

## House Substitute for SENATE BILL No. 231

By Committee on Taxation

3-17

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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, timing of decisions, public policy determinations,  
4 filing fees, salaries; property tax delinquencies, interest; amending  
5 K.S.A. 79-505 and K.S.A. 2013 Supp. 2-131e, 9-1402, 12-110a, 12-  
6 631, 12-1664, 12-16,109, 12-1737, 12-1742, 12-1744a, 12-1744b, 12-  
7 1744c, 12-1744d, 12-1755, 12-1934, 12-3206, 12-3805, 14-1060, 17-  
8 1374, 19-236, 19-431, 19-15,103, 19-15,106, 19-15,116, 19-15,123, 19-  
9 2106f, 19-2653, 19-2752a, 19-3554, 19-4420, 19-4442, 20-356, 20-  
10 363, 20-626, 24-133, 24-665, 24-1219, 31-144, 38-549, 68-151n, 72-  
11 4142, 72-6441, 72-6443, 72-6451, 72-8203b, 74-2426, 74-2433, 74-  
12 2433a, 74-2433b, 74-2433c, 74-2433d, 74-2433e, 74-2433f, 74-2433g,  
13 74-2434, 74-2435, 74-2436, 74-2437, 74-2437a, 74-2437b, 74-2438,  
14 74-2438a, 74-2439, 74-2442, 74-2447, 74-4911f, 75-430, 75-37,121,  
15 75-4201, 75-5104, 75-5107, 75-5121, 75-5161, 77-514, 77-529, 79-  
16 210, 79-213, 79-213a, 79-213d, 79-332a, 79-425a, 79-5a27, 79-6a14,  
17 79-1404a, 79-1409, 79-1410, 79-1413a, 79-1422, 79-1426, 79-1427a,  
18 79-1437f, 79-1448, 79-1460, 79-1476, 79-1478, 79-1478a, 79-1479,  
19 79-1481, 79-1489, 79-1609, 79-1611, 79-1701, 79-1702, 79-1703, 79-  
20 1704, 79-1964a, 79-1964b, 79-2004, 79-2004a, 79-2005, 79-2416d, 79-  
21 2925a, 79-2938, 79-2939, 79-2940, 79-2941, 79-2951, 79-2977, 79-  
22 3107c, 79-3221, 79-3226, 79-3233g, 79-32,193, 79-3694, 79-5205, 80-  
23 119, 80-808, 80-1920 and 82a-1030 and repealing the existing sections.

24

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

26

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  
unless this period is waived or extended with the written consent of all

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

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

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

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

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

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

30 (4) (A) *Any aggrieved person has the right to appeal any final order*  
31 *of the board issued after May 2, 2012, including any matter pending*  
32 *before the court of appeals as of July 1, 2014, by filing a petition with the*  
33 *court of appeals or the district court, in which event, the aggrieved person*  
34 *may dismiss the matter pending before the court of appeals. Any appeal to*  
35 *the district court shall be a trial de novo.*

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 by the governor for cause, after~~  
32 *public hearing conducted in accordance with the provisions of the Kansas*  
33 *administrative procedure act*.

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

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

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

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

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

37 Sec. 3. K.S.A. 2013 Supp. 74-2433f is hereby amended to read as  
38 follows: 74-2433f. (a) There shall be a division of the state ~~court~~ board of  
39 tax appeals known as the small claims and expedited hearings division.  
40 Hearing officers appointed by the chief hearing officer shall have authority  
41 to hear and decide cases heard in the small claims and expedited hearings  
42 division. *The chief hearing officer shall not appoint as a hearing officer*  
43 *any person employed by the board, including, but not limited to, any*

1 *person employed by the board as an attorney.*

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

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

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

40 (e) A taxpayer shall commence a proceeding in the small claims and  
41 expedited hearings division by filing a notice of appeal in the form  
42 prescribed by the rules of the state ~~court~~ board of tax appeals which shall  
43 state the nature of the taxpayer's claim. *The notice of appeal may be signed*

1 *by the taxpayer, any person with an executed declaration of representative*  
2 *form from the property valuation division of the department of revenue or*  
3 *any person authorized to represent the taxpayer in subsection (f).* Notice of  
4 appeal shall be provided to the appropriate unit of government named in  
5 the notice of appeal by the taxpayer. In any valuation appeal or tax protest  
6 commenced pursuant to articles 14 and 20 of chapter 79 of the Kansas  
7 Statutes Annotated, and amendments thereto, the hearing shall be  
8 conducted in the county where the property is located or a county adjacent  
9 thereto. In any appeal from a final determination by the secretary of  
10 revenue, the hearing shall be conducted in the county in which the  
11 taxpayer resides or a county adjacent thereto.

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

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

37 (h) With regard to any matter properly submitted to the division  
38 relating to the determination of valuation of property for taxation purposes,  
39 it shall be the duty of the county appraiser to initiate the production of  
40 evidence to demonstrate, by a preponderance of the evidence, the validity  
41 and correctness of such determination. No presumption shall exist in favor  
42 of the county appraiser with respect to the validity and correctness of such  
43 determination. With regard to leased commercial and industrial property,

1 ~~the presumption of validity and correctness of such determination shall~~  
2 ~~exist in favor of the county appraiser~~ *burden of proof shall be on the*  
3 *taxpayer unless the taxpayer has furnished the county or district appraiser,*  
4 *within 30 calendar days following the informal meeting required by*  
5 *K.S.A. 79-1448, and amendments thereto, or within 30 calendar days*  
6 *following the informal meeting required by K.S.A. 79-2005, and*  
7 *amendments thereto, a complete income and expense statement for the*  
8 *property for the three years next preceding the year of appeal. Such*  
9 *income and expense statement shall be in such format that is regularly*  
10 *maintained by the taxpayer in the ordinary course of the taxpayer's*  
11 *business. If the taxpayer submits a single property appraisal with an*  
12 *effective date of January 1 of the year appealed, the burden of proof shall*  
13 *return to the county appraiser.*

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

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

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

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

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

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

39 (a) To hear appeals from the director of taxation and the director of  
40 property valuation on rulings and interpretations by said directors, except  
41 where different provision is made by law;

42 (b) to hear appeals from the director of property valuation on the  
43 assessment of state assessed property;



1 (c) to adopt rules and regulations relating to the performance of its  
2 duties and particularly with reference to procedure before it on hearings  
3 and appeals; and

4 (d) such other powers as may be prescribed by law.

5 (e) *The powers and duties of the state board of tax appeals shall not*  
6 *include:*

7 (1) *Determining who may sign appeals forms;*

8 (2) *determining who may represent taxpayers in any matter before*  
9 *the board;*

10 (3) *deciding what constitutes the unauthorized practice of law; and*

11 (4) *deciding whether or not a contingent fee agreement is a violation*  
12 *of public policy.*

13 (f) *The board shall not take any action which would impede any*  
14 *settlement or agreement between the county and the taxpayer or otherwise*  
15 *act or fail to act in such a way as to restrain the county and the taxpayer*  
16 *from reaching a settlement or agreement.*

17 Sec. 6. K.S.A. 2013 Supp. 74-2438 is hereby amended to read as  
18 follows: 74-2438. (a) An appeal may be taken to the state ~~court~~ board of  
19 tax appeals from any finding, ruling, order, decision, final determination or  
20 other final action, including action relating to abatement or reduction of  
21 penalty and interest, on any case of the secretary of revenue or the  
22 secretary's designee by any person aggrieved thereby. Notice of such  
23 appeal shall be filed with the secretary of the ~~court~~ board within 30 days  
24 after such finding, ruling, order, decision, final determination or other  
25 action on a case, and a copy served upon the secretary of revenue or the  
26 secretary's designee. An appeal may also be taken to the state ~~court~~ board  
27 of tax appeals at any time when no final determination has been made by  
28 the secretary of revenue or the secretary's designee after 270 days has  
29 passed since the date of the request for informal conference pursuant to  
30 K.S.A. 79-3226, and amendments thereto, and no written agreement by the  
31 parties to further extend the time for making such final determination is in  
32 effect.

33 (b) Upon receipt of a timely appeal, the ~~court~~ board shall conduct a  
34 hearing in accordance with the provisions of the Kansas administrative  
35 procedure act. The hearing before the ~~court~~ board shall be a de novo  
36 hearing unless the parties agree to submit the case on the record made  
37 before the secretary of revenue or the secretary's designee.

38 (c) (1) With regard to any matter properly submitted to the ~~court~~  
39 board relating to the determination of valuation of residential property or  
40 real property used for commercial and industrial purposes for taxation  
41 purposes, it shall be the duty of the county or district appraiser to initiate  
42 the production of evidence to demonstrate, by a preponderance of the  
43 evidence, the validity and correctness of such determination, except that

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

22 Sec. 7. K.S.A. 2013 Supp. 74-2438a is hereby amended to read as  
23 follows: 74-2438a. (a) *Except as provided in subsection (e), the executive*  
24 *director of the state court board of tax appeals shall charge and collect a*  
25 *filing fee, established by rules and regulations adopted by the state court*  
26 *board of tax appeals, for any appeal in any proceeding under the tax*  
27 *protest, tax grievance or tax exemption statutes or in any other original*  
28 *proceeding for such court board to recover all or part of the costs of*  
29 *processing such actions incurred by the state court board of tax appeals.*  
30 ~~With regard to single-family residential property, the filing fee charged for~~  
31 ~~applications by taxpayers for refunds of protested taxes under the~~  
32 ~~provisions of K.S.A. 79-2005, and amendments thereto, and appeals from~~  
33 ~~decisions rendered pursuant to K.S.A. 79-1448, and amendments thereto,~~  
34 ~~shall not exceed \$35; Provided, however, that no filing fee shall be~~  
35 ~~imposed on any such application or appeal of residential property filed~~  
36 ~~with the small claims and expedited hearings division. Not-for-profit~~  
37 ~~organizations shall not be charged a filing fee exceeding \$10 for any~~  
38 ~~appeal if the valuation of the property that is the subject of the controversy~~  
39 ~~does not exceed \$100,000.~~

40 (b) ~~The BOTA COTA~~ filing fee fund is hereby renamed the ~~COTA~~  
41 *BOTA* filing fee fund.

42 (c) The executive director of the ~~court~~ board of tax appeals shall  
43 remit to the state treasurer at least monthly all tax appeal filing fees

1 received by the state ~~court~~ board of tax appeals. Upon receipt of any such  
2 remittance, the state treasurer shall deposit the amount in the state treasury  
3 to the credit of the ~~COTA BOTA~~ filing fee fund.

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

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

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

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

18 (3) *any not-for-profit organization if the valuation of the property*  
19 *that is the subject of the controversy does not exceed \$100,000; or*

20 (4) *any municipality or political subdivision of the state.*

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

32 (2) Any party applying for an exemption under: (A) Section 13, of  
33 article 11 of the ~~Kansas~~ constitution of the state of Kansas, or (B) K.S.A.  
34 79-201a *Second*, and amendments thereto, for property constructed or  
35 purchased, in whole or in part, with the proceeds of revenue bonds under  
36 the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments  
37 thereto, may file a petition for reconsideration with the state ~~court~~ board of  
38 tax appeals within 30 days after service of a final order.

39 (b) Within 20 days after the filing of the petition, the agency head  
40 shall render a written order denying the petition, granting the petition and  
41 dissolving or modifying the final order, or granting the petition and setting  
42 the matter for further proceedings. An order on reconsideration altering a  
43 prior order shall be in writing and shall include findings of fact,

1 conclusions of law and policy reasons for the decision. In proceedings  
2 before the ~~Kansas~~ *state* corporation commission, the petition is deemed to  
3 have been denied if the agency head does not dispose of it within 30 days  
4 after the filing of the petition.

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

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

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

13 (e) For the purposes of this section, "agency head" shall include a  
14 presiding officer designated in accordance with subsection (g) of K.S.A.  
15 77-514, and amendments thereto.

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

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

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

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

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

30 Sec. 10. K.S.A. 2013 Supp. 79-1448 is hereby amended to read as  
31 follows: 79-1448. Any taxpayer may complain or appeal to the county  
32 appraiser from the classification or appraisal of the taxpayer's property by  
33 giving notice to the county appraiser within 30 days subsequent to the date  
34 of mailing of the valuation notice required by K.S.A. 79-1460, and  
35 amendments thereto, for real property, and on or before May 15 for  
36 personal property. The county appraiser or the appraiser's designee shall  
37 arrange to hold an informal meeting with the aggrieved taxpayer with  
38 reference to the property in question. At such meeting it shall be the duty  
39 of the county appraiser or the county appraiser's designee to initiate  
40 production of evidence to substantiate the valuation of such property,  
41 including the affording to the taxpayer of the opportunity to review the  
42 data sheet of comparable sales utilized in the determination of such  
43 valuation. In any appeal from the appraisal of leased commercial and

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

35 Sec. 11. K.S.A. 2013 Supp. 79-1460 is hereby amended to read as  
36 follows: 79-1460. (a) The county appraiser shall notify each taxpayer in  
37 the county annually on or before March 1 for real property and May 1 for  
38 personal property, by mail directed to the taxpayer's last known address, of  
39 the classification and appraised valuation of the taxpayer's property, except  
40 that, the valuation for all real property shall not be increased unless: (1)  
41 The record of the latest physical inspection was reviewed by the county or  
42 district appraiser, and documentation exists to support such increase in  
43 valuation in compliance with the directives and specifications of the

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

40 (b) For all taxable years commencing after December 31, 1999, there  
41 shall be provided to each taxpayer, upon request, a guide to the property  
42 tax appeals process. The director of the division of property valuation shall  
43 devise and publish such guide, and shall provide sufficient copies thereof

1 to all county appraisers. Such guide shall include but not be limited to: (1)  
2 A restatement of the law which pertains to the process and practice of  
3 property appraisal methodology, including the contents of K.S.A. 79-503a  
4 and 79-1460, and amendments thereto; (2) the procedures of the appeals  
5 process, including the order and burden of proof of each party and time  
6 frames required by law; and (3) such other information deemed necessary  
7 to educate and enable a taxpayer to properly and competently pursue an  
8 appraisal appeal.

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

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

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

20 (A) *Any maintenance, renovation or repair of any existing structures,*  
21 *equipment or improvements on the property that does not expand or*  
22 *enlarge the square footage of any existing structures or improvements on*  
23 *the property; or*

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

26 Sec. 12. K.S.A. 2013 Supp. 79-1609 is hereby amended to read as  
27 follows: 79-1609. Any person aggrieved by any order of the hearing  
28 officer or panel may appeal to the state ~~court~~ board of tax appeals by filing  
29 a written notice of appeal, on forms approved by the state ~~court~~ board of  
30 tax appeals and provided by the county clerk for such purpose, stating the  
31 grounds thereof and a description of any comparable property or properties  
32 and the appraisal thereof upon which they rely as evidence of inequality of  
33 the appraisal of their property, if that be a ground of the appeal, with the  
34 state ~~court~~ board of tax appeals and by filing a copy thereof with the  
35 county clerk within 30 days after the date of the order from which the  
36 appeal is taken. *The notice of appeal may be signed by the taxpayer, any*  
37 *person with an executed declaration of representative form from the*  
38 *property valuation division of the department of revenue or any person*  
39 *authorized to represent the taxpayer in subsection (f) of K.S.A. 74-2433f,*  
40 *and amendments thereto. A county or district appraiser may appeal to the*  
41 *state ~~court~~ board of tax appeals from any order of the hearing officer or*  
42 *panel. With regard to any matter properly submitted to the ~~court~~ board*  
43 *relating to the determination of valuation of residential property or real*

1 property used for commercial and industrial purposes for taxation  
2 purposes, it shall be the duty of the county appraiser to initiate the  
3 production of evidence to demonstrate, by a preponderance of the  
4 evidence, the validity and correctness of such determination. With regard  
5 to leased commercial and industrial property, ~~the presumption of validity~~  
6 ~~and correctness of such determination shall exist in favor of the county or~~  
7 ~~district appraiser~~ *the burden of proof shall be on the taxpayer* unless,  
8 within 30 calendar days following the informal meeting required by  
9 K.S.A. 79-1448, and amendments thereto, the taxpayer furnished to the  
10 county or district appraiser ~~a complete income and expense statements~~  
11 ~~statement~~ for the property for the three years next preceding the year of  
12 appeal. *Such income and expense statement shall be in such format that is*  
13 *regularly maintained by the taxpayer in the ordinary course of the*  
14 *taxpayer's business. If the taxpayer submits a single property appraisal*  
15 *with an effective date of January 1 of the year appealed, the burden of*  
16 *proof shall return to the county appraiser.*

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

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

41 (b) Whenever any date prescribed in subsection (a) for the payment  
42 of real property taxes occurs on a Saturday or Sunday, such date for  
43 payment shall be extended until the next-following regular business day of



1 the office of the county treasurer.

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

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

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

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

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

38 (b) Whenever any date prescribed in subsection (a) for the payment  
39 of personal property taxes occurs on a Saturday or Sunday, such date for  
40 payment shall be extended until the next-following regular business day of  
41 the office of the county treasurer.

42 (c) All personal property taxes of any year past due and unpaid on the  
43 effective date of this section and interest accrued thereon pursuant to this

1 section prior to its amendment by this act shall draw interest at the rate  
2 prescribed by K.S.A. 79-2968, and amendments thereto, ~~plus two~~  
3 ~~percentage points~~, per annum from the effective date of this section until  
4 paid.

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

34 Sec. 16. K.S.A. 2013 Supp. 9-1402 is hereby amended to read as  
35 follows: 9-1402. (a) Before any deposit of public moneys or funds shall be  
36 made by any municipal corporation or quasi-municipal corporation of the  
37 state of Kansas with any bank, savings and loan association or savings  
38 bank, such municipal or quasi-municipal corporation shall obtain security  
39 for such deposit in one of the following manners prescribed by this  
40 section.

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

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

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

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

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

35 (3) bonds of the state of Kansas;

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

38 (5) revenue bonds of any municipal corporation or quasi-municipal  
39 corporation of the state of Kansas if approved by the state bank  
40 commissioner in the case of banks and by the savings and loan  
41 commissioner in the case of savings and loan associations or federally  
42 chartered savings banks;

43 (6) temporary notes of any municipal corporation or quasi-municipal

1 corporation of the state of Kansas which are general obligations of the  
2 municipal or quasi-municipal corporation issuing the same;

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

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

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

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

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

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

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

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

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

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

39 (iii) are valued at not to exceed 50% of the lesser of the following  
40 three values: Outstanding mortgage balance; current appraised value of the  
41 real estate; or discounted present value based upon current federal national  
42 mortgage association or government national mortgage association interest  
43 rates quoted for conventional, federal housing administration or veterans

1 administration mortgage loans.

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

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

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

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

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

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

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

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

1 state ~~court~~ board of tax appeals, asking for permission to make such  
2 expenditure and issue warrants or bonds in payment thereof. Such  
3 application shall be in writing and shall contain a copy of the ordinance or  
4 resolution published and such other information as the governing body or  
5 board shall deem necessary adequately to inform the state ~~court~~ board of  
6 tax appeals of the emergency existing.

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

26 (b) As used in this section, the phrase "township board" means the  
27 township trustee, the township clerk, and the township treasurer acting as a  
28 board.

29 Sec. 18. K.S.A. 2013 Supp. 12-631 is hereby amended to read as  
30 follows: 12-631. Any city may in the manner hereinafter provided by  
31 ordinance require persons and property owners owning buildings within  
32 such city, which buildings are, or shall be located near a sewer, or in a  
33 block within any sewer district in said city through which a sewer extends,  
34 to make such connections with the sewer system, as may be necessary in  
35 the judgment of the board of health or in the event such city does not have  
36 a board of health, in the judgment of the governing body for the protection  
37 of the health of the public, for the purpose of disposing of all substances  
38 from any such building affecting the public health which may be lawfully  
39 and properly disposed of by means of such sewer, and if any person or  
40 persons, shall fail, neglect or refuse to so connect any building or buildings  
41 with the sewer system as herein provided for, for more than 10 days after  
42 being notified in writing by the board of health or governing body of such  
43 city to do so, such city may cause such buildings to be connected with said

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

20 Sec. 19. K.S.A. 2013 Supp. 12-1664 is hereby amended to read as  
21 follows: 12-1664. Where any federal agency has agreed that federal aid  
22 shall bear a percentage of the total cost of or fixed or estimated amount of  
23 any local program by a public agency but the funds therefor will not be  
24 made available until the local program is partly or wholly completed and  
25 the public agency must finance all of the costs of the local program until  
26 the federal aid is received and the public agency is authorized by law to  
27 use current funds or bond or usual temporary note proceeds or a fund built  
28 up by levies over a period of years for such local program, such public  
29 agency may, to finance the portion to be paid by federal aid, issue  
30 temporary notes or no-fund warrants as provided herein. If an election is  
31 required to authorize the issuance of bonds by the public agency for the  
32 whole or its share of the local program, no temporary notes or no-fund  
33 warrants shall be issued under this act until the public agency has held an  
34 election and been authorized to issue bonds and if bonds may be issued  
35 without an election for the whole or the public agency's share of a local  
36 program, no temporary notes or no-fund warrants shall be issued until the  
37 proper proceedings have been taken to initiate and authorize the local  
38 program. In no case shall temporary notes or no-fund warrants be issued  
39 under the authority of this section until there is a written commitment as to  
40 the amount of federal aid by an authorized federal agency. Nothing in this  
41 act shall prohibit any public agency from the temporary financing of the  
42 federal share of a local program from current funds if available or  
43 proceeds of bonds or usual temporary notes where the bond issue has been

1 or may be for the entire cost as if no federal aid were to be received. The  
2 purpose of this act as to the issuance of temporary notes or no-fund  
3 warrants is to make unnecessary the tying up of current funds of a public  
4 agency or the issuance of bonds or the usual temporary notes, where  
5 authorized, in excess of the public agency's share of the cost of the  
6 program. The governing body of the public agency shall have full  
7 authority to determine if temporary notes or no-fund warrants shall be  
8 issued. No limitations by statutes relating to bonded debt shall apply to  
9 such temporary notes and no-fund warrants or use of the money received  
10 therefrom. No temporary notes or no-fund warrants shall be issued  
11 pursuant to this act unless approved by the state ~~court~~ board of tax appeals,  
12 which shall grant such approval only to the amount of the federal aid  
13 committed.

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

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

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

- 35 (a) Receive and expend gifts;  
36 (b) receive and expend grants-in-aid of state or federal funds;  
37 (c) issue bonds of the city;  
38 (d) levy an annual tax of not more than one mill for any city of the  
39 first class and not more than two mills for any city of the second or third  
40 class, which tax levy may be made for a period not exceeding 10 years  
41 upon all taxable tangible property in such city for the purpose of creating a  
42 building fund to be used for the purposes herein provided and to pay a  
43 portion of the principal and interest on bonds issued by such city under the



1 authority of K.S.A. 12-1774, and amendments thereto;

2 (e) issue no-fund warrants;

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

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

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

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

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

36 The levy authorized by this section shall be in addition to and not  
37 limited by any other act authorizing or limiting the tax levies of the city.  
38 The building fund may be used for the purposes provided by this act at any  
39 time after the second levy has been made. If there are insufficient moneys  
40 in the building fund for expenditures for such purposes, the governing  
41 body of the city may issue bonds of the city in the manner provided by the  
42 general bond law of the state and in an amount which, together with the  
43 amount raised by the tax levy authorized by this act, will not exceed the

1 total amount stated in the resolution creating such fund. Cities are hereby  
2 authorized to invest any portion of the special building fund which is not  
3 currently needed in investments authorized by K.S.A. 12-1675, and  
4 amendments thereto, in the manner prescribed therein or in direct  
5 obligations of the United States government maturing or redeemable at par  
6 and accrued interest within three years from date of purchase, the principal  
7 and interest whereof is guaranteed by the government of the United States.  
8 All interest received on any such investment shall upon receipt thereof be  
9 credited to the special building fund.

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

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

1 subdivisions of this state in the territory in which the facility is located.  
2 Any payment in lieu of taxes shall be divided by the county treasurer  
3 among such taxing subdivisions in the same proportion that the amount of  
4 the total mill levy of each individual taxing subdivision bears to the  
5 aggregate of such levies of all the taxing subdivisions among which the  
6 division is to be made. The county treasurer shall pay such amounts to the  
7 taxing subdivisions at the same time or times as their regular operating tax  
8 rate mill levy is paid to them. Based upon the assessed valuation which  
9 such facility would have if it were upon the tax rolls of the county, the  
10 county clerk shall compute the total of the property taxes which would be  
11 levied upon such facility by all taxing subdivisions within which the  
12 facility is located if such property were taxable.

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

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

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

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

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

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

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

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

38 (8) an itemized list of service fees or charges to be paid by the lessee  
39 together with a detailed description of the services to be rendered therefor;

40 (9) a reasonably detailed description of the use of bond proceeds,  
41 including whether they will be used to purchase, acquire, construct,  
42 reconstruct, improve, equip, furnish, enlarge or remodel the facility in  
43 question; *and*

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

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

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

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

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

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

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

36 Sec. 25. K.S.A. 2013 Supp. 12-1744c is hereby amended to read as  
37 follows: 12-1744c. Upon the issuance of revenue bonds for which notice is  
38 required to be filed pursuant to K.S.A. 12-1744a, and amendments thereto,  
39 a certificate evidencing such issuance shall be filed with the ~~chief judge~~  
40 chairperson of the state ~~court~~ board of tax appeals, along with verification  
41 thereof by the appropriate bond counsel within 15 days after the date of  
42 such issuance.

43 Sec. 26. K.S.A. 2013 Supp. 12-1744d is hereby amended to read as

1 follows: 12-1744d. Failure to comply with the notice filing requirements  
2 of this act shall subject all members of the governing body of the issuing  
3 city or county who participated in the issuance of the revenue bonds to  
4 ouster from office upon complaint filed by the state ~~court~~ board of tax  
5 appeals in the office of the attorney general.

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

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

38 Whenever any structure is removed from any premises under the  
39 provisions of this act, the city clerk shall certify to the county appraiser  
40 that such structure, describing the same, has been removed.

41 (c) If there is no salvageable material, or if the moneys received from  
42 the sale of salvage or from the proceeds of any insurance policy in which  
43 the city has created a lien pursuant to K.S.A. 40-3901 et seq., and

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

19 Sec. 28. K.S.A. 2013 Supp. 12-1934 is hereby amended to read as  
20 follows: 12-1934. The board of education of any unified school district  
21 previously authorized and making an annual tax levy pursuant to K.S.A.  
22 12-1925, and amendments thereto, for the purpose of establishing,  
23 maintaining and conducting a joint recreation system which as a result of a  
24 clerical error of a county clerk will not receive the proceeds from such  
25 levy for the calendar year 1993, is hereby authorized to issue no-fund  
26 warrants in an amount not to exceed the amount which would have been  
27 raised from such levy. Such no-fund warrants shall be issued by the board  
28 in the manner and form and shall bear interest and be redeemable in the  
29 manner prescribed by K.S.A. 79-2940, and amendments thereto, except  
30 that they may be issued without the approval of the state ~~court~~ board of tax  
31 appeals, and without the notation required by such section. The board shall  
32 make a tax levy at the first tax levying period after such warrants are  
33 issued, sufficient to pay such warrants and the interest thereon.

34 Sec. 29. K.S.A. 2013 Supp. 12-3206 is hereby amended to read as  
35 follows: 12-3206. The governing body of any city, in the exercise of the  
36 power and authority herein granted for the purposes of carrying out the  
37 provisions of K.S.A. 12-3204 and 12-3205, and amendments thereto, from  
38 and after the effective date of this act and prior to the time that moneys  
39 may be available from the levy authorized by K.S.A. 12-3203, and  
40 amendments thereto, may issue no-fund warrants in an amount not to  
41 exceed the total amount such city could levy in one year under the  
42 provisions of K.S.A. 12-3203, and amendments thereto.

43 Whenever no-fund warrants are issued under the authority of this act

1 the governing body of such city shall make a tax levy at the first tax  
2 levying period for the purpose of paying such warrants and the interest  
3 thereon. All such tax levies shall be in addition to all other levies  
4 authorized or limited by law and shall not be subject to the aggregate tax  
5 levy prescribed in article 19 of chapter 79 of the Kansas Statutes  
6 Annotated, and amendments thereto. Such warrants shall be issued,  
7 registered, redeemed and bear interest in the manner and in the form  
8 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall  
9 not bear the notation required by said section and may be issued without  
10 the approval of the state ~~court~~ board of tax appeals.

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

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

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

37 Sec. 31. K.S.A. 2013 Supp. 14-1060 is hereby amended to read as  
38 follows: 14-1060. The provisions of this act shall apply to any city of the  
39 second class having a population of more than 4,800 and less than 5,500  
40 operating under the manager form of government and located in a county  
41 having a population of more than 8,000 and less than 15,000. Whenever  
42 the title to any real property, upon which taxes may be due and delinquent,  
43 may be vested in any such city, then the state ~~court~~ board of tax appeals is

1 hereby authorized upon application of such city, and for good reasons  
2 shown, to compromise, abate or cancel all such taxes or any part thereof.

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

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

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

32 (1) The need for the acquisition of such land; (2) that there are  
33 insufficient revenues to pay for the cost of such acquisition and  
34 preparation of such land for burial purposes; and (3) the tax levying  
35 authority is insufficient to generate the revenues necessary to pay for the  
36 cost of acquisition and preparation of such land for burial purposes, the  
37 board may authorize the issuance of no-fund warrants for the payment of  
38 the cost of acquisition of such land and preparation of such land for burial  
39 purposes. The amount of such warrants shall not exceed \$35,000.

40 (c) No order for the issuance of such no-fund warrants shall be made  
41 without a public hearing before the state ~~court~~ board of tax appeals  
42 conducted in accordance with the provisions of the Kansas administrative  
43 procedure act. Notice of such hearing shall be published at least twice in a



1 newspaper of general circulation within the cemetery district applying for  
2 such authority at least 10 days prior to such hearing. The notice shall be in  
3 a form prescribed by the state ~~court~~ board of tax appeals. The cost of such  
4 publication shall be paid by the cemetery district. Any taxpayer of the  
5 cemetery district may file a written protest against such application. Any  
6 member of the board of trustees of the cemetery district may appear and be  
7 heard in person at such hearing in support of the application. All records  
8 and findings of such hearings shall be subject to public inspection.  
9 Warrants issued pursuant to this section shall be paid no later than 15 years  
10 after issuance. The board of trustees may levy a tax sufficient to pay such  
11 warrants. Such tax levies may be levied outside of the aggregate tax levy  
12 limit prescribed by law.

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

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

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

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

1 suspension is removed or the vacancy filled, and the person appointed  
2 shall take the oath of office required by law and thereupon such person  
3 shall be invested with all of the powers and duties of the office.

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

31 Sec. 35. K.S.A. 2013 Supp. 19-15,103 is hereby amended to read as  
32 follows: 19-15,103. Whenever no-fund warrants are issued under the  
33 authority provided by this act, the board of county commissioners shall  
34 make a tax levy at the first tax levying period after such warrants are  
35 issued, sufficient to pay such warrants and the interest thereon, except that  
36 in lieu of making only one tax levy, such board of county commissioners,  
37 if it deems it advisable, may make a tax levy each year for not to exceed  
38 five years in approximately equal installments for the purpose of paying  
39 said warrants and the interest thereon. All such tax levies shall be in  
40 addition to all other levies authorized or limited by law and shall not be  
41 subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947, and  
42 amendments thereto. Such warrants shall be issued, registered, redeemed  
43 and bear interest in the manner and in the form prescribed by K.S.A. 79-

1 2940, and amendments thereto, except they shall not bear the notation  
2 required by such section and may be issued without the approval of the  
3 state ~~court~~ board of tax appeals.

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

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

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

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

34 (a) Receive and expend gifts;  
35 (b) receive and expend grants-in-aid of state or federal funds;  
36 (c) issue general obligation bonds of the county. If it is determined  
37 that it is necessary to issue more than \$300,000 in general obligation bonds  
38 for the purposes hereinbefore authorized, such bonds shall not be issued  
39 until the question of their issuance has been submitted to a vote of the  
40 qualified electors of the county and has been approved by a majority of  
41 those voting thereon at a general election or at a special election called for  
42 that purpose. Such election shall be called and held and bonds issued in the  
43 manner provided by the general bond law;

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

1 amount necessary to be raised for the purpose for which such fund was  
2 originally created and may make or continue to make an annual tax levy of  
3 not to exceed one mill upon all of the taxable tangible property of the  
4 county for the purpose of providing the additional funds contemplated by  
5 the supplemental resolution and to pay a portion of the principal and  
6 interest on bonds issued under the authority of K.S.A. 12-1774, and  
7 amendments thereto, by cities located in the county. Such supplemental  
8 resolution shall be published and shall be subject to petition for election  
9 and become effective in like manner as that provided for the original  
10 resolution;

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

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

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

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

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

34 Sec. 38. K.S.A. 2013 Supp. 19-15,123 is hereby amended to read as  
35 follows: 19-15,123. The board of county commissioners of any county in  
36 this state having a population of more than 300,000 may provide  
37 additional courtrooms, offices and other facilities as are required by the  
38 district court judge to carry out probate and juvenile matters. The quarters  
39 and facilities shall be constructed and furnished in available space of the  
40 courthouse. The board of county commissioners is hereby authorized to  
41 issue no-fund warrants or general obligation bonds for the purpose of  
42 paying all costs incurred in providing additional quarters and facilities.  
43 Before such warrants shall be issued the board of county commissioners

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

24 Sec. 39. K.S.A. 2013 Supp. 19-2106f is hereby amended to read as  
25 follows: 19-2106f. The board of county commissioners of any county  
26 previously authorized and making an annual tax levy under the authority  
27 of K.S.A. 19-2106e, and amendments thereto, for the operation of a home  
28 for the aged, which as the result of an increase in the population of the  
29 county was not authorized to levy a tax under the provisions of such act  
30 for the operation of such home for the year 1972, is hereby authorized to  
31 issue no-fund warrants in an amount not to exceed the amount which could  
32 have been raised by the levy of a tax under the provisions of K.S.A. 19-  
33 2106e, and amendments thereto, had the same remained applicable to such  
34 county. Such no-fund warrants shall be issued by the county in the manner  
35 and form and shall bear interest and be redeemable in the manner  
36 prescribed by K.S.A. 79-2940, and amendments thereto, except that they  
37 may be issued without the approval of the state ~~court~~ board of tax appeals,  
38 and without the notation required by such section. The board of county  
39 commissioners shall make a tax levy at the first tax levying period after  
40 such warrants are issued, sufficient to pay such warrants and the interest  
41 thereon. All such tax levies shall be in addition to all other tax levies  
42 authorized or limited by law and such tax levies shall not be limited by or  
43 subject to the limitation upon the levy of taxes prescribed by article 44 of

1 chapter 79 of the 1971 supplement of the Kansas Statutes Annotated, ~~or~~  
2 *and* amendments thereto.

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

24 Sec. 41. K.S.A. 2013 Supp. 19-2752a is hereby amended to read as  
25 follows: 19-2752a. That whenever a main sewer district has been  
26 established under the provisions of K.S.A. 19-2731 to 19-2752, both  
27 sections inclusive, and amendments thereto, and the question of the  
28 issuance of bonds for the purpose of providing revenue to be used to  
29 construct a main trunk sewer system with sewage disposal plant and all  
30 appurtenances thereto has been submitted to the qualified electors of such  
31 main sewer district and at least 65% of the persons voting on ~~said~~ *such*  
32 question shall have voted in favor of the issuance of said bonds in the  
33 amount stated on the ballot, and after such election the governing body of  
34 such main sewer district was unable to immediately commence work on  
35 the construction of ~~said~~ *the* main trunk sewer system and sewage disposal  
36 plant and appurtenances because of a shortage of necessary materials and  
37 labor and, as a result of such delay, the prices of materials and labor  
38 needed for such construction and appurtenances have increased to such an  
39 extent that the original amount of bonds voted will not provide sufficient  
40 revenue to meet the total cost of such improvements and appurtenances,  
41 and the governing body of such main sewer district shall have adopted a  
42 resolution declaring such conditions to exist, then the governing body of  
43 such main sewer district is hereby authorized and empowered to issue no-



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

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

33 Any taxpayer interested may file a written protest against such  
34 application. When the authority to issue warrants under this section is  
35 granted to a main sewer district, the governing body of such main sewer  
36 district shall make a tax levy, at the first tax-levying period after such  
37 warrants are issued, sufficient to pay such warrants and the interest  
38 thereon, except that in lieu of making only one tax levy, the governing  
39 body, if it deems it advisable, may make a tax levy once each year for not  
40 to exceed three years, in approximately equal installments, sufficient to  
41 pay such warrants and the interest thereon. Such tax levies shall be in  
42 addition to all other tax levies authorized or limited by law. All warrants  
43 issued under the authority conferred by this act shall be issued, bear

1 interest, be in the form, registered and redeemed in the manner prescribed  
2 in K.S.A. 79-2940, and amendments thereto, and any surplus existing after  
3 the redemption of such warrants shall be handled in the manner prescribed  
4 in K.S.A. 79-2940, and amendments thereto.

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

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

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

42 Sec. 44. K.S.A. 2013 Supp. 19-4442 is hereby amended to read as  
43 follows: 19-4442. The board of county commissioners of any county

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

18 Sec. 45. K.S.A. 2013 Supp. 20-356 is hereby amended to read as  
19 follows: 20-356. Any county in which additional divisions of the district  
20 court are established or in which additional district magistrate judge  
21 positions are established, may pay all of the costs and expenses incidental  
22 to or arising out of the establishment, operation and maintenance of the  
23 facilities for such additional divisions or positions during the year in which  
24 they are established, out of the general fund of the county or if it does not  
25 have sufficient moneys available in its general fund for such purpose, such  
26 county is hereby authorized and empowered to issue during such year, no-  
27 fund warrants for the purpose of providing funds to pay all expenses,  
28 costs, salaries payable by any such county and costs incidental to or arising  
29 out of the establishment, maintenance and operation of such division or  
30 position, including the providing and equipping of courtrooms and other  
31 necessary offices and costs incidental thereto or arising therefrom or  
32 whenever the board of county commissioners considers it advisable, such  
33 board may issue general obligation bonds of the county to pay all of the  
34 costs and expenses incidental to or arising out of the establishment,  
35 operation and maintenance of facilities for such additional divisions or  
36 positions other than costs incurred for payment of salaries, and for the  
37 purpose of redeeming no-fund warrants issued under the authority of this  
38 section except no-fund warrants issued for payment of salaries. Such no-  
39 fund warrants shall be issued in the manner and form, bear interest and be  
40 redeemed as prescribed by K.S.A. 79-2940, and amendments thereto,  
41 except they may be issued without the approval of the state ~~court~~ board of  
42 tax appeals and without the notation required by K.S.A. 79-2940, and  
43 amendments thereto.

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

9 General obligation bonds issued under the authority of this section shall  
10 be issued in the manner prescribed by the general bond law but shall not  
11 be subject to or within any bonded debt limitation prescribed by any other  
12 law of this state and shall not be considered or included in applying any  
13 other law limiting bonded indebtedness.

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

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

29 (c) In appointing persons to fill the job positions created by this  
30 section, due consideration shall be given to appointing those persons  
31 whose job positions are abolished by this act. On and after such date the  
32 county shall pay the compensation and employer's contributions of such  
33 employees and amounts therefor may be paid during the budget year even  
34 though the same were not included in the budget of expenditures for such  
35 year. On and after June 18, 1979, district court employees shall not  
36 perform the function of serving process for the district courts. A county  
37 may issue no-fund warrants to cover costs imposed upon the county for  
38 calendar year 1979 pursuant to this section and such warrants may be  
39 issued without the approval of the state ~~court~~ *board* of tax appeals.

40 Sec. 47. K.S.A. 2013 Supp. 20-626 is hereby amended to read as  
41 follows: 20-626. The board of county commissioners of any county in this  
42 state having a population of more than 300,000 is hereby authorized to  
43 issue no-fund warrants for the purpose of paying all costs incurred in

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

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

36 The governing body shall levy a tax at the first tax levying period after  
37 the issuance to pay the emergency no-fund warrants and interest thereon.  
38 The levy shall be in addition to all other levies authorized or limited by  
39 law. Emergency no-fund warrants shall be issued, registered, redeemed  
40 and bear interest in the manner and in the form prescribed by K.S.A. 79-  
41 2940, and amendments thereto, except that such no-fund warrants shall be  
42 issued without the approval of the state ~~court~~ board of tax appeals and  
43 shall not bear the notation required thereby.

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

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

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

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

35 Annually, after the assessment of property for the purpose of taxation  
36 has been made in any county in which a part of the joint drainage district  
37 lies, the county clerk of such county shall thereupon ascertain the total  
38 assessed valuation of all taxable tangible property in his county within the  
39 joint drainage district and certify the same to the county clerk of the  
40 official county of the joint drainage district designated as authorized by  
41 K.S.A. 24-664, and amendments thereto.

42 Sec. 50. K.S.A. 2013 Supp. 24-1219 is hereby amended to read as  
43 follows: 24-1219. (a) The district board may issue no-fund warrants to pay

1 for initial organizational, engineering, legal and administrative expenses of  
2 the district except that the amount so issued shall not exceed the product of  
3 two mills times the assessed valuation of the taxable tangible property  
4 within the district. Such warrants shall be issued, bear interest and be  
5 retired in accordance with the provisions of K.S.A. 79-2940, and  
6 amendments thereto, except that the approval of the state ~~count~~ board of  
7 tax appeals shall not be required. Whenever warrants have been issued  
8 under this section, the board shall make a tax levy at the first tax levying  
9 period, after such warrants are issued, sufficient to pay such warrants and  
10 interest.

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

35 (c) There is hereby authorized to be established in the watershed  
36 districts of the state a fund which shall be called the structure maintenance  
37 fund. The fund shall consist of moneys deposited therein from funds  
38 received according to provisions of the watershed district law. The amount  
39 of funds that may be deposited annually shall be a maximum of 0.35% of  
40 the construction cost of the structure. Moneys in the structure maintenance  
41 fund may be used for the purpose of engineering, reconstruction and other  
42 required maintenance and other expenses relating to the maintenance of a  
43 structure. The watershed board of directors is hereby authorized to invest

1 any portion of the structure maintenance fund, which is not currently  
2 needed, in investments authorized by K.S.A. 12-1675, and amendments  
3 thereto. All interest received on any such investment shall be credited to  
4 the structure maintenance fund.

5 (d) The district board shall have authority to levy a tax, after  
6 improvement bonds have been issued in accordance with K.S.A. 24-1214,  
7 24-1215 and 24-1220, and amendments thereto, sufficient to pay such  
8 bonds and interest.

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

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

27 (c) The state fire marshal shall order the governing body having  
28 control of any school building or facility thereof to correct any condition  
29 in such building or facility which is in violation of this act, or any  
30 condition which the fire marshal deems dangerous, or which in any way  
31 prevents a speedy exit from such building. After any such order is  
32 rendered, such governing body shall make the changes required to comply  
33 therewith. A board of education of any school district is hereby authorized  
34 to make expenditures from its general fund or capital outlay fund to  
35 comply with such order, or the board may issue no-fund warrants in such  
36 amounts as are necessary to pay expenses incurred in complying with such  
37 order. Such no-fund warrants shall be issued, registered, paid and  
38 redeemed and bear interest as provided by K.S.A. 79-2940, and  
39 amendments thereto, except that the approval of the state ~~court~~ board of  
40 tax appeals shall not be required. Such warrants shall recite that they are  
41 issued by the board of education of the school district under authority of  
42 this act. Any board of education issuing warrants hereunder shall make a  
43 tax levy at the same time as other tax levies are made, after such warrants



1 are issued, sufficient to pay such warrants and the interest thereon.

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

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

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

35 Sec. 53. K.S.A. 2013 Supp. 68-151n is hereby amended to read as  
36 follows: 68-151n. The board of any such county may issue no-fund  
37 warrants without the approval of the state ~~court~~ board of tax appeals, to  
38 provide additional funds to be used to pay a part of the cost of the  
39 relocation, construction, reconstruction and improvement of or the  
40 acquisition of a site or right-of-way for any road or bridge which is  
41 necessitated by the construction of any dam or reservoir by the federal  
42 government and part of the total cost of which is to be paid or reimbursed  
43 by the federal government. The total amount of such warrants shall not

1 exceed the sum of ~~one hundred fifty thousand dollars~~ (\$150,000). Such  
2 warrants shall be in the form and be issued, registered, bear interest and  
3 may be sold in the manner provided and all other things relating thereto  
4 done as prescribed in K.S.A. 79-2940, ~~or acts amendatory thereof and~~  
5 ~~amendments thereto~~, except as herein otherwise expressly provided and  
6 except that they shall not bear the notation required by said section, but in  
7 lieu thereof they shall bear the notation "issued pursuant to authority  
8 granted by (giving a citation of this act)."

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

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

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

36 Sec. 55. K.S.A. 2013 Supp. 72-6441 is hereby amended to read as  
37 follows: 72-6441. (a) (1) The board of any district to which the provisions  
38 of this subsection apply may levy an ad valorem tax on the taxable  
39 tangible property of the district each year for a period of time not to  
40 exceed two years in an amount not to exceed the amount authorized by the  
41 state ~~court~~ board of tax appeals under this subsection for the purpose of  
42 financing the costs incurred by the state that are directly attributable to  
43 assignment of ancillary school facilities weighting to enrollment of the

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

16 (2) The state ~~court~~ *board* of tax appeals shall certify to the state board  
17 of education the amount authorized to be produced by the levy of a tax  
18 under subsection (a).

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

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

34 (b) The board of any district that has levied an ad valorem tax on the  
35 taxable tangible property of the district each year for a period of two years  
36 under authority of subsection (a) may continue to levy such tax under  
37 authority of this subsection each year for an additional period of time not  
38 to exceed six years in an amount not to exceed the amount computed by  
39 the state board of education as provided in this subsection if the board of  
40 the district determines that the costs attributable to commencing operation  
41 of one or more new school facilities are significantly greater than the costs  
42 attributable to the operation of other school facilities in the district. The tax  
43 authorized under this subsection may be levied at a rate which will

1 produce an amount that is not greater than the amount computed by the  
2 state board of education as provided in this subsection. In computing such  
3 amount, the state board shall:

4 (1) Determine the amount produced by the tax levied by the district  
5 under authority of subsection (a) in the second year for which such tax was  
6 levied and add to such amount the amount of general state aid directly  
7 attributable to school facilities weighting that was received by the district  
8 in the same year;

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

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

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

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

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

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

33 In determining the amount produced by the tax levied by the district  
34 under authority of subsection (a), the state board shall include any moneys  
35 which have been apportioned to the ancillary facilities fund of the district  
36 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-  
37 5118 et seq., and amendments thereto.

38 (c) The proceeds from the tax levied by a district under authority of  
39 this section shall be remitted to the state treasurer in accordance with the  
40 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
41 each such remittance, the state treasurer shall deposit the entire amount in  
42 the state treasury to the credit of the state school district finance fund.

43 Sec. 56. K.S.A. 2013 Supp. 72-6443 is hereby amended to read as

1 follows: 72-6443. (a) The ancillary school facilities weighting of each  
2 district shall be determined in each school year in which such weighting  
3 may be assigned to enrollment of the district as follows:

4 (1) Add the amount authorized under subsection (a) of K.S.A. 72-  
5 6441, and amendments thereto, to be produced by a tax levy and certified  
6 to the state board by the state ~~court~~ board of tax appeals to the amount, if  
7 any, computed under subsection (b) of K.S.A. 72-6441, and amendments  
8 thereto, to be produced by a tax levy;

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

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

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

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

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

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

34 (B) As an alternative to the authority provided in paragraph (1)(A), if  
35 a district was authorized to make a levy pursuant to this section in school  
36 year 2006-2007, such district shall remain authorized to make a levy at a  
37 rate necessary to generate revenue in the same amount that was generated  
38 in school year 2007-2008 if the district adopts a local option budget in an  
39 amount equal to the state prescribed percentage in effect in school year  
40 2006-2007.

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

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

4 (c) A district may levy the tax authorized pursuant to this section for a  
5 period of time not to exceed two years unless authority to make such levy  
6 is renewed by the state ~~court~~ board of tax appeals. The state ~~court~~ board of  
7 tax appeals may renew the authority to make such levy for periods of time  
8 not to exceed two years.

9 (d) The state board shall provide to the state ~~court~~ board of tax  
10 appeals such school data and information requested by the state ~~court~~-  
11 board of tax appeals and any other information deemed necessary by the  
12 state board.

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

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

28 Sec. 58. K.S.A. 2013 Supp. 72-8203b is hereby amended to read as  
29 follows: 72-8203b. Whenever the board of education of any school district  
30 shall make a finding that such school district has a temporary cash deficit  
31 in any school district fund, such school district may issue temporary notes  
32 of the school district for the purpose of borrowing money to meet such  
33 temporary cash deficit. The proceeds of any notes issued pursuant to this  
34 section shall be credited to the fund found to have such deficit. Such notes  
35 may be issued only with the approval of the state ~~court~~ board of tax  
36 appeals. Temporary notes issued pursuant to this act shall mature, be  
37 retired and paid during the fiscal year during which they are issued. Such  
38 notes shall be retired from the proceeds of distributions to the fund in  
39 which the temporary cash deficit occurred. Such notes shall be in a form  
40 prescribed by the state board of education and may bear interest at a rate  
41 not to exceed 5% per annum. No such notes may be issued in an amount in  
42 excess of anticipated receipts during the fiscal year of the fund in which  
43 the temporary cash deficit occurred. If any such anticipated receipts are

1 not received during the fiscal year in which such notes are issued, such  
2 notes shall be retired in the next succeeding fiscal year from the proceeds  
3 of later received distributions to such fund or shall be retired from a tax  
4 levy upon the taxable tangible property in the school district in an amount  
5 sufficient to retire such notes, which levy shall be made at the next tax  
6 levying period.

7 Sec. 59. K.S.A. 2013 Supp. 74-2433a is hereby amended to read as  
8 follows: 74-2433a. The state ~~court~~ board of tax appeals created by K.S.A.  
9 74-2433, and amendments thereto, is hereby transferred out of the  
10 department of revenue and established as an independent agency ~~and~~  
11 ~~administrative law court~~ within the executive branch of state government.

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

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

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

25 Sec. 63. K.S.A. 2013 Supp. 74-2433e is hereby amended to read as  
26 follows: 74-2433e. The state ~~court~~ board of tax appeals created by K.S.A.  
27 74-2433, and amendments thereto, is hereby specifically continued in  
28 existence, and it shall have the same powers, functions and duties as were  
29 vested by law in it immediately prior to the effective date of this order,  
30 except as is herein otherwise specifically provided.

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

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

38 Sec. 65. K.S.A. 2013 Supp. 74-2435 is hereby amended to read as  
39 follows: 74-2435. Within amounts budgeted for it, the state ~~court~~ board of  
40 tax appeals may appoint such employees as may be necessary, which  
41 employees shall be in the classified service of the Kansas civil service act,  
42 and may appoint a secretary and attorneys, and such secretary and  
43 attorneys shall be in the unclassified service of the Kansas civil service act.

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

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

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

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

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

35        (b) authorizing the issuance of emergency warrants by taxing  
36 districts, as provided in article 29 of chapter 79 of *the Kansas Statutes*  
37 *Annotated*, and ~~acts amendatory thereof or supplemental amendments~~  
38 thereto, and authorizing the issuance of warrants by cities or counties  
39 under statutes of this state;

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

43        (d) correcting errors and irregularities under the provisions of article



1 17 of chapter 79 of *the Kansas Statutes Annotated, and amendments*  
2 *thereto*; and

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

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

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

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

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

35 (c) Subject to limitations prescribed by the board, the state agency  
36 employing any employee who has filed an election as provided under  
37 subsection (a) or (b) and who has entered into an employee participation  
38 agreement, as provided in K.S.A. 2013 Supp. 74-49b10, and amendments  
39 thereto, for deferred compensation pursuant to the Kansas public  
40 employees deferred compensation plan shall contribute to such plan on  
41 such employee's behalf an amount equal to 8% of the employee's salary, as  
42 such salary has been approved pursuant to K.S.A. 75-2935b, and  
43 amendments thereto, or as otherwise prescribed by law. With regard to a

1 state officer who is a member of the legislature who has retired pursuant to  
2 the Kansas public employees retirement system and who files an election  
3 as provided in this section, employee's salary means per diem  
4 compensation as provided by law as a member of the legislature.

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

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

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

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

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

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

41 (4) notice of any public comment period on contemplated  
42 modification of an existing rule and regulation, and, in accordance with the  
43 provisions of article 4 of chapter 77 of the Kansas Statutes Annotated, and

1 amendments thereto, all notices of hearings on proposed administrative  
2 rules and regulations and the full text of all administrative rules and  
3 regulations that have been adopted and filed with the secretary of state;

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

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

18 (7) all notices of hearings of special legislative interim study  
19 committees, descriptions of all prefiled bills and resolutions and  
20 descriptions of all bills and resolutions introduced in the legislature during  
21 any session of the legislature, and other legislative information which is  
22 approved for publication by the legislative coordinating council;

23 (8) the hearings docket of the Kansas supreme court and the court of  
24 appeals;

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

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

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

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

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

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

39 (e) The secretary of state may omit from the register any information  
40 the publication of which the secretary deems cumbersome, expensive, or  
41 otherwise inexpedient, if the information is made available in printed or  
42 processed form by the adopting agency on application for it, and if the  
43 register contains a notice stating the general subject matter of the

1 information and the manner in which a copy of it may be obtained.

2 (f) One copy of each issue of the register shall be made available  
3 without charge on request to each officer, board, commission, and  
4 department of the state having statewide jurisdiction, to each member of  
5 the legislature, to each county clerk in the state, and to the supreme court,  
6 court of appeals and each district court.

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

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

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

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

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

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

36 (1) To establish procedures for agencies to request and for the  
37 director to assign presiding officers. An agency may neither select nor  
38 reject any individual presiding officer for any proceeding except in  
39 accordance with the Kansas administrative procedure act;

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

43 (3) to facilitate the performance of the responsibilities conferred upon

1 the office by the Kansas administrative procedure act.

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

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

7 (h) The following state agencies, boards and commissions shall  
8 utilize the office of administrative hearings for conducting adjudicative  
9 hearings under the Kansas administrative procedures act in which the  
10 presiding officer is not the agency head or one or more members of the  
11 agency head:

12 (1) On and after July 1, 2005: Department of social and rehabilitation  
13 services, juvenile justice authority, department on aging, department of  
14 health and environment, Kansas public employees retirement system,  
15 Kansas water office, Kansas department of agriculture division of animal  
16 health and Kansas insurance department.

17 (2) On and after July 1, 2006: Emergency medical services board,  
18 emergency medical services council and Kansas human rights  
19 commission.

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

24 (4) On and after July 1, 2008: Department of human resources, state  
25 corporation commission, Kansas department of agriculture division of  
26 conservation, agricultural labor relations board, department of  
27 administration, department of revenue, board of adult care home  
28 administrators, Kansas state grain inspection department, board of  
29 accountancy and Kansas wheat commission.

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

32 (i) (1) Effective July 1, 2005, any presiding officer in agencies  
33 specified in subsection (h)(1) which conduct hearings pursuant to the  
34 Kansas administrative procedure act, except those exempted pursuant to  
35 K.S.A. 77-551, and amendments thereto, and support personnel for such  
36 presiding officers, shall be transferred to and shall become employees of  
37 the office of administrative hearings. Such personnel shall retain all rights  
38 under the state personnel system and retirement benefits under the laws of  
39 this state which had accrued to or vested in such personnel prior to the  
40 effective date of this section. Such person's services shall be deemed to  
41 have been continuous. All transfers of personnel positions in the classified  
42 service under the Kansas civil service act shall be in accordance with civil  
43 service laws and any rules and regulations adopted thereunder. This

1 section shall not affect any matter pending before an administrative  
2 hearing officer at the time of the effective date of the transfer, and such  
3 matter shall proceed as though no transfer of employment had occurred.

4 (2) Effective July 1, 2006, any presiding officer in agencies specified  
5 in subsection (h)(2) which conduct hearings pursuant to the Kansas  
6 administrative procedure act, except those exempted pursuant to K.S.A.  
7 77-551, and amendments thereto, and support personnel for such presiding  
8 officers, shall be transferred to and shall become employees of the office  
9 of administrative hearings. Such personnel shall retain all rights under the  
10 state personnel system and retirement benefits under the laws of this state  
11 which had accrued to or vested in such personnel prior to the effective date  
12 of this section. Such person's services shall be deemed to have been  
13 continuous. All transfers of personnel positions in the classified service  
14 under the Kansas civil service act shall be in accordance with civil service  
15 laws and any rules and regulations adopted thereunder. This section shall  
16 not affect any matter pending before an administrative hearing officer at  
17 the time of the effective date of the transfer, and such matter shall proceed  
18 as though no transfer of employment had occurred.

19 (3) Effective July 1, 2007, any presiding officer in agencies specified  
20 in subsection (h)(3) which conduct hearings pursuant to the Kansas  
21 administrative procedure act, except those exempted pursuant to K.S.A.  
22 77-551, and amendments thereto, and support personnel for such presiding  
23 officers, shall be transferred to and shall become employees of the office  
24 of administrative hearings. Such personnel shall retain all rights under the  
25 state personnel system and retirement benefits under the laws of this state  
26 which had accrued to or vested in such personnel prior to the effective date  
27 of this section. Such person's services shall be deemed to have been  
28 continuous. All transfers of personnel positions in the classified service  
29 under the Kansas civil service act shall be in accordance with civil service  
30 laws and any rules and regulations adopted thereunder. This section shall  
31 not affect any matter pending before an administrative hearing officer at  
32 the time of the effective date of the transfer, and such matter shall proceed  
33 as though no transfer of employment had occurred.

34 (4) Effective July 1, 2008, any full-time presiding officer in agencies  
35 specified in subsection (h)(4) which conduct hearings pursuant to the  
36 Kansas administrative procedure act, except those exempted pursuant to  
37 K.S.A. 77-551, and amendments thereto, and support personnel for such  
38 presiding officers, shall be transferred to and shall become employees of  
39 the office of administrative hearings. Such personnel shall retain all rights  
40 under the state personnel system and retirement benefits under the laws of  
41 this state which had accrued to or vested in such personnel prior to the  
42 effective date of this section. Such person's services shall be deemed to  
43 have been continuous. All transfers of personnel positions in the classified

1 service under the Kansas civil service act shall be in accordance with civil  
2 service laws and any rules and regulations adopted thereunder. This  
3 section shall not affect any matter pending before an administrative  
4 hearing officer at the time of the effective date of the transfer, and such  
5 matter shall proceed as though no transfer of employment had occurred.

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

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

- 24 (a) "Treasurer" means state treasurer.  
25 (b) "Controller" means director of accounts and reports.  
26 (c) "Board" means the pooled money investment board.  
27 (d) "Bank" means a bank incorporated under the laws of this state, or  
28 organized under the laws of the United States or another state and which  
29 has a main or branch office in this state.  
30 (e) "State moneys" means all moneys in the treasury of the state or  
31 coming lawfully into the possession of the treasurer.  
32 (f) "State bank account" means state moneys or fee agency account  
33 moneys deposited in accordance with the provisions of this act.  
34 (g) "Operating account" means a state bank account which is payable  
35 or withdrawable, in whole or in part, on demand.  
36 (h) "Investment account" means a state bank account which is not  
37 payable on demand.  
38 (i) "Fee agency account" means a state bank account of any state  
39 agency consisting of moneys authorized by law prior to remittance to the  
40 state treasurer.  
41 (j) "Disbursement" means a payment of any kind whatsoever made  
42 from the state treasury or from any operating account, except transfer of  
43 moneys between or among operating accounts and investment accounts or

1 either or both of them.

2 (k) "Securities" means, for the purposes of this section and K.S.A.  
3 75-4218, and amendments thereto, securities, security entitlements,  
4 financial assets and securities account consisting of any one or more of the  
5 following, and security entitlements thereto, which may be accepted or  
6 rejected by the pooled money investment board:

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

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

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

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

25 (5) Temporary notes of any municipal corporation or quasi-municipal  
26 corporation within the state of Kansas which are general obligations of the  
27 municipal corporation or quasi-municipal corporation issuing the same.

28 (6) Warrants of any municipal corporation or quasi-municipal  
29 corporation within the state of Kansas the issuance of which is authorized  
30 by the state ~~enact~~ board of tax appeals and which are payable from the  
31 proceeds of a mandatory tax levy.

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

39 (8) Securities listed in paragraph (14) of subsection (d) of K.S.A. 9-  
40 1402, and amendments thereto, within limitations of K.S.A. 9-1402, and  
41 amendments thereto.

42 (9) A corporate surety bond guaranteeing deposits in a bank, savings  
43 or savings and loan association in excess of federal deposit insurance



1 corporation insurance, underwritten by an insurance company authorized  
2 to do business in the state of Kansas.

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

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

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

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

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

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

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

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

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

34 (s) "Securities," "security entitlements," "financial assets," "securities  
35 account," "security agreement," "security interest," "perfection" and  
36 "control" shall have the meanings given such terms under the Kansas  
37 uniform commercial code.

38 Sec. 76. K.S.A. 2013 Supp. 75-5104 is hereby amended to read as  
39 follows: 75-5104. Whenever, under any statute of this state, the director of  
40 revenue is authorized to make, adopt or promulgate rules and regulations  
41 or rules or regulations, or words of like effect, and whenever in any statute  
42 of this state there is reference to any such rule or regulation, such authority  
43 and such reference shall after the effective date of this act be deemed to so

1 authorize or refer to the secretary of revenue and not the director of  
2 revenue, and no approval for adoption of any such rules and regulations  
3 shall be required by the state ~~court~~ board of tax appeals.

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

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

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

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

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

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

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

11 (e) If a substitute is required for a person who is disqualified or  
12 becomes unavailable for any other reason, any action taken by a duly  
13 appointed substitute for a disqualified or unavailable person is as effective  
14 as if taken by the latter.

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

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

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

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

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

31 Sec. 81. K.S.A. 2013 Supp. 79-210 is hereby amended to read as  
32 follows: 79-210. The owner or owners of all property which is exempt  
33 from the payment of property taxes under the laws of the state of Kansas  
34 for a specified period of years, other than property exempt under K.S.A.  
35 79-201d and 79-201g, and amendments thereto, shall in each year after  
36 approval thereof by the state ~~committee~~ *board* of tax appeals claim such  
37 exemption on or before March 1 of each year in which such exemption is  
38 claimed in the manner hereinafter provided. All claims for exemption from  
39 the payment of property taxes shall be made upon forms prescribed by the  
40 director of property valuation and shall identify the property sought to be  
41 exempt, state the basis for the exemption claimed and shall be filed in the  
42 office of the assessing officer of the county in which such property is  
43 located. The assessing officers of the several counties shall list and value

1 for assessment, all property located within the county for which no claim  
2 for exemption has been filed in the manner hereinbefore provided. The  
3 secretary of revenue shall adopt rules and regulations necessary to  
4 administer the provisions of this section. The provisions of this section  
5 shall apply to property exempted pursuant to the provisions of section 13  
6 of article 11 of the ~~Kansas~~ constitution *of the state of Kansas*. The claim  
7 for exemption annually filed by the owner of such property with the  
8 assessing officer shall include a written statement, signed by the clerk of  
9 the city or county granting the exemption, that the property continues to  
10 meet all the terms and conditions established as a condition of granting the  
11 exemption.

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

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

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

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

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

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

34 (g) After examination of the request for exemption, and the county  
35 appraiser's recommendation related thereto, the ~~court~~ board may fix a time  
36 and place for hearing, and shall notify the applicant and the county  
37 appraiser of the time and place so fixed. A request for exemption pursuant  
38 to: (1) Section 13 of article 11 of the ~~Kansas~~ constitution *of the state of*  
39 *Kansas*; or (2) K.S.A. 79-201a *Second*, and amendments thereto, for  
40 property constructed or purchased, in whole or in part, with the proceeds  
41 of revenue bonds under the authority of K.S.A. 12-1740 to 12-1749,  
42 inclusive, and amendments thereto, prepared in accordance with  
43 instructions and assistance which shall be provided by the department of

1 commerce, shall be deemed approved unless scheduled for hearing within  
2 30 days after the date of receipt of all required information and data  
3 relating to the request for exemption, and such hearing shall be conducted  
4 within 90 days after such date. Such time periods shall be determined  
5 without regard to any extension or continuance allowed to either party to  
6 such request. In any case where a party to such request for exemption  
7 requests a hearing thereon, the same shall be granted. Hearings shall be  
8 conducted in accordance with the provisions of the Kansas administrative  
9 procedure act. In all instances where the ~~court~~ board sets a request for  
10 exemption for hearing, the county shall be represented by its county  
11 attorney or county counselor.

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

15 (i) During the pendency of a request for exemption, no person, firm,  
16 unincorporated association, company or corporation charged with real  
17 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-  
18 2004a, and amendments thereto, on the tax books in the hands of the  
19 county treasurer shall be required to pay the tax from the date the request  
20 is filed with the county appraiser until the expiration of 30 days after the  
21 ~~court~~ board issued its order thereon and the same becomes a final order. In  
22 the event that taxes have been assessed against the subject property, no  
23 interest shall accrue on any unpaid tax for the year or years in question nor  
24 shall the unpaid tax be considered delinquent from the date the request is  
25 filed with the county appraiser until the expiration of 30 days after the  
26 ~~court~~ board issued its order thereon. In the event the ~~court~~ board  
27 determines an application for exemption is without merit and filed in bad  
28 faith to delay the due date of the tax, the tax shall be considered delinquent  
29 as of the date the tax would have been due pursuant to K.S.A. 79-2004 and  
30 79-2004a, and amendments thereto, and interest shall accrue as prescribed  
31 therein.

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

38 (k) In conjunction with its authority to grant exemptions, the ~~court~~  
39 board shall have the authority to abate all unpaid taxes that have accrued  
40 from and since the effective date of the exemption. In the event that taxes  
41 have been paid during the period where the subject property has been  
42 determined to be exempt, the ~~court~~ board shall have the authority to order  
43 a refund of taxes for the year immediately preceding the year in which the

1 exemption application is filed in accordance with subsection (a).

2 (l) The provisions of this section shall not apply to: (1) Farm  
3 machinery and equipment exempted from ad valorem taxation by K.S.A.  
4 79-201j, and amendments thereto; (2) personal property exempted from ad  
5 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing  
6 apparel, household goods and personal effects exempted from ad valorem  
7 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all  
8 property exempted from ad valorem taxation by K.S.A. 79-201d, and  
9 amendments thereto; (6) merchants' and manufacturers' inventories  
10 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments  
11 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,  
12 and amendments thereto; (8) property exempted from ad valorem taxation  
13 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all  
14 property previously acquired by the secretary of transportation or a  
15 predecessor in interest, which is used in the administration, construction,  
16 maintenance or operation of the state system of highways. The secretary of  
17 transportation shall at the time of acquisition of property notify the county  
18 appraiser in the county in which the property is located that the acquisition  
19 occurred and provide a legal description of the property acquired; (9)  
20 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,  
21 and amendments thereto, including all property previously acquired by the  
22 Kansas turnpike authority which is used in the administration,  
23 construction, maintenance or operation of the Kansas turnpike. The Kansas  
24 turnpike authority shall at the time of acquisition of property notify the  
25 county appraiser in the county in which the property is located that the  
26 acquisition occurred and provide a legal description of the property  
27 acquired; (10) aquaculture machinery and equipment exempted from ad  
28 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in  
29 this section, "aquaculture" has the same meaning ascribed thereto by  
30 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery  
31 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and  
32 amendments thereto; (12) property used exclusively by the state or any  
33 municipality or political subdivision of the state for right-of-way purposes.  
34 The state agency or the governing body of the municipality or political  
35 subdivision shall at the time of acquisition of property for right-of-way  
36 purposes notify the county appraiser in the county in which the property is  
37 located that the acquisition occurred and provide a legal description of the  
38 property acquired; (13) machinery, equipment, materials and supplies  
39 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments  
40 thereto; (14) vehicles owned by the state or by any political or taxing  
41 subdivision thereof and used exclusively for governmental purposes; (15)  
42 property used for residential purposes which is exempted pursuant to  
43 K.S.A. 79-201x from the property tax levied pursuant to K.S.A. 72-6431,

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

15 (m) The provisions of this section shall apply to property exempt  
16 pursuant to the provisions of section 13 of article 11 of the ~~Kansas~~  
17 constitution *of the state of Kansas*.

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

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

37 Sec. 84. K.S.A. 2013 Supp. 79-213d is hereby amended to read as  
38 follows: 79-213d. When any taxpayer has filed an application requesting  
39 an exemption from the payment of all or a portion of the ad valorem  
40 property taxes assessed, or to be assessed, against such taxpayer's property,  
41 the county appraiser shall notify the county clerk that the exemption  
42 application has been filed and the county clerk shall not be required to  
43 include the assessed valuation of such property in the applicable taxing

1 districts until such time as the application is denied by the state ~~court~~  
2 *board* of tax appeals or, if judicial review of ~~court's~~ *the board's* order is  
3 sought, until such time as judicial review is finalized. The provisions of  
4 this section shall be effective on and after July 1, 2008.

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

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

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

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

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

34 (d) The state ~~court~~ *board* of tax appeals shall have the authority to  
35 abate any penalty imposed under the provisions of this section and order  
36 the refund of the abated penalty, whenever excusable neglect on the part of  
37 the person, corporation or association required to make and file the  
38 statement of assessment is shown, or whenever the property for which a  
39 statement of assessment was not filed as required by law is repossessed,  
40 judicially or otherwise, by a secured creditor and such secured creditor  
41 pays the taxes and interest due.

42 Sec. 86. K.S.A. 2013 Supp. 79-425a is hereby amended to read as  
43 follows: 79-425a. (a) Whenever a tract of land which has been assessed



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

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

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

1 application is denied by the state ~~court~~ *board* of tax appeals or, if judicial  
2 review of the ~~court's board's~~ order is sought, until such time as judicial  
3 review is finalized.

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

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

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

36 Sec. 90. K.S.A. 2013 Supp. 79-1409 is hereby amended to read as  
37 follows: 79-1409. The state ~~court~~ *board* of tax appeals shall constitute a  
38 state board of equalization, and shall equalize the valuation and assessment  
39 of property throughout the state; and shall have power to equalize the  
40 assessment of all property in this state between persons, firms or  
41 corporations of the same assessment district, between cities and townships  
42 of the same county, and between the different counties of the state, and the  
43 property assessed by the director of property valuation in the first instance.

1 And any person feeling aggrieved by the action of the county board of  
2 equalization may, within 45 days after the decision of such board, appeal  
3 to the state board of equalization for a determination of such grievance.

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

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

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

36 Sec. 92. K.S.A. 2013 Supp. 79-1413a is hereby amended to read as  
37 follows: 79-1413a. Whenever upon complaint made to the state ~~court~~-  
38 *board* of tax appeals by the county or district appraiser, the director of  
39 property valuation, the board of county commissioners, any property  
40 taxpayer or any aggrieved party, and a summary proceeding in that behalf  
41 had, it shall be made to appear to the satisfaction of the ~~court~~ *board* that  
42 the appraisal of real property or tangible personal property in any county is  
43 not in substantial compliance with law and the guidelines and timetables

1 prescribed by the director of property valuation, and that the interest of the  
2 public will be promoted by a reappraisal of such property, the state ~~court~~  
3 *board* of tax appeals shall order a reappraisal of all or any part of the  
4 property in such county to be made by one or more persons, to be  
5 appointed by the state ~~court~~ *board* of tax appeals for that purpose, the  
6 expense of any such reappraisal to be borne by the county in which is  
7 situated the property to be reappraised. The state ~~court~~ *board* of tax  
8 appeals shall, upon its own motion, after a hearing, order any such  
9 reappraisal if it shall clearly appear that the public would be benefited  
10 thereby. Due notice of the time and place fixed for such summary  
11 proceeding or hearing shall be mailed to the county clerk and the county  
12 appraiser of the county involved, the director of property valuation, who  
13 shall be made a party to the proceeding, and to the party filing any such  
14 complaint. Upon ordering such a reappraisal the state ~~court~~ *board* of tax  
15 appeals may order all or any part of the taxable real property and tangible  
16 personal property in such county to be reappraised, and shall either  
17 designate the person or persons to make such reappraisal or permit the  
18 board of county commissioners to designate such persons with the  
19 approval of the state ~~court~~ *board* of tax appeals. The cost of such  
20 reappraisal shall be paid from the county general fund, the special  
21 countywide reappraisal fund established by K.S.A. 79-1482, and  
22 amendments thereto, the issuance of no-fund warrants, or from a special  
23 assessment equalization fund in the same manner as provided in K.S.A.  
24 79-1607 and 79-1608, and amendments thereto, for the payment of the  
25 cost of appraisals.

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

39 No person, firm, corporation, partnership, or association, other than the  
40 county or district appraiser, shall commence any contracted reappraisal in  
41 any county until a written agreement has been entered into between the  
42 board of county commissioners and such contractors. Such agreement  
43 shall specifically set out the duties of the reappraisers, and shall contain a

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

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

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

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

40 (b) If, within one year following the date prescribed by K.S.A. 79-  
41 306, and amendments thereto, any person shall fail to make and file the  
42 statement listing property for assessment and taxation purposes or shall  
43 fail to make and file a full and complete statement listing property for such

1 purposes, the appraiser shall proceed to ascertain the assessed value of the  
2 property of such taxpayer, and for this purpose the appraiser may examine  
3 under oath any person or persons whom the appraiser deems to have  
4 knowledge thereof. The appraiser shall, after having ascertained the  
5 assessed value of such property, add 50% thereto as a penalty for failure to  
6 file such statement or for failure to file a full and complete statement.

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

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

33 Sec. 95. K.S.A. 2013 Supp. 79-1427a is hereby amended to read as  
34 follows: 79-1427a. (a) If, the county appraiser discovers, after the tax roll  
35 has been certified to the county clerk, that any tangible personal property  
36 subject to taxation has been omitted from the tax rolls, the county clerk  
37 shall place such property on the tax roll as an added tax, or if, after one  
38 year from the date prescribed by K.S.A. 79-306, and amendments thereto,  
39 for the listing of tangible personal property, the county appraiser discovers  
40 that any tangible personal property which was subject to taxation in any  
41 year or years within two years next preceding January 1 of the calendar  
42 year in which it was discovered has not been listed or has been  
43 underreported for whatever reason, such property shall be deemed to have

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

38 (b) A taxpayer with a grievance as to any penalty applied pursuant to  
39 the provisions of this section, may appeal to the state ~~court~~ board of tax  
40 appeals on forms prepared by the state ~~court~~ board of tax appeals and  
41 provided by the county appraiser. The state ~~court~~ board of tax appeals shall  
42 have the authority to abate any penalty imposed under the provisions of  
43 this section and order the refund of the abated penalty, whenever excusable

1 neglect on the part of the person required to make and file the statement  
2 listing property for assessment and taxation purposes is shown, or  
3 whenever the property which has been deemed to have escaped taxation is  
4 reposessed, judicially or otherwise, by a secured creditor and such  
5 creditor pays the taxes and interest due. No interest shall be assessed  
6 during the pendency of this appeal.

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

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

16 (a) County officials for cooperating with and assisting the director of  
17 property valuation in developing the information as provided for in K.S.A.  
18 79-1487, and amendments thereto;

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

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

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

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

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

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

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

39 (i) a person licensed pursuant to the real estate brokers' and  
40 salespersons' act for purposes of fulfilling such person's statutory duties  
41 and providing information on market value of property to clients and  
42 customers.

43 Sec. 97. K.S.A. 2013 Supp. 79-1476 is hereby amended to read as



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

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

25       Valuations shall be established for each parcel of real property at its fair  
26 market value in money in accordance with the provisions of K.S.A. 79-  
27 503a, and amendments thereto.

28       In addition thereto valuations shall be established for each parcel of  
29 land devoted to agricultural use upon the basis of the agricultural income  
30 or productivity attributable to the inherent capabilities of such land in its  
31 current usage under a degree of management reflecting median production  
32 levels in the manner hereinafter provided. A classification system for all  
33 land devoted to agricultural use shall be adopted by the director of  
34 property valuation using criteria established by the United States  
35 department of agriculture soil conservation service. For all taxable years  
36 commencing after December 31, 1989, all land devoted to agricultural use  
37 which is subject to the federal conservation reserve program shall be  
38 classified as cultivated dry land for the purpose of valuation for property  
39 tax purposes pursuant to this section. For all taxable years commencing  
40 after December 31, 1999, all land devoted to agricultural use which is  
41 subject to the federal wetlands reserve program shall be classified as native  
42 grassland for the purpose of valuation for property tax purposes pursuant  
43 to this section. Productivity of land devoted to agricultural use shall be

1 determined for all land classes within each county or homogeneous region  
2 based on an average of the eight calendar years immediately preceding the  
3 calendar year which immediately precedes the year of valuation, at a  
4 degree of management reflecting median production levels. The director of  
5 property valuation shall determine median production levels based on  
6 information available from state and federal crop and livestock reporting  
7 services, the soil conservation service, and any other sources of data that  
8 the director considers appropriate.

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

34 Based on the foregoing procedures the director of property valuation  
35 shall make an annual determination of the value of land within each of the  
36 various classes of land devoted to agricultural use within each county or  
37 homogeneous region and furnish the same to the several county appraisers  
38 who shall classify such land according to its current usage and apply the  
39 value applicable to such class of land according to the valuation schedules  
40 prepared and adopted by the director of property valuation under the  
41 provisions of this section.

42 It is the intent of the legislature that appraisal judgment and appraisal  
43 standards be followed and incorporated throughout the process of data

1 collection and analysis and establishment of values pursuant to this  
2 section.

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

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

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

31 Sec. 98. K.S.A. 2013 Supp. 79-1478 is hereby amended to read as  
32 follows: 79-1478. The state shall assume a portion of the costs incurred by  
33 any county in complying with the provisions of this act. The portion of the  
34 cost to be paid to each such county by the state shall be determined in  
35 accordance with a statewide payment schedule adopted by the secretary of  
36 revenue. Such schedule shall contain a specified amount according to class  
37 or subclass of property as specified in K.S.A. 79-1459, and amendments  
38 thereto, to be paid by the state to each county on a per parcel basis.  
39 Payments shall be made to counties as authorized under the provisions of  
40 this section in accordance with appropriation acts of the legislature. No  
41 county for which the state ~~court~~ board of tax appeals has issued an order  
42 pursuant to K.S.A. 79-1479, and amendments thereto, shall be entitled to  
43 receive any payment from the state under the provisions of this section for

1 the period of time such an order is in effect.

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

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

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

29 Sec. 100. K.S.A. 2013 Supp. 79-1479 is hereby amended to read as  
30 follows: 79-1479. (a) On or before January 15, 1992, and quarterly  
31 thereafter, the county or district appraiser shall submit to the director of  
32 property valuation a progress report indicating actions taken during the  
33 preceding quarter calendar year to implement the appraisal of property in  
34 the county or district. Whenever the director of property valuation shall  
35 determine that any county has failed, neglected or refused to properly  
36 provide for the appraisal of property or the updating of the appraisals on an  
37 annual basis in substantial compliance with the provisions of law and the  
38 guidelines and timetables prescribed by the director, the director shall file  
39 with the state ~~court~~ board of tax appeals a complaint stating the facts upon  
40 which the director has made the determination of noncompliance as  
41 provided by K.S.A. 79-1413a, and amendments thereto. If, as a result of  
42 such proceeding, the state ~~court~~ board of tax appeals finds that the county  
43 is not in substantial compliance with the provisions of law and the

1 guidelines and timetables of the director of property valuation providing  
2 for the appraisal of all property in the county or the updating of the  
3 appraisals on an annual basis, it shall order the immediate assumption of  
4 the duties of the office of county appraiser by the director of the division  
5 of property valuation until such time as the director of property valuation  
6 determines that the county is in substantial compliance with the provisions  
7 of law. In addition, the ~~county~~ board shall order the state treasurer to  
8 withhold all or a portion of the county's entitlement to moneys from either  
9 or both of the local ad valorem tax reduction fund and the city and county  
10 revenue sharing fund for the year following the year in which the order is  
11 issued. Upon service of any such order on the board of county  
12 commissioners, the appraiser shall immediately deliver to the director of  
13 property valuation, or the director's designee, all books, records and papers  
14 pertaining to the appraiser's office.

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

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

33 If a plan is submitted and approved by the director the county or district  
34 shall proceed to implement the plan as submitted. The director shall  
35 continue to monitor the program to insure that the plan is implemented as  
36 submitted. If no plan is submitted or if the director does not approve the  
37 plan, the director shall petition the state ~~county~~ board of tax appeals for a  
38 review of the plan or, if no plan is submitted, for authority for the division  
39 of property valuation to assume control of the appraisal program of the  
40 county and to proceed to bring the same into compliance with the  
41 requirements of law.

42 If the state ~~county~~ board of tax appeals approves the plan, the county or  
43 district appraiser shall proceed to implement the plan as submitted. If no

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

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

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

40 Sec. 102. K.S.A. 2013 Supp. 79-1489 is hereby amended to read as  
41 follows: 79-1489. The director shall determine the mid-year ratios for each  
42 county and notify the board of county commissioners thereof. When the  
43 final ratios are determined, the director shall notify the board of county

1 commissioners of each county of the ratios determined for such county. If  
2 the board of county commissioners disagrees with the ratios determined  
3 for the county, such board, within 15 days after receipt of such notice, may  
4 appeal such determination to the state ~~court~~ board of tax appeals. Written  
5 notice of appeal shall be served on the state ~~court~~ board of tax appeals and  
6 the director by certified mail. The notice of appeal shall clearly and  
7 specifically state the facts upon which the appeal is based. The state ~~court~~  
8 board of tax appeals shall conduct a summary proceeding in accordance  
9 with the provisions of the Kansas administrative procedure act within 30  
10 days of receipt of the written notice of appeal and shall issue findings and  
11 a final order within 30 days after the conclusion of such summary  
12 proceeding. If the state ~~court~~ board of tax appeals finds that corrections in  
13 the ratios are necessary, it shall order the director to make necessary  
14 corrections consistent with such findings prior to the publication of the  
15 study.

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

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

39 No person may serve as a hearing officer or on a county or district  
40 hearing panel who is not qualified by virtue of experience and training in  
41 the field of property appraisal and property tax administration, such  
42 qualifications to be determined by the director of property valuation who  
43 shall prescribe guidelines governing the duties of the hearing officers or

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

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

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

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

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

40 Sec. 105. K.S.A. 2013 Supp. 79-1702 is hereby amended to read as  
41 follows: 79-1702. If any taxpayer, municipality or taxing district shall have  
42 a grievance described under the provisions of K.S.A. 79-1701 or 79-  
43 1701a, and amendments thereto, which is not remediable thereunder solely



1 because not reported within the time prescribed therein, or which was  
2 remediable thereunder and reported to the proper official or officials  
3 within the time prescribed but which has not been remedied by such  
4 official or officials, such grievance may be presented to the state ~~court~~  
5 *board* of tax appeals and if it shall be satisfied from competent evidence  
6 produced that there is a real grievance, it may direct that the same be  
7 remedied either by canceling the tax, if uncollected, together with all  
8 penalties charged thereon, or if the tax has been paid, by ordering a refund  
9 of the amount found to have been unlawfully charged and collected and  
10 interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto,  
11 minus two percentage points.

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

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

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

36 Errors committed in the valuation and assessment process that are not  
37 specifically described in K.S.A. 79-1701, and amendments thereto, shall  
38 be remediable only under the provisions of K.S.A. 79-2005, and  
39 amendments thereto.

40 Sec. 106. K.S.A. 2013 Supp. 79-1703 is hereby amended to read as  
41 follows: 79-1703. (a) Except as provided in subsection (b) or as otherwise  
42 provided by law, no board of county commissioners or other officer of any  
43 county shall have power to release, discharge, remit or commute any

1 portion of the taxes assessed or levied against any person or property  
2 within their respective jurisdictions for any reason whatever. Any taxes so  
3 discharged, released, remitted or commuted may be recovered by civil  
4 action from the members of the board of county commissioners or such  
5 other officer and the sureties of their official bonds at the suit of the  
6 attorney general, the county attorney, or of any citizen of the county or the  
7 board of education of any school district a part of the territory of which is  
8 in such county, as the case may be, and when collected shall be paid into  
9 the county treasury to be properly apportioned and paid to the county,  
10 municipalities, school districts and other taxing subdivisions entitled  
11 thereto.

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

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

32 Sec. 108. K.S.A. 2013 Supp. 79-1964a is hereby amended to read as  
33 follows: 79-1964a. When it is apparent to the governing body of any  
34 taxing district except cities, counties, community colleges, and school  
35 districts at tax levying time that the rate of levy, for any individual fund for  
36 which the board desires to make a levy, is so limited by the maximum levy  
37 limit for the individual fund or by the aggregate limit, that it is impossible  
38 to raise sufficient tax plus receipts from all other sources, to finance the  
39 proposed budget of expenditures for such fund for the ensuing budget year,  
40 the governing body may make application to the state ~~court~~ board of tax  
41 appeals for authority to increase such rate of levy. The application shall be  
42 signed and sworn to, and shall have a majority approval of any governing  
43 body composed of three members or less, and a  $\frac{3}{4}$  majority of any

1 governing body composed of more than three members. The application  
2 shall reveal the following:

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

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

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

36 Sec. 109. K.S.A. 2013 Supp. 79-1964b is hereby amended to read as  
37 follows: 79-1964b. Whenever it shall be the opinion of the majority of the  
38 members of any body authorized to levy taxes in any taxing district other  
39 than a city, county or community college located in any county adjoining a  
40 regular army post or military reservation, or of any officer solely charged  
41 with that duty therein, that the rates of levy in the particular taxing district  
42 under consideration are so limited as to be insufficient for the raising of  
43 the funds necessary to supply the needs of such taxing district for general

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

23 Sec. 110. K.S.A. 2013 Supp. 79-2005 is hereby amended to read as  
24 follows: 79-2005. (a) Any taxpayer, before protesting the payment of such  
25 taxpayer's taxes, shall be required, either at the time of paying such taxes,  
26 or, if the whole or part of the taxes are paid prior to December 20, no later  
27 than December 20, or, with respect to taxes paid in whole or in part in an  
28 amount equal to at least  $\frac{1}{2}$  of such taxes on or before December 20 by an  
29 escrow or tax service agent, no later than January 31 of the next year, to  
30 file a written statement with the county treasurer, on forms approved by  
31 the state ~~court~~ board of tax appeals and provided by the county treasurer,  
32 clearly stating the grounds on which the whole or any part of such taxes  
33 are protested and citing any law, statute or facts on which such taxpayer  
34 relies in protesting the whole or any part of such taxes. When the grounds  
35 of such protest is an assessment of taxes made pursuant to K.S.A. 79-332a  
36 and 79-1427a, and amendments thereto, the county treasurer may not  
37 distribute the taxes paid under protest until such time as the appeal is final.  
38 When the grounds of such protest is that the valuation or assessment of the  
39 property upon which the taxes are levied is illegal or void, the county  
40 treasurer shall forward a copy of the written statement of protest to the  
41 county appraiser who shall within 15 days of the receipt thereof, schedule  
42 an informal meeting with the taxpayer or such taxpayer's agent or attorney  
43 with reference to the property in question. The county appraiser shall

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

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

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

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

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

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

38 (g) Within 30 days after notification of the results of the informal  
39 meeting with the county appraiser pursuant to subsection (a), the  
40 protesting taxpayer may, if aggrieved by the results of the informal  
41 meeting with the county appraiser, appeal such results to the state ~~court~~  
42 board of tax appeals.

43 (h) After examination of the copy of the written statement of protest

1 and a copy of the written notification of the results of the informal meeting  
2 with the county appraiser in cases where the grounds of such protest is that  
3 the valuation or assessment of the property upon which the taxes are levied  
4 is illegal or void, the ~~count~~ board shall conduct a hearing in accordance  
5 with the provisions of the Kansas administrative procedure act, unless  
6 waived by the interested parties in writing. If the grounds of such protest is  
7 that the valuation or assessment of the property is illegal or void the ~~count~~  
8 board shall notify the county appraiser thereof.

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

28 (j) When a determination is made as to the merits of the tax protest,  
29 the ~~count~~ board shall render and serve its order thereon. The county  
30 treasurer shall notify all affected taxing districts of the amount by which  
31 tax revenues will be reduced as a result of a refund.

32 (k) If a protesting taxpayer fails to file a copy of the written statement  
33 of protest and a copy, when applicable, of the written notification of the  
34 results of the informal meeting with the county appraiser with the ~~count~~  
35 board within the time limit prescribed, such protest shall become null and  
36 void and of no effect whatsoever.

37 (l) (1) In the event the ~~count~~ board orders that a refund be made  
38 pursuant to this section or the provisions of K.S.A. 79-1609, and  
39 amendments thereto, or a court of competent jurisdiction orders that a  
40 refund be made, and no appeal is taken from such order, or in the event a  
41 change in valuation which results in a refund pursuant to subsection (a),  
42 the county treasurer shall, as soon thereafter as reasonably practicable,  
43 refund to the taxpayer such protested taxes and, with respect to protests or

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

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

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

27 (n) Whenever a taxpayer appeals to the ~~court~~ board of tax appeals  
28 pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, or  
29 pays taxes under protest related to one property whereby the assessed  
30 valuation of such property exceeds 5% of the total county assessed  
31 valuation of all property located within such county and the taxpayer  
32 receives a refund of such taxes paid under protest or a refund made  
33 pursuant to the provisions of K.S.A. 79-1609, and amendments thereto, the  
34 county treasurer or the governing body of any taxing subdivision within a  
35 county may request the pooled money investment board to make a loan to  
36 such county or taxing subdivision as provided in this section. The pooled  
37 money investment board is authorized and directed to loan to such county  
38 or taxing subdivision sufficient funds to enable the county or taxing  
39 subdivision to refund such taxes to the taxpayer. The pooled money  
40 investment board is authorized and directed to use any moneys in the  
41 operating accounts, investment accounts or other investments of the state  
42 of Kansas to provide the funds for such loan. Each loan shall bear interest  
43 at a rate equal to the net earnings rate of the pooled money investment

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

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

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

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

36 Sec. 112. K.S.A. 2013 Supp. 79-2925a is hereby amended to read as  
37 follows: 79-2925a. On or before August 1, 1974, the board of county  
38 commissioners of Shawnee county shall prepare a budget for such county  
39 for the period commencing January 1, 1975, and ending December 31,  
40 1975, and thereafter each budget prepared by ~~said~~ the board for an ensuing  
41 budget year shall be prepared for a period commencing January 1 and  
42 ending December 31 of the succeeding calendar year. In order to provide  
43 moneys sufficient for the operation of such county during the period



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

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

32 (a) That the adopted budget of revenues balanced with the adopted  
33 budget of expenditures;

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

36 (c) that the budget of expenditures cannot be reduced during the  
37 remainder of the current budget year so that additional revenue will not be  
38 necessary, the state ~~court~~ board of tax appeals is empowered to authorize  
39 the issuance of warrants for the payment of that portion ~~(, in dollars),~~ of  
40 the unfinanced budget of expenditures which the state ~~court~~ board of tax  
41 appeals deems necessary. The amount of such warrants for any fund of any  
42 taxing district shall not exceed 25% of the amount of money that could  
43 have been raised by levy for such fund under the individual fund limit for

1 the payment of expenses for the current budget year, nor shall the amount  
2 of such warrants for any fund, of any taxing district exceed 25% of the  
3 amount of money that could have been raised by levy for such fund under  
4 the limitation placed upon such fund by reason of the aggregate limit, and  
5 in no case shall the total amount of such warrants for all funds exceed 25%  
6 of the amount of money that could have been raised by levy within the  
7 aggregate limit prescribed by law for such taxing district for the payment  
8 of expenses of the current budget year. The limitations of the foregoing  
9 provision shall have no application to funds for payment of general  
10 obligation bonds and interest thereon.

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

29 Sec. 114. K.S.A. 2013 Supp. 79-2939 is hereby amended to read as  
30 follows: 79-2939. Whenever there is an unforeseen occurrence which  
31 causes an expense in any fund of any municipality or other taxing district  
32 which could not have been anticipated at the time the budget for the  
33 current budget year was prepared, and by reason of such unforeseen  
34 occurrence the governing body of any such municipality or taxing district  
35 is of the opinion that it will be impossible to pay for such unforeseen  
36 expense and pay for the imperative functions of the fund without incurring  
37 indebtedness in excess of the adopted budget of expenditures for the  
38 current budget year, the governing body may make application to the state  
39 ~~court~~ board of tax appeals for authority to issue no-fund warrants to pay  
40 for such unforeseen expense. The application shall be signed and sworn to,  
41 and shall have a majority approval of any governing body composed of  
42 three members or less, and a  $\frac{3}{4}$  majority of any governing body composed  
43 of more than three members. The application shall reveal: (1) The nature

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

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

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

33 No order for the issuance of such warrants shall be made without a  
34 public hearing before the state ~~court~~ board of tax appeals conducted in  
35 accordance with the provisions of the Kansas administrative procedure act.  
36 In addition to notice to the parties, notice of such hearing shall be  
37 published in two issues of a paper of general circulation within the district  
38 applying for such authority at least 10 days prior to such hearing. The  
39 notice shall be in such form as the state ~~court~~ board of tax appeals  
40 prescribes, and the expense of such application shall be borne by the  
41 municipality or taxing district making application. Any taxpayer interested  
42 may file a written protest against such application. Any member of the  
43 governing body of the municipality or other taxing district making

1 application hereunder may appear and be heard in person at such hearing  
2 in support of the application. All records and findings of such hearings  
3 shall be subject to public inspection.

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

27 Sec. 115. K.S.A. 2013 Supp. 79-2940 is hereby amended to read as  
28 follows: 79-2940. A certified copy of orders issued by the state ~~court~~  
29 *board* of tax appeals authorizing the issuance of warrants in accordance  
30 with the provisions of K.S.A. 79-2938 and 79-2939, and amendments  
31 thereto, shall be delivered by the state ~~court~~ *board* of tax appeals to the  
32 county treasurer, county clerk, and clerk of the municipality or other taxing  
33 district. Warrants issued thereunder shall be issued in like manner as other  
34 warrants, or such warrants in multiples of \$100 not exceeding the amount  
35 authorized and to be raised by tax levy may be issued and sold at par and  
36 the money placed in the fund and paid out on regular warrants, and the  
37 warrants or single warrant issued under this section shall bear interest at  
38 the rate of not more than the maximum rate of interest prescribed by  
39 K.S.A. 10-1009, and amendments thereto, except that such warrants shall  
40 be made payable at the office of the county treasurer, shall be designated  
41 on their face as "no-fund warrants," and shall also bear the notation "issued  
42 pursuant to authority granted by order No. \_\_\_\_\_, dated \_\_\_\_\_  
43 of the state ~~court~~ *board* of tax appeals."

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

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

34 Sec. 116. K.S.A. 2013 Supp. 79-2941 is hereby amended to read as  
35 follows: 79-2941. Whenever it shall be apparent to a majority of the  
36 members of any board authorized to levy taxes in any taxing district in any  
37 county adjoining a United States army post or military reservation, or to  
38 any officer solely charged with that duty therein, that the rates of levy in  
39 the particular taxing district under consideration are so limited as to be  
40 insufficient for the raising of funds necessary to supply the needs of such  
41 taxing district for general maintenance expenses for the current tax year,  
42 such officers or officer shall have the authority to issue warrants to meet  
43 such general maintenance expenses for the current tax year to the amount

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

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

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

1 will not exceed the adopted budget. If the ~~court~~ *board* shall find that the  
2 evidence submitted in writing in support of the application shows:

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

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

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

1 to pay the warrants authorized by the ~~county~~ board under this section. When  
2 the money must be raised by a tax levy such city may issue and sell at par  
3 no-fund warrants in multiples of \$100 as hereinafter provided and place  
4 the money in the fund and issue regular warrants in the usual manner.  
5 Whenever any such city receives insurance money in payment of damage  
6 occasioned by the unforeseen occurrence, and authority to issue warrants  
7 is authorized by the ~~county~~ board under this section, such insurance money  
8 shall be deposited with the county treasurer immediately and used by the  
9 county treasurer in lieu of ad valorem taxes as provided in K.S.A. 79-  
10 2940, and amendments thereto. This section shall not require a deposit of  
11 insurance money in excess of the total amount of such warrants and  
12 interest thereon.

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

35 (2) Except for the Kansas privilege tax and individual and corporate  
36 income tax, amnesty shall apply only to tax liabilities due and unpaid for  
37 tax periods ending on or before December 31, 2002. For the Kansas  
38 privilege tax and individual and corporate income tax, amnesty shall apply  
39 only to tax liabilities due and unpaid for tax periods ending on or before  
40 December 31, 2001. For the eligible taxes and tax periods, amnesty shall  
41 apply to the under-reporting of such tax liabilities, the nonpayment of such  
42 taxes and the nonreporting of such tax liabilities.

43 (3) Amnesty shall not apply to any matter or matters for which, on or



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

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

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

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

39 (e) For tax returns for which amnesty has been requested, nothing in  
40 this section shall be interpreted to prohibit the department from adjusting  
41 such tax return as a result of a federal, department or other state agency  
42 audit.

43 (f) Fraud or intentional misrepresentation of a material fact in

1 connection with an application for amnesty shall void such application and  
2 any waiver of penalties and interest from amnesty.

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

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

8 (i) The provisions of this section shall be effective on and after July 1,  
9 2003.

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

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

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

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

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

38 (f) In the event the ~~court~~ board orders that a refund be made and no  
39 appeal is taken from such order, the county treasurer shall, as soon  
40 thereafter as reasonably practicable, refund to the protestant such protested  
41 mortgage registration fees. Upon making such refund, the county treasurer  
42 shall charge the fund or funds having received such protested fees.

43 Sec. 120. K.S.A. 2013 Supp. 79-3221 is hereby amended to read as

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

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

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

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

37 (1) Whether any of the following acts was performed within the time  
38 prescribed therefor: (A) Filing any return of income tax; (B) payment of  
39 any income tax or installment thereof; (C) filing a notice of appeal with the  
40 director of taxation or the state ~~court~~ board of tax appeals for  
41 redetermination of a deficiency or for a review of a decision rendered by  
42 either the director or the state ~~court~~ board of tax appeals; (D) allowance of  
43 a credit or refund of any income tax; (E) filing a claim for credit or refund

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

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

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

14 (2) If an individual is entitled to the benefits of subsection (d) with  
15 respect to any return and such return is timely filed, determined after the  
16 application of subsection (d), subsections (e)(5) and (e)(7) of K.S.A. 79-  
17 32,105, and amendments thereto, shall not apply.

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

25 (g) The period of service in the area referred to in subsection (d) shall  
26 include the period during which an individual entitled to benefits under  
27 subsection (d) is in a missing status, within the meaning of 26 U.S.C. §  
28 6013(f)(3).

29 (h) (1) Notwithstanding the provisions of subsection (d), any action  
30 or proceeding authorized by K.S.A. 79-3229, and amendments thereto, as  
31 well as any other action or proceeding authorized by law in connection  
32 therewith, may be taken, begun or prosecuted. In any other case in which  
33 the secretary determines that collection of the amount of any assessment  
34 would be jeopardized by delay, the provisions of subsection (d) shall not  
35 operate to stay collection of such amount by levy or otherwise as  
36 authorized by law. There shall be excluded from any amount assessed or  
37 collected pursuant to this subsection the amount of interest, penalty,  
38 additional amount, and addition to the tax, if any, in respect of the period  
39 disregarded under subsection (d). In any case to which this subsections  
40 relates, if the secretary is required to give any notice to or make any  
41 demand upon any person, such requirement shall be deemed to be satisfied  
42 if the notice or demand is prepared and signed, in any case in which the  
43 address of such person last known to the secretary is in an area for which

1 United States post offices under instructions of the postmaster general are  
2 not, by reason of the combatant activities, accepting mail for delivery at  
3 the time the notice or demand is signed. In such case the notice or demand  
4 shall be deemed to have been given or made upon the date it is signed.

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

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

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

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

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

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

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

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

34 Sec. 121. K.S.A. 2013 Supp. 79-3226 is hereby amended to read as  
35 follows: 79-3226. (a) As soon as practicable after the return is filed, the  
36 director of taxation shall examine it and shall determine the correct amount  
37 of the tax. If the tax found due shall be greater than the amount theretofore  
38 paid, or if a claim for a refund is denied, notice shall be mailed to the  
39 taxpayer. Within 60 days after the mailing of such notice the taxpayer may  
40 request an informal conference with the secretary of revenue or the  
41 secretary's designee relating to the tax liability or denial of refund by filing  
42 a written request with the secretary of revenue or the secretary's designee  
43 which sets forth the objections to the proposed liability or proposed denial

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

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

41 Sec. 122. K.S.A. 2013 Supp. 79-3233g is hereby amended to read as  
42 follows: 79-3233g. In all cases where the income tax liability exceeds the  
43 sum of \$100 including penalties and interest, the secretary shall petition

1 the state ~~court~~ board of tax appeals to abate such income tax liability  
2 setting forth the name of the debtor, the year for which the tax is due, and  
3 the grounds for abatement as set forth in K.S.A. 79-3233i, and  
4 amendments thereto.

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

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

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

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

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

38 (b) Subject to the provisions of subsection (c), any person who paid  
39 Kansas individual income tax on or on account of federal military  
40 retirement benefits for any or all of the tax years from 1984 through 1991  
41 shall be entitled to receive refund payments in an aggregate amount equal  
42 to that portion of the tax actually paid pursuant to the Kansas income tax  
43 act which is attributable to federal military retirement benefits, plus

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

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

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



1 refunds of income tax imposed upon federal military retirement benefits  
2 for taxable years 1984 through 1991 shall be held in abeyance. Upon final  
3 judicial approval of the settlement agreement, all such administrative  
4 appeals shall be deemed dismissed with prejudice to all parties.

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

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

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

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

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

37 Sec. 124. K.S.A. 2013 Supp. 79-3694 is hereby amended to read as  
38 follows: 79-3694. (a) (1) An application for a refund claim that is  
39 incomplete, not supported by the required documentation or otherwise  
40 fails to meet the requirements specified in K.S.A. 2013 Supp. 79-3693,  
41 and amendments thereto, whether submitted to the department or to a  
42 retailer, shall not be considered a valid refund claim for the purpose of any  
43 of the following:

1 (A) Tolling the statute of limitations provisions of K.S.A. 79-3609,  
2 and amendments thereto, except that for any refund application returned to  
3 the applicant for failing to meet the requirements of K.S.A. 2013 Supp. 79-  
4 3693, and amendments thereto, the applicant shall have 60 days from the  
5 date of the department's written notice to file with the department a  
6 complete refund application meeting the requirements of K.S.A. 2013  
7 Supp. 79-3693, and amendments thereto; or

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

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

39 (b) Each application for refund that meets the requirements specified  
40 in K.S.A. 2013 Supp. 79-3693, and amendments thereto, so that it can be  
41 verified and processed shall be reviewed by the department as a refund  
42 claim and its validity determined. Each applicant shall be notified in  
43 writing of the department's determination and, if the refund claim is denied

1 in whole or in part, shall be provided with a written description of the  
2 method by which an informal conference pursuant to K.S.A. 79-3226, and  
3 amendments thereto, may be requested. Each denial of a refund claim by  
4 the department shall be final, unless the applicant timely requests an  
5 informal conference pursuant to K.S.A. 79-3226, and amendments thereto.  
6 Once an informal conference is requested, an informal conference shall be  
7 held by the secretary or designee, and a written final determination shall be  
8 issued by the secretary or designee, in accordance with K.S.A. 79-3226,  
9 and amendments thereto. The written final determination shall constitute a  
10 final agency action subject to administrative review by the state ~~court~~  
11 *board* of tax appeals, as provided in K.S.A. 74-2438, and amendments  
12 thereto.

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

15 Sec. 125. K.S.A. 2013 Supp. 79-5205 is hereby amended to read as  
16 follows: 79-5205. (a) At such time as the director of taxation shall  
17 determine that a dealer has not paid the tax as provided by K.S.A. 79-  
18 5204, and amendments thereto, the director may immediately assess a tax  
19 based on personal knowledge or information available to the director of  
20 taxation; mail to the taxpayer at the taxpayer's last known address or serve  
21 in person, a written notice of the amount of tax, penalties and interest; and  
22 demand its immediate payment. If payment is not immediately made,  
23 because collection of every assessment made hereunder is presumed to be  
24 in jeopardy due to the nature of the commodity being taxed, the director  
25 may immediately collect the tax, penalties and interest in any manner  
26 provided by K.S.A. 79-5212, and amendments thereto.

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

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

37 (d) Within 15 days after the mailing or personal service of such notice  
38 of assessment pursuant to subsection (a), the taxpayer may request an  
39 informal conference with the secretary of revenue or the secretary's  
40 designee relating to the tax, penalties and interest assessed by filing a  
41 written request with the secretary or the secretary's designee. Such written  
42 request shall set forth the taxpayer's objections to the assessment. The  
43 purpose of such conference shall be to review and reconsider all facts and

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

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

39 Sec. 127. K.S.A. 2013 Supp. 80-808 is hereby amended to read as  
40 follows: 80-808. The township board of any township which maintains and  
41 operates a township library which is known as a Carnegie library is hereby  
42 authorized and empowered to issue no-fund warrants in an amount not  
43 exceeding \$4,000 for the purpose of providing funds for the repair and

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

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

36 Such warrants shall be issued, registered, redeemed and bear interest in  
37 the manner and be in the form prescribed by K.S.A. 79-2940, and  
38 amendments thereto, except they shall not bear the notation required  
39 therein and may be issued without the approval of the state ~~court~~ board of  
40 tax appeals. Any surplus existing after the redemption of the warrants shall  
41 be handled in the manner prescribed by K.S.A. 79-2940, and amendments  
42 thereto. None of the provisions of the cash-basis and budget laws of this  
43 state shall apply to any expenditures made, the payment of which has been

1 provided for by the issuance of such no-fund warrants.

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

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

33 (c) Both the user charges assessed for groundwater withdrawn and the  
34 assessments against lands within the district shall be certified to the proper  
35 county clerks and collected the same as other taxes in accordance with  
36 K.S.A. 79-1801, and amendments thereto, and the amount thereof shall  
37 attach to the real property involved as a lien in accordance with K.S.A. 79-  
38 1804, and amendments thereto. All moneys so collected shall be remitted  
39 by the county treasurer to the treasurer of the groundwater management  
40 district who shall deposit them to the credit of the general fund of the  
41 district. The accounts of each groundwater management district shall be  
42 audited annually by a public accountant or certified public accountant.

43 (d) Subsequent to the certification of approval of the organization of a

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

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

32 Sec. 130. K.S.A. 79-505 and K.S.A. 2013 Supp. 2-131e, 9-1402, 12-  
33 110a, 12-631, 12-1664, 12-16,109, 12-1737, 12-1742, 12-1744a, 12-  
34 1744b, 12-1744c, 12-1744d, 12-1755, 12-1934, 12-3206, 12-3805, 14-  
35 1060, 17-1374, 19-236, 19-431, 19-15,103, 19-15,106, 19-15,116, 19-  
36 15,123, 19-2106f, 19-2653, 19-2752a, 19-3554, 19-4420, 19-4442, 20-  
37 356, 20-363, 20-626, 24-133, 24-665, 24-1219, 31-144, 38-549, 68-151n,  
38 72-4142, 72-6441, 72-6443, 72-6451, 72-8203b, 74-2426, 74-2433, 74-  
39 2433a, 74-2433b, 74-2433c, 74-2433d, 74-2433e, 74-2433f, 74-2433g, 74-  
40 2434, 74-2435, 74-2436, 74-2437, 74-2437a, 74-2437b, 74-2438, 74-  
41 2438a, 74-2439, 74-2442, 74-2447, 74-4911f, 75-430, 75-37,121, 75-4201,  
42 75-5104, 75-5107, 75-5121, 75-5161, 77-514, 77-529, 79-210, 79-213, 79-  
43 213a, 79-213d, 79-332a, 79-425a, 79-5a27, 79-6a14, 79-1404a, 79-1409,

1 79-1410, 79-1413a, 79-1422, 79-1426, 79-1427a, 79-1437f, 79-1448, 79-  
2 1460, 79-1476, 79-1478, 79-1478a, 79-1479, 79-1481, 79-1489, 79-1609,  
3 79-1611, 79-1701, 79-1702, 79-1703, 79-1704, 79-1964a, 79-1964b, 79-  
4 2004, 79-2004a, 79-2005, 79-2416d, 79-2925a, 79-2938, 79-2939, 79-  
5 2940, 79-2941, 79-2951, 79-2977, 79-3107c, 79-3221, 79-3226, 79-3233g,  
6 79-32,193, 79-3694, 79-5205, 80-119, 80-808, 80-1920 and 82a-1030 are  
7 hereby repealed.

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