

## 2021 Kansas Statutes

**19-2752a. Issuance of no-fund warrants for additional revenue subsequent to bond election for sewer system and disposal plant; limitation; approval of state board of tax appeals; procedure.** That whenever a main sewer district has been established under the provisions of K.S.A. 19-2731 to 19-2752, both sections inclusive, and amendments thereto, and the question of the issuance of bonds for the purpose of providing revenue to be used to construct a main trunk sewer system with sewage disposal plant and all appurtenances thereto has been submitted to the qualified electors of such main sewer district and at least 65% of the persons voting on such question shall have voted in favor of the issuance of said bonds in the amount stated on the ballot, and after such election the governing body of such main sewer district was unable to immediately commence work on the construction of the main trunk sewer system and sewage disposal plant and appurtenances because of a shortage of necessary materials and labor and, as a result of such delay, the prices of materials and labor needed for such construction and appurtenances have increased to such an extent that the original amount of bonds voted will not provide sufficient revenue to meet the total cost of such improvements and appurtenances, and the governing body of such main sewer district shall have adopted a resolution declaring such conditions to exist, then the governing body of such main sewer district is hereby authorized and empowered to issue no-fund warrants of such main sewer district in an amount not exceeding six percent of the total amount of bonds authorized by the vote of the electors of such main sewer district, and the revenue derived from the issuance of such warrants may be used by the governing body of such main sewer district to provide additional funds to be used in paying the cost of constructing a main trunk sewer system with sewage disposal plant and all appurtenances thereto, except that no warrants shall be issued under the authority conferred by this act unless, and until, an application shall have been filed with the state board of tax appeals requesting such board to authorize the issuance of such warrants and the board shall enter its order under its seal authorizing the issuance of the same.

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

Any taxpayer interested may file a written protest against such application. When the authority to issue warrants under this section is granted to a main sewer district, the governing body of such main sewer district 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, except that in lieu of making only one tax levy, the governing body, if it deems it advisable, may make a tax levy once each year for not to exceed three years, in approximately equal installments, sufficient to pay such warrants and the interest thereon. Such tax levies shall be in addition to all other tax levies authorized or limited by law. All warrants issued under the authority conferred by this act shall be issued, bear interest, be in the form, registered and redeemed in the manner prescribed in K.S.A. 79-2940, and amendments thereto, and any surplus existing after the redemption of such warrants shall be handled in the manner prescribed in K.S.A. 79-2940, and amendments thereto.

**History:** L. 1947, ch. 210, § 1; L. 2008, ch. 109, § 47; L. 2014, ch. 141, § 41; July 1.