

STATE OF KANSAS

SENATE CHAMBER

MADAM PRESIDENT:

I move to amend **Substitute for SB 171**, on page 50, following line 42, by inserting:

"New Sec. 61. (a) Whenever a statute requires or otherwise provides for an election on the issue of:

(1) Levying or increasing the levy of any tax; or

(2) authorizing the issuance of bonds by any municipality, the elections shall be held at the next regularly scheduled primary or general election.

(b) "Municipality" shall mean any city, county or school district.

Sec. 62. K.S.A. 10-120 is hereby amended to read as follows: 10-120. (a) Whenever an election is required for the issuance of bonds for any purpose by any municipality other than an irrigation district or where a different procedure for giving notice of the election is specifically provided by law, upon compliance with the legal requirements necessary and precedent to the call for the election, the proper municipal officers shall call an election. The election shall be held ~~within 45 days after compliance with the necessary requirements, or within 90 days, should the longer period include the date of a~~ at the next primary or general election which permits the notice requirements of subsection (b) to be met.

(b) Notice of the election shall be published in a newspaper of general circulation in the municipality once each week for two consecutive weeks. The first publication shall be not less than 21 days prior to the election. The notice shall set forth the time and place of holding the election and the purpose for which the bonds are to be issued and shall be signed by the county election officer. The election shall be held at the usual place of holding elections and shall be conducted by the officers or

persons provided by law for holding elections in the municipality.

Sec. 63. K.S.A. 12-138 is hereby amended to read as follows: 12-138. Any city election called under the provisions of this act shall be called ~~within 30 days and held within 90 days~~ after the filing of a petition demanding such election, or after the publication of an ordinance authorizing a levy for which an election is called without petition. The governing body shall pass an ordinance calling the election and fixing the date, ~~which at the next regular primary or general election and such~~ ordinance shall be published once in the official city newspaper. The sufficiency of the number of signers of any petition filed under the provisions of this act shall be determined by the county election officer. Every election held under the provisions of this act shall be conducted by the county election officer. The county election officer shall publish a notice of such election once each week for two consecutive weeks in the official city newspaper, the first publication to be not less than 21 days prior to such election. The notice shall state the time of the election and the proposition which shall appear on the ballot. The proposition shall be: "Shall revenue ordinance No. \_\_\_\_\_, entitled (title of ordinance) take effect?"

Sec. 64. K.S.A. 12-6a15 is hereby amended to read as follows: 12-6a15. The governing body of any city proposing to issue general obligation bonds of the city for payment of any portion of the costs of any improvement authorized by this act may by resolution submit the question of issuing such bonds ~~at a general or special~~ an election called for that purpose under the provisions of K.S.A. 10-120, and amendments thereto, and if such election be called, no such bonds shall be issued ~~until and~~ unless a majority of the electors voting on the proposition shall have given their approval to the issuance of ~~such~~ the bonds.

Sec. 65. K.S.A. 2014 Supp. 12-1737 is hereby amended to read as follows: 12-1737. The governing body of any city may, for the purposes hereinbefore authorized and provided:

- (a) Receive and expend gifts;

- (b) receive and expend grants-in-aid of state or federal funds;
- (c) issue bonds of the city;
- (d) levy an annual tax of not more than ~~one mill for any city of the first class and not more than two mills for any city of the second or third class~~, which tax levy may be made for a period not exceeding 10 years upon all taxable tangible property in such city for the purpose of creating a building fund to be used for the purposes herein provided and to pay a portion of the principal and interest on bonds issued by such city under the authority of K.S.A. 12-1774, and amendments thereto;
- (e) issue no-fund warrants;
- (f) use moneys from the general operating fund or other appropriate budgeted fund when available;
- (g) use moneys received from the sale of public buildings or buildings and sites; or
- (h) combine any two or more of such methods of financing for the purposes herein authorized except that cities shall first use funds received from the payment of insurance claims for damages sustained by any such public building before resorting to methods of financing herein authorized.

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

When an election upon the issuance of bonds is required, the question of the issuance of such bonds shall be submitted to a vote of the qualified electors of the city at a ~~regular city~~ primary or general election ~~or at a special election called for that purpose~~. No such bonds shall be issued unless a majority of those voting on the question vote in favor of the issuance of the bonds. The bond election shall be called and held and the bonds shall be issued in accordance with the provisions of the general bond law. No levies shall be made for the purpose of creating a building fund under the provisions of this act until a resolution authorizing the making of such levies is adopted by the governing body of the

city. Such resolution shall state the specific purpose for which the tax levy is made, the total amount proposed to be raised and the number of years the tax levy shall be made. The resolution shall be published once each week for two consecutive weeks in the official city paper. After publication, the levies may be made unless a petition requesting an election upon the question of whether to make the levies is filed in accordance with this section. Such petition shall be signed by electors equal in number to not less than 10% of the electors who voted at the last preceding regular city election as shown by the poll books, is filed with the city clerk of such city within 60 days following the last publication of the resolution. If a valid petition is filed, the governing body shall submit the question to the voters at an election called for that purpose or at the next regular ~~city~~ primary or general election.

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

No-fund warrants issued under the authority of this act shall be issued in the manner and form and bear interest and be redeemed as prescribed by K.S.A. 79-2940, and amendments thereto, except

that they may be issued without the approval of the state board of tax appeals and without the notation required by K.S.A. 79-2940, and amendments thereto. The governing body of the city issuing such warrants shall levy a tax for the first tax levying period after such warrants are issued, sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized or limited by law, and none of the tax limitations provided by article 19 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, shall apply to such levies.

Sec. 66. K.S.A. 19-117 is hereby amended to read as follows: 19-117. (a) Where the board of county commissioners of any county by resolution proposes to levy for revenue purposes any tax, excise, fee, charge or other exaction other than permit fees or license fees for regulatory purposes, a procedure for the levy of which is not otherwise prescribed by enactment of the legislature, such resolution shall require a ~~two-thirds~~  $(\frac{2}{3})$   $\frac{2}{3}$  vote of the members of the board and shall be published once each week for two ~~(2)~~ consecutive weeks in the official county newspaper.

No such resolution shall take effect until ~~sixty (60)~~ 60 days after its final publication, and if within ~~sixty (60)~~ 60 days of its final publication a petition signed by not less than ~~five percent (5%)~~ 5% of the qualified electors of the county shall be filed with the county election officer demanding that such resolution be submitted to a vote of the electors, it shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon. The board of county commissioners of any county may submit any resolution providing for such levy to a referendum without petition. Resolutions authorizing such levies submitted to referendum without petition may be passed by a majority vote of the board of county commissioners and shall be published once in the official county newspaper.

(b) Any county election called under the provisions of this act shall be ~~called within thirty (30) days and held within ninety (90) days~~ at the next primary or general election after the filing of a petition demanding such election. The board of county commissioners shall pass a resolution calling

the election and fixing the date, which resolution shall be published once in the official county newspaper. The sufficiency of the number of signers of any petition filed under this act shall be determined by the county election officer. Every election held under this act shall be conducted by the county election officer. The county election officer shall publish a notice of such election once each week for three~~(3)~~ consecutive weeks in the official county newspaper, the first publication to be not less than ~~twenty-one (21)~~ 21 days prior to such election. ~~Said~~ The notice shall state the time of the election and the proposition which shall appear on the ballot. The proposition shall be: "Shall revenue resolution No. \_\_\_\_\_ entitled (title of resolution) take effect?"

(c) The board of county commissioners shall be required to submit to a referendum the question of levying any tax or other revenue measure, authorized by the provisions of this act or other enactment referring to this act, upon the receipt of a petition signed by not less than ~~five percent (5%)~~ 5% of the qualified electors of such county, or upon receiving resolutions requesting such an election passed by the governing body of each of one or more cities within such county which contains a population of not less than ~~twenty-five percent (25%)~~ 25% of the entire population of the county. If a majority of the electors voting thereon at such election shall approve the proposed tax or other revenue measure, the board of county commissioners of such county shall then provide by resolution for the levy of such tax or other revenue measure. An election held under the provisions of this section shall be scheduled and conducted in the same manner as if a resolution was being submitted to the electors, except that the proposition shall state the nature of the tax or revenue measure, the proposed rate and the date it would take effect.

(d) Any county tax or other revenue measure adopted under the provisions of this section shall continue in effect until amended or repealed by a resolution of the board of county commissioners which has also been adopted under the provisions of this section.

Sec. 67. K.S.A. 2014 Supp. 19-15,116 is hereby amended to read as follows: 19-15,116. The

board of county commissioners of any county may for the purposes ~~hereinbefore~~ authorized and provided:

(a) Receive and expend gifts;

(b) receive and expend grants-in-aid of state or federal funds;

(c) issue general obligation bonds of the county. If it is determined that it is necessary to issue more than \$300,000 in general obligation bonds for the purposes ~~hereinbefore~~ authorized, such bonds shall not be issued until the question of their issuance has been submitted to a vote of the qualified electors of the county and has been approved by a majority of those voting thereon at a primary or general election ~~or at a special election called for that purpose~~. Such election shall be called and held and bonds issued in the manner provided by the general bond law;

(d) make an annual tax levy of not to exceed one mill for a period of not to exceed 10 years upon all taxable tangible property in the county for the purpose of creating a building fund to be used for the purposes herein provided and to pay a portion of the principal and interest on bonds issued under the authority of K.S.A. 12-1774, and amendments thereto, by cities located in the county, except that no such levies shall be made until a resolution authorizing the same shall be adopted by the board of county commissioners stating the specific purpose for which such fund is created, the total amount proposed to be raised, the number of years such tax levy shall be made and shall be published once each week for three consecutive weeks in the official county newspaper. Whereupon such levies may be made unless a petition requesting an election upon the proposition, signed by electors equal in number to not less than 10% of the electors of the county who voted for the secretary of state at the last preceding general election, is filed with the county clerk within 30 days following the last publication of such resolution. In the event such petition is filed, the board of county commissioners shall submit the question to the voters at ~~an~~ the next primary or general election ~~called for that purpose and held within 90 days after the last publication of the resolution or at the next general election if held within~~

~~that time and~~. No such levies shall be made unless ~~such~~ the proposition shall receive the approval of a majority of the votes cast thereon. Such election shall be called and held in the manner provided in the general bond law. Such building fund may be used for the purposes stated in the resolution establishing the same at any time after the making of the second levy and if there are insufficient moneys in the building fund for such purpose the board of county commissioners may, in the manner provided by the general bond law of the state issue general obligation bonds of the county in an amount which together with the amount raised by the tax levies will not exceed the total amount stated in the resolution creating such fund. All levies authorized under the provisions of this section shall be in addition to and not limited by any other act authorizing or limiting the tax levies of such counties. Counties are hereby authorized to invest any portion of the special building fund which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the special building fund, except that the board of county commissioners of any county which has heretofore established a building fund under the provisions of this act may, if it shall find that the amount of the fund as originally established is insufficient for such purposes, by resolution redetermine and increase the amount necessary to be raised for the purpose for which such fund was originally created and may make or continue to make an annual tax levy of not to exceed one mill upon all of the taxable tangible property of the county for the purpose of providing the additional funds contemplated by the supplemental resolution and to pay a portion of the principal and interest on bonds issued under the authority of K.S.A. 12-1774, and amendments thereto, by cities located in the county. Such supplemental resolution shall be published and shall be subject to petition for election and become effective in like manner as that provided for the original resolution;

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

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

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

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

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

Sec. 68. K.S.A. 68-438 is hereby amended to read as follows: 68-438. The governing body of any city may submit the question of issuing general obligation bonds of the city as authorized by K.S.A. 68-437, and amendments thereto, to the electors at ~~an~~ a primary or general election ~~called by the governing body at any time and held thereon~~. The governing body shall submit such question upon submission of a petition signed by not less than 10% of the qualified electors of the city.

Sec. 69. K.S.A. 2014 Supp. 72-6433 is hereby amended to read as follows: 72-6433. (a) As

used in this section:

(1) "State prescribed percentage" means 33% of state financial aid of the district in the current school year.

(2) "Authorized to adopt a local option budget" means that a district has adopted a resolution pursuant to subsection (c), (d) or (e).

(3) "State financial aid" shall have the meaning provided in K.S.A. 72-6410, and amendments thereto, except that the term shall not include virtual school state aid, as described in K.S.A. 72-3715, and amendments thereto.

(b) In each school year, the board of any district may adopt a local option budget which does not exceed the state prescribed percentage.

(c) Subject to the limitation of subsection (b), in each school year, the board of any district may adopt, by resolution, a local option budget in an amount not to exceed:

(1) (A) The amount which the board was authorized to adopt in accordance with the provisions of this section in effect prior to its amendment by this act; plus

(B) the amount which the board was authorized to adopt pursuant to any resolution currently in effect; plus

(C) the amount which the board was authorized to adopt pursuant to K.S.A. 72-6444, and amendments thereto, if applicable to the district; or

(2) the state-wide average for the preceding school year as determined by the state board pursuant to subsection (k).

Except as provided by subsection (e), the adoption of a resolution pursuant to this subsection shall require a majority vote of the members of the board. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.

(d) Except as provided by subsection (e), if the board of a district desires to increase its local

option budget authority above the amount authorized under subsection (c) or if the board was not authorized to adopt a local option budget in 2006-2007, the board may adopt, by resolution, such budget in an amount not to exceed the state prescribed percentage. The adoption of a resolution pursuant to this subsection shall require a majority vote of the members of the board. The resolution shall be published at least once in a newspaper having general circulation in the district. The resolution shall be published in substantial compliance with the following form:

Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas.

**RESOLUTION**

Be It Resolved that:

The board of education of the above-named school district shall be authorized to adopt a local option budget in each school year in an amount not to exceed \_\_\_\_% of the amount of state financial aid. The local option budget authorized by this resolution may be adopted, unless a petition in opposition to the same, signed by not less than 5% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 30 days after publication of this resolution. If a petition is filed, the county election officer shall submit the question of whether adoption of the local option budget shall be authorized to the electors of the school district at an election called for the purpose or at the next general election, as is specified by the board of education of the school district.

**CERTIFICATE**

This is to certify that the above resolution was duly adopted by the board of education of unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Clerk of the board of education.

All of the blanks in the resolution shall be filled as is appropriate. If a sufficient petition is not filed, the board may adopt a local option budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local option budget shall be authorized. Any such election shall be noticed, called and

held in the manner provided by K.S.A. 10-120, and amendments thereto. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

(e) (1) Except as provided by paragraphs (2) and (3), any resolution authorizing the adoption of a local option budget in excess of 30% of the state financial aid of the district in the current school year shall not become effective unless such resolution has been submitted to and approved by a majority of the qualified electors of the school district voting at ~~an~~ a primary or general election ~~called and held thereon~~. The election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto, ~~except that such election shall be a mail ballot election conducted in accordance with K.S.A. 25-431 et seq., and amendments thereto. Any such election shall be held on or before August 1 of the initial school year for which such resolution was adopted.~~

(2) For school year 2014-2015, any board of education of a school district which has adopted a local option budget in excess of 30% of state financial aid in the current school year on or before June 30, 2014, may adopt a second resolution in an amount not to exceed 2% of state financial aid, provided that the aggregate local option budget authority for the district does not exceed 33% of state financial aid in the current school year. The adoption of a second resolution pursuant to this paragraph shall require a majority vote of the members of the board and shall specifically state in such resolution that it shall expire on June 30, 2015. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.

(3) The board of unified school district no. 207, as described in K.S.A. 72-5333b, and amendments thereto, may adopt a local option budget in excess of 30% of state financial aid of the district in the current school year in accordance with subsection (d).

(f) Unless specifically stated otherwise in the resolution, the authority to adopt a local option

budget shall be continuous and permanent. The board of any district which is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any district whose authority to adopt a local option budget is not continuous and permanent refrains from adopting a local option budget, the authority of such district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget.

(g) The board of any district may initiate procedures to renew or increase the authority to adopt a local option budget at any time during a school year after the tax levied pursuant to K.S.A. 72-6435, and amendments thereto, is certified to the county clerk under any existing authorization.

(h) The board of any district that is authorized to adopt a local option budget prior to the effective date of this act under a resolution which authorized the adoption of such budget in accordance with the provisions of this section in effect prior to its amendment by this act may continue to operate under such resolution for the period of time specified in the resolution or may abandon the resolution and operate under the provisions of this section as amended by this act. Any such district shall operate under the provisions of this section as amended by this act after the period of time specified in the resolution has expired.

(i) Any resolution adopted pursuant to this section may revoke or repeal any resolution previously adopted by the board. If the resolution does not revoke or repeal previously adopted resolutions, all resolutions which are in effect shall expire on the same date. The maximum amount of the local option budget of a school district under all resolutions in effect shall not exceed the state prescribed percentage in any school year.

(j) (1) There is hereby established in every district that adopts a local option budget a fund which shall be called the supplemental general fund. The fund shall consist of all amounts deposited therein or credited thereto according to law.

(2) Subject to the limitation imposed under paragraph (3) and ~~subsection (e)~~ of K.S.A. 72-6434(e), and amendments thereto, amounts in the supplemental general fund may be expended for any purpose for which expenditures from the general fund are authorized or may be transferred to any program weighted fund or categorical fund of the district. Amounts in the supplemental general fund attributable to any percentage over 25% of state financial aid determined for the current school year may be transferred to the capital improvements fund of the district and the capital outlay fund of the district if such transfers are specified in the resolution authorizing the adoption of a local option budget in excess of 25%.

(3) Amounts in the supplemental general fund may not be expended for the purpose of making payments under any lease-purchase agreement involving the acquisition of land or buildings which is entered into pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

(4) (A) Except as provided in paragraph (B), any unexpended budget remaining in the supplemental general fund of a district at the conclusion of any school year in which a local option budget is adopted shall be maintained in such fund.

(B) If the district received supplemental general state aid in the school year, the state board shall determine the ratio of the amount of supplemental general state aid received to the amount of the local option budget of the district for the school year and multiply the total amount of the unexpended budget remaining by such ratio. An amount equal to the amount of the product shall be transferred to the general fund of the district or remitted to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury to the credit of the state school district finance fund.

(k) Each year the state board of education shall determine the statewide average percentage of local option budgets legally adopted by school districts for the preceding school year.

(l) The provisions of this section shall be subject to the provisions of K.S.A. 2014 Supp. 72-

6433d, and amendments thereto.";

Also on page 50, in line 43, after "2-623," by inserting "10-120, 12-138, 12-6a15,";

On page 51, in line 8, after "13-1221," by inserting "19-117,"; in line 11, after "25-3503," by inserting "68-438,"; in line 13, after "2-624," by inserting "12-1737, 19-15,116,"; in line 15, by striking "and" and inserting a comma; also in line 15, after "42-706" by inserting "and 72-6433";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "2-623," by inserting "10-120, 12-138, 12-6a15,"; also in in line 2, after "13-1221," by inserting "19-117,"; in line 6, after "25-3503," by inserting "68-438,"; in line 8, after "2-624," by inserting "12-1737, 19-15,116,"; in line 10, by striking the first "and" and inserting a comma; also in line 10, after "42-706" by inserting "and 72-6433"

Senator \_\_\_\_\_