.A. 2013 Supp. 79-3693, and amendments thereto, by
36 providing sufficient information and documentation to allow the refund
37 application to be verified and processed. If, upon review at the informal
38 conference, it is determined that the refund application failed to meet the
39 requirements specified in K.S.A. 2013 Supp. 79-3693, and amendments
40 thereto, when submitted so that the refund application could not be
41 verified and processed, the applicant shall be required to file a new refund
42 application for the refund being sought.

43 (b) Each application for refund that meets the requirements specified

1 in K.S.A. 2013 Supp. 79-3693, and amendments thereto, so that it can be
2 verified and processed shall be reviewed by the department as a refund
3 claim and its validity determined. Each applicant shall be notified in
4 writing of the department's determination and, if the refund claim is denied
5 in whole or in part, shall be provided with a written description of the
6 method by which an informal conference pursuant to K.S.A. 79-3226, and
7 amendments thereto, may be requested. Each denial of a refund claim by
8 the department shall be final, unless the applicant timely requests an
9 informal conference pursuant to K.S.A. 79-3226, and amendments thereto.
10 Once an informal conference is requested, an informal conference shall be
11 held by the secretary or designee, and a written final determination shall be
12 issued by the secretary or designee, in accordance with K.S.A. 79-3226,
13 and amendments thereto. The written final determination shall constitute a
14 final agency action subject to administrative review by the state ~~court~~
15 *board* of tax appeals, as provided in K.S.A. 74-2438, and amendments
16 thereto.

17 (c) The provisions of this section shall be part of and supplemental to
18 the Kansas retailers' sales tax act.

19 Sec. 125. K.S.A. 2013 Supp. 79-5205 is hereby amended to read as
20 follows: 79-5205. (a) At such time as the director of taxation shall
21 determine that a dealer has not paid the tax as provided by K.S.A. 79-
22 5204, and amendments thereto, the director may immediately assess a tax
23 based on personal knowledge or information available to the director of
24 taxation; mail to the taxpayer at the taxpayer's last known address or serve
25 in person, a written notice of the amount of tax, penalties and interest; and
26 demand its immediate payment. If payment is not immediately made,
27 because collection of every assessment made hereunder is presumed to be
28 in jeopardy due to the nature of the commodity being taxed, the director
29 may immediately collect the tax, penalties and interest in any manner
30 provided by K.S.A. 79-5212, and amendments thereto.

31 (b) The tax, penalties and interest assessed by the director of taxation
32 are presumed to be valid and correctly determined and assessed. The
33 burden is upon the taxpayer to show their incorrectness or invalidity. Any
34 statement filed by the director of taxation with the court or any other
35 certificate by the director of taxation of the amount of tax, penalties and
36 interest determined or assessed is admissible in evidence and is *prima facie*
37 evidence of the facts it contains.

38 (c) In making an assessment pursuant to subsection (a), the director
39 of taxation may consider but shall not be bound by a plea agreement or
40 judicial determination made in any criminal case.

41 (d) Within 15 days after the mailing or personal service of such notice
42 of assessment pursuant to subsection (a), the taxpayer may request an
43 informal conference with the secretary of revenue or the secretary's

1 designee relating to the tax, penalties and interest assessed by filing a
2 written request with the secretary or the secretary's designee. Such written
3 request shall set forth the taxpayer's objections to the assessment. The
4 purpose of such conference shall be to review and reconsider all facts and
5 issues that underlie the assessment. The informal conference shall not
6 constitute an adjudicative proceeding under the Kansas administrative
7 procedure act and the rules of evidence shall not apply. No record of the
8 informal conference shall be made except at the request and expense of the
9 taxpayer. The taxpayer may be represented at the informal conference by
10 an attorney licensed in the state of Kansas. The taxpayer may also present
11 written or verbal information from other persons. The secretary or the
12 secretary's designee may confer at any time with any employee of the
13 department of revenue who has factual information relating to the
14 assessment under reconsideration. The secretary or the secretary's designee
15 shall issue a written final determination within 270 days of the date of the
16 request for informal conference unless the parties agree in writing to
17 extend the time for issuing such final determination. A final determination
18 issued within or after 270 days, with or without extension, constitutes final
19 agency action subject to administrative review by the state ~~court~~ board of
20 tax appeals pursuant to K.S.A. 74-2438, and amendments thereto. In the
21 event that a written final determination is not rendered within 270 days or
22 within an agreed extension, the taxpayer may appeal the assessment to the
23 state ~~court~~ board of tax appeals within 30 days after the expiration date of
24 the 270 days or agreed extension. A taxpayer's request for an informal
25 conference shall not stay the collection of the assessment but shall stay the
26 sale of real or personal property, or the disposal of firearms, seized
27 pursuant to K.S.A. 79-5212, and amendments thereto, until the final
28 determination is made by the secretary or the secretary's designee. A
29 taxpayer's appeal to the state ~~court~~ board of tax appeals shall not stay the
30 collection of the assessment but shall stay the sale of real or personal
31 property seized pursuant to K.S.A. 79-5212, and amendments thereto, until
32 a decision is rendered by the state ~~court~~ board of tax appeals.

33 Sec. 126. K.S.A. 2013 Supp. 80-119 is hereby amended to read as
34 follows: 80-119. Whenever no-fund warrants are issued under the
35 authority of this act the township board shall make a tax levy or levies
36 sufficient to pay such warrants and the interest thereon. Such warrants may
37 mature serially at such yearly dates as to be payable by not more than five
38 tax levies. Such warrants shall be issued, registered, redeemed and bear
39 interest in the manner and be in the form prescribed by K.S.A. 79-2940,
40 and amendments thereto, except they shall not bear the notation required
41 by such section and may be issued without the approval of the state ~~court~~
42 board of tax appeals.

43 Sec. 127. K.S.A. 2013 Supp. 80-808 is hereby amended to read as

1 follows: 80-808. The township board of any township which maintains and
2 operates a township library which is known as a Carnegie library is hereby
3 authorized and empowered to issue no-fund warrants in an amount not
4 exceeding \$4,000 for the purpose of providing funds for the repair and
5 reconstruction of the Carnegie library building of such township.
6 Whenever any township board shall issue warrants under the provisions of
7 this section, such board shall make a tax levy at the first tax levying period
8 after such warrants are issued sufficient to pay the same and the interest
9 thereon. If the township board deems it advisable not to make all of such
10 levy in any one year, then such township board may make an annual tax
11 levy at not more than the next three tax levying periods occurring after the
12 issuance of such warrants, the total of which levies shall be sufficient to
13 pay such warrants and the interest thereon. The warrants shall be issued,
14 registered, redeemed and bear interest in the manner and be in the form
15 prescribed by K.S.A. 79-2940, and amendments thereto, except that such
16 warrants shall not bear the notation required by K.S.A. 79-2940, and
17 amendments thereto, and may be issued without the approval of the state
18 ~~county~~ board of tax appeals, and any surplus existing after the issuance of
19 such warrants shall be handled in the manner prescribed by K.S.A. 79-
20 2940, and amendments thereto. Such township board is hereby authorized
21 and empowered to expend all moneys raised by no-fund warrants issued
22 under the provisions of this section although such expenditures were not
23 included in the budget for the year in which such warrants were issued.

24 Sec. 128. K.S.A. 2013 Supp. 80-1920 is hereby amended to read as
25 follows: 80-1920. Subject to the provisions of K.S.A. 19-270, and
26 amendments thereto, and upon the presentation of such petition, the
27 township board of any such township shall create a township fire
28 department. Such township board is hereby authorized and empowered to
29 purchase fire-fighting equipment for the use of the fire department and to
30 provide buildings for the housing and storage of the same. For the purpose
31 of raising funds to pay the cost of such equipment and housing facilities,
32 the township board is hereby empowered to issue no-fund warrants in an
33 amount not exceeding \$12,000. After the issuance of such no-fund
34 warrants, the township board shall make a tax levy at the first tax-levying
35 period after such warrants are issued, sufficient to pay such warrants and
36 the interest thereon. In lieu of making only one tax levy, such board, if it
37 deems it advisable, may make a tax levy each year for not to exceed five
38 years in approximately equal installments for the purpose of paying the
39 warrants and the interest thereon.

40 Such warrants shall be issued, registered, redeemed and bear interest in
41 the manner and be in the form prescribed by K.S.A. 79-2940, and
42 amendments thereto, except they shall not bear the notation required
43 therein and may be issued without the approval of the state ~~county~~ board of

1 tax appeals. Any surplus existing after the redemption of the warrants shall
2 be handled in the manner prescribed by K.S.A. 79-2940, and amendments
3 thereto. None of the provisions of the cash-basis and budget laws of this
4 state shall apply to any expenditures made, the payment of which has been
5 provided for by the issuance of such no-fund warrants.

6 Sec. 129. K.S.A. 2013 Supp. 82a-1030 is hereby amended to read as
7 follows: 82a-1030. (a) In order to finance the operations of the district, the
8 board may assess an annual water user charge against every person who
9 withdraws groundwater from within the boundaries of the district. The
10 board shall base such charge upon the amount of groundwater allocated for
11 such person's use pursuant to such person's water right. Such charge shall
12 not exceed \$1 for each acre-foot (325,851 gallons) of groundwater
13 withdrawn within the district or allocated by the water right, except that a
14 groundwater management district may assess a greater annual water user
15 charge not exceeding \$1.50 for each acre-foot of groundwater withdrawn
16 within the district if more than 50% of the authorized place of use for such
17 groundwater is outside the district. Whenever a person shows by the
18 submission to the board of a verified claim and any supportive data which
19 may be required by the board that such person's actual annual groundwater
20 withdrawal is in a lesser amount than that allocated by the water right of
21 such person, the board shall assess such annual charge against such person
22 on the amount of water shown to be withdrawn by the verified claim. Any
23 such claim shall be submitted by April 1 of the year in which such annual
24 charge is to be assessed. The board may also make an annual assessment
25 against each landowner of not to exceed \$.05 for each acre of land owned
26 within the boundaries of the district. Special assessments may also be
27 levied, as provided hereafter, against land specially benefited by a capital
28 improvement without regard to the limits prescribed above.

29 (b) Before any assessment is made, or user charge imposed, the board
30 shall submit the proposed budget for the ensuing year to the eligible voters
31 of the district at a hearing called for that purpose by one publication in a
32 newspaper or newspapers of general circulation within the district at least
33 28 days prior to the meeting. Following the hearing, the board shall, by
34 resolution, adopt either the proposed budget or a modified budget and
35 determine the amount of land assessment or user charge, or both, needed to
36 support such budget.

37 (c) Both the user charges assessed for groundwater withdrawn and the
38 assessments against lands within the district shall be certified to the proper
39 county clerks and collected the same as other taxes in accordance with
40 K.S.A. 79-1801, and amendments thereto, and the amount thereof shall
41 attach to the real property involved as a lien in accordance with K.S.A. 79-
42 1804, and amendments thereto. All moneys so collected shall be remitted
43 by the county treasurer to the treasurer of the groundwater management

1 district who shall deposit them to the credit of the general fund of the
2 district. The accounts of each groundwater management district shall be
3 audited annually by a public accountant or certified public accountant.

4 (d) Subsequent to the certification of approval of the organization of a
5 district by the secretary of state and the election of a board of directors for
6 such district, such board shall be authorized to issue no-fund warrants in
7 amounts sufficient to meet the operating expenses of the district until
8 money therefor becomes available pursuant to user charges or assessments
9 under subsection (a). In no case shall the amount of any such issuance be
10 in excess of 20% of the total amount of money receivable from
11 assessments which could be levied in any one year as provided in
12 subsection (a). No such warrants shall be issued until a resolution
13 authorizing the same shall have been adopted by the board and published
14 once in a newspaper having a general circulation in each county within the
15 boundaries of the district. Whereupon such warrants may be issued unless
16 a petition in opposition to the same, signed by not less than 10% of the
17 eligible voters of such district and in no case by less than 20 of the eligible
18 voters of such district, is filed with the county clerk of each of the counties
19 in such district within 10 days following such publication. In the event
20 such a petition is filed, it shall be the duty of the board of such district to
21 submit the question to the eligible voters at an election called for such
22 purpose. Such election shall be noticed and conducted as provided by
23 K.S.A. 82a-1031, and amendments thereto.

24 Whenever no-fund warrants are issued under the authority of this
25 subsection, the board of directors of such district shall make an assessment
26 each year for three years in approximately equal installments for the
27 purpose of paying such warrants and the interest thereon. All such
28 assessments shall be in addition to all other assessments authorized or
29 limited by law. Such warrants shall be issued, registered, redeemed and
30 bear interest in the manner and in the form prescribed by K.S.A. 79-2940,
31 and amendments thereto, except they shall not bear the notation required
32 by said statute and may be issued without the approval of the state ~~court~~
33 *board* of tax appeals. Any surplus existing after the redemption of such
34 warrants shall be handled in the manner prescribed by K.S.A. 79-2940,
35 and amendments thereto.

36 Sec. 130. K.S.A. 79-505 and K.S.A. 2013 Supp. 2-131e, 9-1402, 12-
37 110a, 12-631, 12-1664, 12-16,109, 12-1737, 12-1742, 12-1744a, 12-
38 1744b, 12-1744c, 12-1744d, 12-1755, 12-1934, 12-3206, 12-3805, 14-
39 1060, 17-1374, 19-236, 19-431, 19-15,103, 19-15,106, 19-15,116, 19-
40 15,123, 19-2106f, 19-2653, 19-2752a, 19-3554, 19-4420, 19-4442, 20-
41 356, 20-363, 20-626, 24-133, 24-665, 24-1219, 31-144, 38-549, 68-151n,
42 72-4142, 72-6441, 72-6443, 72-6451, 72-8203b, 74-2426, 74-2433, 74-
43 2433a, 74-2433b, 74-2433c, 74-2433d, 74-2433e, 74-2433f, 74-2433g, 74-

1 2434, 74-2435, 74-2436, 74-2437, 74-2437a, 74-2437b, 74-2438, 74-
2 2438a, 74-2439, 74-2442, 74-2447, 74-4911f, 75-430, 75-37,121, 75-4201,
3 75-5104, 75-5107, 75-5121, 75-5161, 77-514, 77-529, 79-210, 79-213, 79-
4 213a, 79-213d, 79-332a, 79-425a, 79-5a27, 79-6a14, 79-1404a, 79-1409,
5 79-1410, 79-1413a, 79-1422, 79-1426, 79-1427a, 79-1437f, 79-1448, 79-
6 1460, 79-1476, 79-1478, 79-1478a, 79-1479, 79-1481, 79-1489, 79-1609,
7 79-1611, 79-1701, 79-1702, 79-1703, 79-1704, 79-1964a, 79-1964b, 79-
8 2004, 79-2004a, 79-2005, 79-2416d, 79-2925a, 79-2938, 79-2939, 79-
9 2940, 79-2941, 79-2951, 79-2977, 79-3107c, 79-3221, 79-3226, 79-3233g,
10 79-32,193, 79-3694, 79-5205, 80-119, 80-808, 80-1920 and 82a-1030 are
11 hereby repealed.

12 Sec. 131. This act shall take effect and be in force from and after its
13 publication in the statute book.