

HOUSE BILL No. 2413

By Committee on Appropriations

5-9

1 AN ACT concerning the state court of tax appeals; renaming the court to
2 the state board of tax appeals; removal of members; timing of
3 decisions; public policy determinations; amending K.S.A. 2012 Supp.
4 2-131e, as amended by section 7 of 2013 Senate Bill No. 56, 9-1402,
5 12-110a, 12-631, 12-1664, 12-16,109, 12-1737, 12-1742, 12-1744a, 12-
6 1744b, 12-1744c, 12-1744d, 12-1755, 12-1934, 12-3206, 12-3805, 14-
7 1060, 17-1374, 19-236, 19-431, 19-15,103, 19-15,106, 19-15,116, 19-
8 15,123, 19-2106f, 19-2653, 19-2752a, 19-3554, 19-4420, 19-4442, 20-
9 356, 20-363, 20-626, 24-133, 24-665, 24-1219, 31-144, 38-549, 68-
10 151n, 72-4142, 72-6441, as amended by section 3 of 2013 Senate Bill
11 No. 23, 72-6443, 72-6451, 72-8203b, 74-2426, 74-2433, 74-2433a, 74-
12 2433b, 74-2433c, 74-2433d, 74-2433e, 74-2433f, as amended by
13 section 11 of 2013 Senate Bill No. 83, 74-2433g, 74-2434, 74-2435,
14 74-2436, 74-2437, 74-2437a, 74-2437b, 74-2438, 74-2438a, 74-2439,
15 74-2442, 74-2447, 74-4911f, 75-430, 75-37,121, 75-4201, 75-5104, 75-
16 5107, 75-5121, 75-5161, 77-514, 77-529, 79-210, 79-213, 79-213a, 79-
17 213d, 79-332a, 79-425a, 79-5a27, 79-6a14, 79-1404a, 79-1409, 79-
18 1410, 79-1413a, 79-1422, 79-1426, 79-1427a, 79-1437f, 79-1448, as
19 amended by section 13 of 2013 Senate Bill No. 83, 79-1476, 79-1478,
20 79-1478a, 79-1479, 79-1481, 79-1489, 79-1609, as amended by section
21 14 of 2013 Senate Bill No. 83, 79-1611, 79-1701, 79-1702, as amended
22 by section 16 of 2013 Senate Bill No. 83, 79-1703, 79-1704, 79-1964a,
23 79-1964b, 79-2005, as amended by section 17 of 2013 Senate Bill No.
24 83, 79-2416d, 79-2925a, 79-2938, 79-2939, 79-2940, 79-2941, 79-
25 2951, 79-2977, 79-3107c, 79-3221, 79-3226, 79-3233g, 79-32,193, 79-
26 3694, 79-5205, 80-119, 80-808, 80-1920 and 82a-1030 and repealing
27 the existing sections; also repealing K.S.A. 2012 Supp. 75-37,121a.

28

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

30 Section 1. K.S.A. 2012 Supp. 74-2426 is hereby amended to read as
31 follows: 74-2426. (a) Orders of the state ~~court~~ board of tax appeals on any
32 appeal, in any proceeding under the tax protest, tax grievance or tax
33 exemption statutes or in any other original proceeding before the ~~court~~
34 board shall be rendered and served in accordance with the provisions of
35 the Kansas administrative procedure act. Notwithstanding the provisions
36 of subsection (g) of K.S.A. 77-526, and amendments thereto, a final order

1 of the ~~court~~ board shall be rendered in writing and served within 120 days
2 after the matter was fully submitted to the ~~court~~ board unless this period is
3 waived or extended with the written consent of all parties or for good
4 cause shown. *If the board has not rendered a final order within 120 days,*
5 *and such period has not been waived by the parties nor can the board*
6 *show good cause for the delay, then there shall be entered by the board a*
7 *default judgment in favor of the taxpayer.*

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

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

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

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

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

27 (d) If review of an order of the state ~~court~~ board of tax appeals
28 relating to excise, income or estate taxes, is sought by a person other than
29 the director of taxation, such person shall give bond for costs at the time
30 the petition is filed. The bond shall be in the amount of 125% of the
31 amount of taxes assessed or a lesser amount approved by the court of
32 appeals and shall be conditioned on the petitioner's prosecution of the
33 review without delay and payment of all costs assessed against the
34 petitioner.

35 (e) If review of an order is sought by a party other than the director of
36 property valuation or a taxing subdivision and the order determines,
37 approves, modifies or equalizes the amount of valuation which is
38 assessable and for which the tax has not been paid, a bond shall be given
39 in the amount of 125% of the amount of the taxes assessed or a lesser
40 amount approved by the reviewing court. The bond shall be conditioned on
41 the petitioner's prosecution of the review without delay and payment of all
42 costs assessed against the petitioner.

43 Sec. 2. K.S.A. 2012 Supp. 74-2433 is hereby amended to read as

1 follows: 74-2433. (a) There is hereby created a state ~~court~~ *board* of tax
2 appeals, referred to in this act as the ~~court~~ *board*. The ~~court~~ *board* shall be
3 composed of three ~~tax law judges~~ *members* who shall be appointed by the
4 governor, subject to confirmation by the senate as provided in K.S.A. 75-
5 4315b, and amendments thereto. After the effective date of this act, one of
6 such ~~judges~~ *members* shall have been regularly admitted to practice law in
7 the state of Kansas and for a period of at least five years, have engaged in
8 the active practice of law as a lawyer, judge of a court of record or any
9 other court in this state; and one of such ~~judges~~ *members* shall have
10 engaged in active practice as a certified public accountant for a period of at
11 least five years. In addition, the governor shall also appoint a chief hearing
12 officer, subject to confirmation by the senate as provided in K.S.A. 75-
13 4315b, and amendments thereto, who, in addition to other duties
14 prescribed by this act, shall serve as a ~~judge~~ *member* pro tempore of the
15 ~~court~~ *board*. No successor shall be appointed for any ~~member~~ *judge* of the
16 ~~board~~ *court* of tax appeals appointed before July 1, ~~2008~~ 2013. Such
17 persons shall continue to serve as ~~judges~~ *members* on the ~~court~~ *board* of
18 tax appeals until their terms expire. Except as provided by K.S.A. 46-
19 2601, and amendments thereto, no person appointed to the ~~court~~ *board*,
20 including the chief hearing officer, shall exercise any power, duty or
21 function as a ~~judge~~ *member* of the ~~court~~ *board* until confirmed by the
22 senate. Not more than two ~~judges~~ *members* of the ~~court~~ *board* shall be of
23 the same political party. ~~Judges~~ *Members* of the ~~court~~ *board*, including the
24 chief hearing officer, shall be residents of the state. Subject to the
25 provisions of K.S.A. 75-4315c, and amendments thereto, no more than one
26 *member* shall be appointed from any one of the congressional districts of
27 Kansas unless, after having exercised due diligence, the governor is unable
28 to find a qualified replacement within 90 days after any vacancy on the
29 ~~court~~ *board* occurs. The ~~judges~~ *members* of the ~~court~~ *board*, including the
30 chief hearing officer, shall be selected with special reference to training
31 and experience for duties imposed by this act and shall be individuals with
32 legal, tax, accounting or appraisal training and experience. State ~~court~~
33 *board* of tax appeals ~~judges~~ *members* shall be subject to the supreme court
34 rules of judicial conduct applicable to all judges of the district court. The
35 ~~court~~ *board* shall be bound by the doctrine of stare decisis limited to
36 published decisions of an appellate court other than a district court.
37 ~~Judges~~ *Members* of the ~~court~~ *board*, including the chief hearing officer,
38 shall hold office for terms of four years and until their successors are
39 appointed and confirmed. Except as otherwise provided, such terms of
40 office shall expire on January 15 of the last year of such term. If a vacancy
41 occurs on the ~~court~~ *board*, or in the position for chief hearing officer, the
42 governor shall appoint a successor to fill the vacancy for the unexpired
43 term. Nothing in this section shall be construed to prohibit the governor

1 from reappointing any ~~judge~~ *member* of the ~~court~~ *board*, including the
2 chief hearing officer, for additional four-year terms. The governor shall
3 select one of its ~~judges~~ *members* to serve as ~~chief judge~~ *chairperson*. The
4 votes of two ~~judges~~ *members* shall be required for any final order to be
5 issued by the ~~court~~ *board*. Meetings may be called by the ~~chief judge~~
6 *chairperson* and shall be called on request of a majority of the ~~judges~~
7 *members* of the ~~court~~ *board* and when otherwise prescribed by statute.

8 (b) Any ~~judgemember~~ appointed to the state ~~court~~ *board* of tax
9 appeals and the chief hearing officer may be removed by the governor for
10 cause, after public hearing conducted in accordance with the provisions of
11 the Kansas administrative procedure act.

12 (c) The state ~~court~~ *board* of tax appeals shall appoint, subject to
13 approval by the governor, an executive director of the ~~court~~ *board*, to serve
14 at the pleasure of the ~~court~~ *board*. The executive director shall: (1) Be in
15 the unclassified service under the Kansas civil service act; (2) devote full
16 time to the executive director's assigned duties; (3) receive such
17 compensation as determined by the ~~court~~ *board*, subject to the limitations
18 of appropriations thereof; and (4) have familiarity with the tax appeals
19 process sufficient to fulfill the duties of the office of executive director.
20 The executive director shall perform such *other* duties as directed by the
21 ~~court~~ *board*.

22 (d) Appeals decided by the state ~~court~~ *board* of tax appeals which are
23 deemed of sufficient importance to be published shall be published by the
24 ~~court~~ *board*.

25 (e) After appointment, ~~judges~~ *members* of the state ~~court~~ *board* of tax
26 appeals shall complete the following course requirements: (1) A tested
27 appraisal course of not less than 30 clock hours of instruction consisting of
28 the fundamentals of real property appraisal with an emphasis on the cost
29 and sales approaches to value; (2) a tested appraisal course of not less than
30 30 clock hours of instruction consisting of the fundamentals of real
31 property appraisal with an emphasis on the income approach to value; (3)
32 a tested appraisal course of not less than 30 clock hours of instruction with
33 an emphasis on mass appraisal; (4) an appraisal course with an emphasis
34 on Kansas property tax laws and; (5) an appraisal course on the techniques
35 and procedures for the valuation of state assessed properties with an
36 emphasis on unit valuation; and (6) a tested appraisal course on the
37 techniques and procedures for the valuation of land devoted to agricultural
38 use pursuant to K.S.A. 79-1476, and amendments thereto. The executive
39 director shall adopt rules and regulations prescribing a timetable for the
40 completion of the course requirements and prescribing continued
41 education requirements for ~~judges~~ *members* of the ~~court~~ *board*.

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

1 Sec. 3. K.S.A. 2012 Supp. 74-2434 is hereby amended to read as
2 follows: 74-2434. (a) Each ~~judge member~~ of the ~~court board~~, including the
3 chief hearing officer, shall receive an annual salary as provided in this
4 section. Each of the ~~judges members~~ of the ~~court board~~, including the chief
5 hearing officer, shall devote full time to the duties of such office.

6 (b) (1) The annual salary of the chief ~~judge~~ *hearing officer* shall be an
7 amount equal to the annual salary paid by the state to a ~~district judge~~
8 ~~designated as chief judge~~ *entry level administrative hearing officer*; and

9 (2) the annual salary of each ~~judge member~~ other than the ~~chief judge~~,
10 ~~including the chief hearing officer~~, shall be an amount ~~which is \$2,465 less~~
11 ~~than the annual salary of the chief judge~~ *equal to the annual salary paid by*
12 *the state to an administrative law judge under the provisions of K.S.A. 44-*
13 *551, and amendments thereto.*

14 Sec. 4. K.S.A. 2012 Supp. 74-2437 is hereby amended to read as
15 follows: 74-2437. The state ~~court board~~ of tax appeals shall have the
16 following powers and duties:

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

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

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

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

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

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

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

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

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

34 Sec. 5. K.S.A. 2012 Supp. 2-131e, as amended by section 7 of 2013
35 Senate Bill No. 56, is hereby amended to read as follows: 2-131e.
36 Whenever the board of county commissioners of any county in which
37 there is an officially recognized county fair association, and having a
38 population of not less than 35,000 nor more than 45,000, and having an
39 assessed tangible valuation of not less than \$50,000,000 and not more than
40 \$80,000,000, shall determine, upon the request of such fair association,
41 that it is in the best interest of the county to raise funds for the purchase of
42 grounds or the erection and maintenance of buildings for such fair
43 association, such board of commissioners is hereby authorized and

1 empowered to issue no-fund warrants in an amount not to exceed, in the
2 aggregate, \$5,000 for the purposes stated hereinbefore. No-fund warrants
3 issued hereunder shall be issued in the manner and form and bear interest
4 and be redeemed as prescribed by K.S.A. 79-2940, and amendments
5 thereto, except that they may be issued without the approval of the state
6 ~~count~~ board of tax appeals, and without the notation required by K.S.A.
7 79-2940, and amendments thereto. The authority to issue no-fund
8 warrants, as provided herein, shall not be exercised by the board of county
9 commissioners more than once in any ten-year period. Such warrants shall
10 mature serially in approximately equal annual installments at such yearly
11 dates as to be payable by not more than five tax levies, and the board of
12 county commissioners issuing such warrants shall make a tax levy at the
13 first tax levying period after such warrants are issued, and at such of the
14 next succeeding tax levying periods as may be required, sufficient to pay
15 such warrants as they mature and the interest thereon as the same becomes
16 due. The money collected from issuance of such warrants shall be paid to
17 such fair associations for the purposes herein specified. Such tax levy or
18 levies shall be in addition to all other tax levies authorized or limited by
19 law and shall not be subject to or within the aggregate tax levy limit
20 prescribed by K.S.A. 79-1947, and amendments thereto.

21 Sec. 6. K.S.A. 2012 Supp. 9-1402 is hereby amended to read as
22 follows: 9-1402. (a) Before any deposit of public moneys or funds shall be
23 made by any municipal corporation or quasi-municipal corporation of the
24 state of Kansas with any bank, savings and loan association or savings
25 bank, such municipal or quasi-municipal corporation shall obtain security
26 for such deposit in one of the following manners prescribed by this
27 section.

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

31 (c) Such bank, savings and loan association or savings bank may give
32 a corporate surety bond of some surety corporation authorized to do
33 business in this state, which bond shall be in an amount equal to the public
34 moneys or funds on deposit at any given time less the amount of such
35 public moneys or funds which is insured by the federal deposit insurance
36 corporation or its successor and such bond shall be conditioned that such
37 deposit shall be paid promptly on the order of the municipal corporation or
38 quasi-municipal corporation making such deposits.

39 (d) Such bank, savings and loan association or savings bank may
40 deposit, maintain, pledge, assign, and grant a security interest in, or cause
41 its agent, trustee, wholly-owned subsidiary or affiliate having identical
42 ownership to deposit, maintain, pledge, assign, and grant a security interest
43 in, for the benefit of the governing body of the municipal corporation or

1 quasi-municipal corporation in the manner provided in this act, securities,
2 security entitlements, financial assets and securities accounts owned by the
3 depository institution directly or indirectly through its agent or trustee
4 holding securities on its behalf, or owned by the depository institutions
5 wholly-owned subsidiary or by such affiliate, the market value of which is
6 equal to 100% of the total deposits at any given time, and such securities,
7 security entitlements, financial assets and securities accounts, may be
8 accepted or rejected by the governing body of the municipal corporation or
9 quasi-municipal corporation and shall consist of the following and security
10 entitlements thereto:

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

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

22 (3) bonds of the state of Kansas;

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

25 (5) revenue bonds of any municipal corporation or quasi-municipal
26 corporation of the state of Kansas if approved by the state bank
27 commissioner in the case of banks and by the savings and loan
28 commissioner in the case of savings and loan associations or federally
29 chartered savings banks;

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

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

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

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

43 (10) notes of a Kansas not-for-profit corporation that are issued to

1 provide only the interim funds for a mortgage loan that is insured by the
2 federal housing administration;

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

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

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

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

13 (i) Are underwritten by the federal national mortgage association, the
14 federal home loan mortgage corporation, the federal housing
15 administration or the veterans administration standards; or are valued
16 pursuant to rules and regulations which shall be adopted by both the state
17 bank commissioner and the savings and loan commissioner after having
18 first being submitted to and approved by both the state banking board
19 under K.S.A. 9-1713, and amendments thereto, and the savings and loan
20 board. Such rules and regulations shall be published in only one place in
21 the Kansas administrative regulations as directed by the state rules and
22 regulations board;

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

26 (iii) are valued at not to exceed 50% of the lesser of the following
27 three values: Outstanding mortgage balance; current appraised value of the
28 real estate; or discounted present value based upon current federal national
29 mortgage association or government national mortgage association interest
30 rates quoted for conventional, federal housing administration or veterans
31 administration mortgage loans.

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

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

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

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

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

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

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

7 Sec. 7. K.S.A. 2012 Supp. 12-110a is hereby amended to read as
8 follows: 12-110a. (a) Whenever the governing body of any city, the board
9 of county commissioners of any county or any township board shall deem
10 that an emergency exists and that in order properly to protect and service
11 or insure and provide for the health and convenience of the public it is
12 necessary to purchase, repair or replace equipment, apparatus or
13 machinery necessary for the operation of law enforcement, for the disposal
14 of refuse, for fire protection, for street, road and bridge construction, repair
15 or maintenance, for sewer treatment, for water service or for ambulance
16 service, and such city, county or township is without funds for the
17 purchase, repair or replacement of such equipment, apparatus or
18 machinery, the governing body of the city, the board of county
19 commissioners of the county or the township board shall have power to
20 issue and sell no-fund warrants or general obligation bonds to raise
21 revenue for such purchase or replacement in the manner as hereinafter
22 provided and as provided by law and to levy taxes to pay such warrants or
23 bonds. The governing body of such city shall by ordinance and the board
24 of county commissioners or the township board shall by resolution declare
25 that such emergency exists and that such purchase, repair or replacement
26 of equipment, apparatus or machinery is necessary, and stating the
27 maximum amount to be expended for such purchase, repair or
28 replacement. Upon the passage and publication of such ordinance or
29 resolution the governing body of the city, the board of county
30 commissioners or the township board shall file an application with the
31 state-~~court~~ board of tax appeals, asking for permission to make such
32 expenditure and issue warrants or bonds in payment thereof. Such
33 application shall be in writing and shall contain a copy of the ordinance or
34 resolution published and such other information as the governing body or
35 board shall deem necessary adequately to inform the state-~~court~~ board of
36 tax appeals of the emergency existing.

37 If, upon hearing being had in accordance with the provisions of the
38 Kansas administrative procedure act, the state-~~court~~ board of tax appeals
39 shall determine that such expenditure is necessary properly to protect and
40 service or insure and provide for the health and convenience of the public
41 the board shall issue its order in writing and under its seal authorizing the
42 city, county or township to make such expenditure, and to issue warrants
43 or bonds for the purpose of financing the same. The warrants may mature

1 serially at such yearly dates as to be payable by not more than five tax
2 levies. Bonds issued under the authority of this act shall be issued in
3 accordance with the provisions of the general bond law and shall be in
4 addition to and not subject to any bonded debt limitation prescribed by any
5 other law of this state. Thereupon, the governing body of the city, the
6 board of county commissioners or the township board shall have power to
7 make such purchase, repair or replacement and to issue warrants or bonds
8 and levy taxes to pay the same. All tax levies authorized by this section
9 shall be in addition to all other tax levies authorized or limited by law and
10 shall not be subject to, or within the aggregate tax levy prescribed by
11 article 19 of chapter 79 of the Kansas Statutes Annotated, ~~or acts~~
12 ~~amendatory thereof or supplemental and amendments~~ thereto.

13 (b) As used in this section, the phrase "township board" means the
14 township trustee, the township clerk, and the township treasurer acting as a
15 board.

16 Sec. 8. K.S.A. 2012 Supp. 12-631 is hereby amended to read as
17 follows: 12-631. Any city may in the manner hereinafter provided by
18 ordinance require persons and property owners owning buildings within
19 such city, which buildings are, or shall be located near a sewer, or in a
20 block within any sewer district in said city through which a sewer extends,
21 to make such connections with the sewer system, as may be necessary in
22 the judgment of the board of health or in the event such city does not have
23 a board of health, in the judgment of the governing body for the protection
24 of the health of the public, for the purpose of disposing of all substances
25 from any such building affecting the public health which may be lawfully
26 and properly disposed of by means of such sewer, and if any person or
27 persons, shall fail, neglect or refuse to so connect any building or buildings
28 with the sewer system as herein provided for, for more than 10 days after
29 being notified in writing by the board of health or governing body of such
30 city to do so, such city may cause such buildings to be connected with said
31 sewer system, or may advertise for bids for the construction and making of
32 such sewer connections, and contract therefor with the lowest responsible
33 bidder or bidders, and may assess the costs and expense thereof against the
34 property and premises so connected in the manner provided by law. All
35 costs incurred by the city under the provisions of this section may be
36 financed, until the assessment is paid, out of the general fund or by the
37 issuance of no-fund warrants. Whenever no-fund warrants are issued under
38 the authority of this act the governing body of such city shall make a tax
39 levy at the first tax levying period for the purpose of paying such warrants
40 and the interest thereon. All such tax levies shall be in addition to all other
41 levies authorized or limited by law and shall not be subject to the
42 aggregate tax levy prescribed in article 19 of chapter 79 of the Kansas
43 Statutes Annotated, *and amendments thereto*. Such warrants shall be

1 issued, registered, redeemed and bear interest in the manner and in the
2 form prescribed by K.S.A. 79-2940, and amendments thereto, except they
3 shall not bear the notation required by said section and may be issued
4 without the approval of the state-~~court~~ board of tax appeals. All moneys
5 received from special assessments levied under the provisions of this
6 section shall, when paid, be placed in the general fund of the city.

7 Sec. 9. K.S.A. 2012 Supp. 12-1664 is hereby amended to read as
8 follows: 12-1664. Where any federal agency has agreed that federal aid
9 shall bear a percentage of the total cost of or fixed or estimated amount of
10 any local program by a public agency but the funds therefor will not be
11 made available until the local program is partly or wholly completed and
12 the public agency must finance all of the costs of the local program until
13 the federal aid is received and the public agency is authorized by law to
14 use current funds or bond or usual temporary note proceeds or a fund built
15 up by levies over a period of years for such local program, such public
16 agency may, to finance the portion to be paid by federal aid, issue
17 temporary notes or no-fund warrants as provided herein. If an election is
18 required to authorize the issuance of bonds by the public agency for the
19 whole or its share of the local program, no temporary notes or no-fund
20 warrants shall be issued under this act until the public agency has held an
21 election and been authorized to issue bonds and if bonds may be issued
22 without an election for the whole or the public agency's share of a local
23 program, no temporary notes or no-fund warrants shall be issued until the
24 proper proceedings have been taken to initiate and authorize the local
25 program. In no case shall temporary notes or no-fund warrants be issued
26 under the authority of this section until there is a written commitment as to
27 the amount of federal aid by an authorized federal agency. Nothing in this
28 act shall prohibit any public agency from the temporary financing of the
29 federal share of a local program from current funds if available or
30 proceeds of bonds or usual temporary notes where the bond issue has been
31 or may be for the entire cost as if no federal aid were to be received. The
32 purpose of this act as to the issuance of temporary notes or no-fund
33 warrants is to make unnecessary the tying up of current funds of a public
34 agency or the issuance of bonds or the usual temporary notes, where
35 authorized, in excess of the public agency's share of the cost of the
36 program. The governing body of the public agency shall have full
37 authority to determine if temporary notes or no-fund warrants shall be
38 issued. No limitations by statutes relating to bonded debt shall apply to
39 such temporary notes and no-fund warrants or use of the money received
40 therefrom. No temporary notes or no-fund warrants shall be issued
41 pursuant to this act unless approved by the state-~~court~~ board of tax appeals,
42 which shall grant such approval only to the amount of the federal aid
43 committed.

1 Sec. 10. K.S.A. 2012 Supp. 12-16,109 is hereby amended to read as
2 follows: 12-16,109. (a) Any municipality which has entered into a written
3 agreement with a state agency providing for a state grant or loan to the
4 municipality for the performance of any public service or the construction
5 of any public improvement, where such grant or loan constitutes a
6 reimbursement for expenditures or obligations incurred by the
7 municipality in undertaking such service or improvement, is hereby
8 authorized to borrow money to temporarily finance such service or
9 improvement. The amount borrowed under the provisions of this act shall
10 not exceed the amount of the loan or grant to be received by the
11 municipality under the terms of the agreement.

12 (b) Such borrowing in anticipation of a state grant or loan may be in
13 the form of temporary notes or no-fund warrants, and shall be issued in
14 substantially the same manner provided by law for the issuance of other
15 temporary notes or no-fund warrants, but the approval of the state ~~court~~
16 *board* of tax appeals shall not be required. The terms of such notes or
17 warrants shall not exceed the scheduled date the municipality is to be
18 reimbursed by the state loan or grant, as determined by the agreement.

19 Sec. 11. K.S.A. 2012 Supp. 12-1737 is hereby amended to read as
20 follows: 12-1737. The governing body of any city may, for the purposes
21 hereinbefore authorized and provided:

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

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

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

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

40 No-fund warrants issued under the authority of this act shall be issued
41 in the manner and form and bear interest and be redeemed as prescribed by
42 K.S.A. 79-2940, and amendments thereto, except that they may be issued
43 without the approval of the state ~~court~~ board of tax appeals and without

1 the notation required by K.S.A. 79-2940, and amendments thereto. The
2 governing body of the city issuing such warrants shall levy a tax for the
3 first tax levying period after such warrants are issued, sufficient to pay
4 such warrants and the interest thereon. All such tax levies shall be in
5 addition to all other levies authorized or limited by law, and none of the
6 tax limitations provided by article 19 of chapter 79 of the Kansas Statutes
7 Annotated, and amendments thereto, shall apply to such levies.

8 Sec. 12. K.S.A. 2012 Supp. 12-1742 is hereby amended to read as
9 follows: 12-1742. Such agreements shall provide for a rental sufficient to
10 repay the principal of and the interest on the revenue bonds. Such
11 agreements also may provide that the lessee shall reimburse the city or
12 county for its actual costs of administering and supervising the issue. The
13 city or county may charge an origination fee. Such fee shall not be deemed
14 a payment in lieu of taxes hereunder. Such fee shall be used exclusively
15 for local economic development activities but shall not be used to pay any
16 administrative costs of the city or county. Except for the origination fee, all
17 other fees paid in excess of such actual costs and any other obligation
18 assumed under the contract shall be deemed payments in lieu of taxes and
19 distributed as provided herein. If the agreement provides for a payment in
20 lieu of taxes to the city or county, such payment, immediately upon receipt
21 of same, shall be transmitted by the city or county to the county treasurer
22 of the county in which the city is located. Payments in lieu of taxes
23 received pursuant to agreements entered into after the effective date of this
24 act shall include all fees or charges paid for services normally and
25 customarily paid from the proceeds of general property tax levies, except
26 for extraordinary services provided for the facility or an extraordinary
27 level of services required by a facility. Payments in lieu of taxes may be
28 required only upon property for which an exemption from ad valorem
29 property taxes has been granted by the state ~~court~~ board of tax appeals.
30 The county treasurer shall apportion such payment among the taxing
31 subdivisions of this state in the territory in which the facility is located.
32 Any payment in lieu of taxes shall be divided by the county treasurer
33 among such taxing subdivisions in the same proportion that the amount of
34 the total mill levy of each individual taxing subdivision bears to the
35 aggregate of such levies of all the taxing subdivisions among which the
36 division is to be made. The county treasurer shall pay such amounts to the
37 taxing subdivisions at the same time or times as their regular operating tax
38 rate mill levy is paid to them. Based upon the assessed valuation which
39 such facility would have if it were upon the tax rolls of the county, the
40 county clerk shall compute the total of the property taxes which would be
41 levied upon such facility by all taxing subdivisions within which the
42 facility is located if such property were taxable.

43 Sec. 13. K.S.A. 2012 Supp. 12-1744a is hereby amended to read as

1 follows: 12-1744a. (a) At least seven days prior to the issuance of any
2 revenue bonds, the city or county shall file a statement with the state-~~court~~
3 *board* of tax appeals of such proposed issuance containing the following
4 information:

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

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

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

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

17 (5) if the facility to be financed is an addition to or further
18 improvement of an existing facility the cost of which was financed by
19 revenue bonds issued under the provisions of this act, the date of issuance
20 of such revenue bonds, and if such facility or any portion thereof is
21 presently exempt from property taxation, the period for which the same is
22 exempt;

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

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

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

27 (9) a reasonably detailed description of the use of bond proceeds,
28 including whether they will be used to purchase, acquire, construct,
29 reconstruct, improve, equip, furnish, enlarge or remodel the facility in
30 question;

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

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

37 (c) Any notice required to be filed pursuant to the provisions of
38 subsection (a) shall be accompanied by a filing fee, which shall be fixed
39 by rules and regulations of the state-~~court~~ *board* of tax appeals, in an
40 amount sufficient to defray the cost of reviewing the information and
41 documents required to be contained in the notice.

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

1 amendments thereto.

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

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

13 Sec. 14. K.S.A. 2012 Supp. 12-1744b is hereby amended to read as
14 follows: 12-1744b. Revenue bonds for which notice is required to be filed
15 pursuant to K.S.A. 12-1744a, and amendments thereto, shall not be issued
16 unless the ~~chief judge~~ *chairperson* of the state-~~court~~ *board* of tax appeals
17 finds all information and documents required to be contained in such
18 notice are complete and timely filed. The state-~~court~~ *board* of tax appeals
19 shall establish, by rules and regulations, procedures for the filing of the
20 required information and documents in the event that the information and
21 documents originally filed are not found to be complete and timely filed,
22 and such bonds may be issued upon compliance therewith.

23 Sec. 15. K.S.A. 2012 Supp. 12-1744c is hereby amended to read as
24 follows: 12-1744c. Upon the issuance of revenue bonds for which notice is
25 required to be filed pursuant to K.S.A. 12-1744a, and amendments thereto,
26 a certificate evidencing such issuance shall be filed with the ~~chief judge~~
27 *chairperson* of the state-~~court~~ *board* of tax appeals, along with verification
28 thereof by the appropriate bond counsel within 15 days after the date of
29 such issuance.

30 Sec. 16. K.S.A. 2012 Supp. 12-1744d is hereby amended to read as
31 follows: 12-1744d. Failure to comply with the notice filing requirements
32 of this act shall subject all members of the governing body of the issuing
33 city or county who participated in the issuance of the revenue bonds to
34 ouster from office upon complaint filed by the state-~~court~~ *board* of tax
35 appeals in the office of the attorney general.

36 Sec. 17. K.S.A. 2012 Supp. 12-1755 is hereby amended to read as
37 follows: 12-1755. (a) If the owner of any structure has failed to commence
38 the repair or removal of such structure within the time stated in the
39 resolution or has failed to diligently prosecute the same thereafter, the city
40 may proceed to raze and remove such structure, make the premises safe
41 and secure, or let the same to contract. The city shall keep an account of
42 the cost of such work and may sell the salvage from such structure and
43 apply the proceeds or any necessary portion thereof to pay the cost of

1 removing such structure and making the premises safe and secure. All
2 moneys in excess of that necessary to pay such costs and the cost of
3 publications of notice and any postage for mailing of notice, after the
4 payment of all costs, shall be paid to the owner of the premises upon
5 which the structure was located.

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

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

28 (c) If there is no salvageable material, or if the moneys received from
29 the sale of salvage or from the proceeds of any insurance policy in which
30 the city has created a lien pursuant to K.S.A. 40-3901 et seq., and
31 amendments thereto, are insufficient to pay the costs of the work and the
32 cost of providing notice, such costs or any portion thereof in excess of that
33 received from the sale of salvage or any insurance proceeds may be
34 financed, until the costs are paid, out of the general fund or by the issuance
35 of no-fund warrants. Whenever no-fund warrants are issued under the
36 authority of this act the governing body of such city shall make a tax levy
37 at the first tax levying period for the purpose of paying such warrants and
38 the interest thereon. All such tax levies shall be in addition to all other
39 levies authorized or limited by law and shall not be subject to the
40 aggregate tax levy prescribed in article 19 of chapter 79 of the Kansas
41 Statutes Annotated, and amendments thereto. Such warrants shall be
42 issued, registered, redeemed and bear interest in the manner and in the
43 form prescribed by K.S.A. 79-2940, and amendments thereto, except they

1 shall not bear the notation required by that section and may be issued
2 without the approval of the state-~~court~~ board of tax appeals. All moneys
3 received from special assessments levied under the provisions of this
4 section or from an action under K.S.A. 12-1,115, and amendments thereto,
5 when and if paid, shall be placed in the general fund of the city.

6 Sec. 18. K.S.A. 2012 Supp. 12-1934 is hereby amended to read as
7 follows: 12-1934. The board of education of any unified school district
8 previously authorized and making an annual tax levy pursuant to K.S.A.
9 12-1925, and amendments thereto, for the purpose of establishing,
10 maintaining and conducting a joint recreation system which as a result of a
11 clerical error of a county clerk will not receive the proceeds from such
12 levy for the calendar year 1993, is hereby authorized to issue no-fund
13 warrants in an amount not to exceed the amount which would have been
14 raised from such levy. Such no-fund warrants shall be issued by the board
15 in the manner and form and shall bear interest and be redeemable in the
16 manner prescribed by K.S.A. 79-2940, and amendments thereto, except
17 that they may be issued without the approval of the state-~~court~~ board of tax
18 appeals, and without the notation required by such section. The board shall
19 make a tax levy at the first tax levying period after such warrants are
20 issued, sufficient to pay such warrants and the interest thereon.

21 Sec. 19. K.S.A. 2012 Supp. 12-3206 is hereby amended to read as
22 follows: 12-3206. The governing body of any city, in the exercise of the
23 power and authority herein granted for the purposes of carrying out the
24 provisions of K.S.A. 12-3204 and 12-3205, and amendments thereto, from
25 and after the effective date of this act and prior to the time that moneys
26 may be available from the levy authorized by K.S.A. 12-3203, and
27 amendments thereto, may issue no-fund warrants in an amount not to
28 exceed the total amount such city could levy in one year under the
29 provisions of K.S.A. 12-3203, and amendments thereto.

30 Whenever no-fund warrants are issued under the authority of this act
31 the governing body of such city shall make a tax levy at the first tax
32 levying period for the purpose of paying such warrants and the interest
33 thereon. All such tax levies shall be in addition to all other levies
34 authorized or limited by law and shall not be subject to the aggregate tax
35 levy prescribed in article 19 of chapter 79 of the Kansas Statutes
36 Annotated, and amendments thereto. Such warrants shall be issued,
37 registered, redeemed and bear interest in the manner and in the form
38 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall
39 not bear the notation required by said section and may be issued without
40 the approval of the state-~~court~~ board of tax appeals.

41 Sec. 20. K.S.A. 2012 Supp. 12-3805 is hereby amended to read as
42 follows: 12-3805. (a) Except to the extent that they are in conflict with this
43 act, the provisions of chapter 10 of Kansas Statutes Annotated, and

1 *amendments thereto*, shall apply to the authorization, and issuance and sale
2 of industrial development bonds by the local units of general government.

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

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

24 Sec. 21. K.S.A. 2012 Supp. 14-1060 is hereby amended to read as
25 follows: 14-1060. The provisions of this act shall apply to any city of the
26 second class having a population of more than 4,800 and less than 5,500
27 operating under the manager form of government and located in a county
28 having a population of more than 8,000 and less than 15,000. Whenever
29 the title to any real property, upon which taxes may be due and delinquent,
30 may be vested in any such city, then the state ~~court~~ board of tax appeals is
31 hereby authorized upon application of such city, and for good reasons
32 shown, to compromise, abate or cancel all such taxes or any part thereof.

33 Sec. 22. K.S.A. 2012 Supp. 17-1374 is hereby amended to read as
34 follows: 17-1374. (a) Whenever the board of trustees of any cemetery
35 organized pursuant to K.S.A. 17-1342, and amendments thereto,
36 determines it is necessary to acquire land to enlarge the cemetery and
37 revenues are insufficient to finance the cost of acquisition of such land, the
38 board shall adopt a resolution of intent to make application to the state
39 ~~court~~ board of tax appeals for authority to issue no-fund warrants to pay
40 for the cost of such land and to have such land surveyed, platted into burial
41 lots and otherwise prepared for burial purposes. The notice of intent shall
42 be approved by a majority of the board of trustees. The notice of intent
43 shall state the following: (1) A copy of the budget adopted for the current

1 budget year; (2) the tax rate currently imposed; (3) the statutory tax levy
2 authority of the district; (4) the proposed cost of acquisition of such land;
3 and (5) a detailed explanation for the need of such land and why there are
4 insufficient revenues to finance the cost of acquisition of such land.

5 Such resolution of intent shall be published once each week for two
6 consecutive weeks in a newspaper of general circulation within the
7 cemetery district. If within 30 days after the last publication of the
8 resolution, a petition signed by at least 5% of the qualified voters of the
9 cemetery district requesting an election upon such question, an election
10 shall be called and held thereon. Such election shall be called and held in
11 the manner provided by the general bond law, and the cost of the election
12 shall be borne by the cemetery district. If no protest or no sufficient protest
13 is filed or if an election is held and the proposition carries by a majority of
14 those voting thereon, the board of directors may submit an application
15 which conforms to the resolution of intent to the state-~~court~~ board of tax
16 appeals.

17 (b) If the state-~~court~~ board of tax appeals finds that the evidence
18 submitted in support of the application shows: (1) The need for the
19 acquisition of such land; (2) that there are insufficient revenues to pay for
20 the cost of such acquisition and preparation of such land for burial
21 purposes; and (3) the tax levying authority is insufficient to generate the
22 revenues necessary to pay for the cost of acquisition and preparation of
23 such land for burial purposes, the board may authorize the issuance of no-
24 fund warrants for the payment of the cost of acquisition of such land and
25 preparation of such land for burial purposes. The amount of such warrants
26 shall not exceed \$35,000.

27 (c) No order for the issuance of such no-fund warrants shall be made
28 without a public hearing before the state-~~court~~ board of tax appeals
29 conducted in accordance with the provisions of the Kansas administrative
30 procedure act. Notice of such hearing shall be published at least twice in a
31 newspaper of general circulation within the cemetery district applying for
32 such authority at least 10 days prior to such hearing. The notice shall be in
33 a form prescribed by the state-~~court~~ board of tax appeals. The cost of such
34 publication shall be paid by the cemetery district. Any taxpayer of the
35 cemetery district may file a written protest against such application. Any
36 member of the board of trustees of the cemetery district may appear and be
37 heard in person at such hearing in support of the application. All records
38 and findings of such hearings shall be subject to public inspection.
39 Warrants issued pursuant to this section shall be paid no later than 15 years
40 after issuance. The board of trustees may levy a tax sufficient to pay such
41 warrants. Such tax levies may be levied outside of the aggregate tax levy
42 limit prescribed by law.

43 Sec. 23. K.S.A. 2012 Supp. 19-236 is hereby amended to read as

1 follows: 19-236. That in addition to the powers already given by law, the
2 board of county commissioners of each county shall have power at any
3 meeting, in case of great loss or damage to life or property, to assist in
4 burying the dead, caring for the wounded, rendering temporary aid to the
5 distressed, preventing disease and pestilence, and cleaning up debris, and
6 to issue no-fund warrants of the county therefor not exceeding 1% of the
7 taxable property of the county, and to levy a tax at the first tax levying
8 period thereafter to pay such warrants. Such warrants shall be issued,
9 registered, redeemed and bear interest in the manner and in the form
10 prescribed by K.S.A. 79-2940, and amendments thereto, except they shall
11 not bear the notation required by such section and shall be issued without
12 the approval of the state ~~court~~ board of tax appeals.

13 Sec. 24. K.S.A. 2012 Supp. 19-431 is hereby amended to read as
14 follows: 19-431. (a) Whenever it shall be made to appear to the board of
15 county commissioners of any county or the district board of an appraisal
16 district by evidence satisfactory to such board that the appraiser of such
17 county or district has failed or neglected to properly perform the duties of
18 office, by reasons of incompetency or for any other cause, the board shall
19 enter upon its journal an order suspending or terminating the county or
20 district appraiser from office. Such order shall state the reasons for such
21 suspension or termination, and upon the service of any such order upon the
22 appraiser suspended or terminated such appraiser shall at once be divested
23 of all power as county or district appraiser and shall immediately deliver to
24 the person appointed to discharge the duties of the office of such appraiser,
25 all books, records and papers pertaining to the office. The board of county
26 commissioners or district board shall appoint a temporary appraiser to
27 discharge the duties of the office until the suspension is removed or the
28 vacancy filled, and the person so appointed shall take the oath of office
29 required by law and thereupon such person shall be invested with all of the
30 powers and duties of the office.

31 Within 15 days after service of an order of suspension or termination,
32 the appraiser may request a hearing on the order before the director of
33 property valuation. Upon receipt of a timely request, the director of
34 property valuation shall conduct a hearing in accordance with the
35 provisions of the Kansas administrative procedure act. If the appraiser is a
36 county appraiser, the hearing shall be held at the county seat of such
37 county or if such appraiser is a district appraiser at the county seat of the
38 county within the district having the greater population. At the hearing the
39 director of property valuation shall make inquiry as to all facts connected
40 with such suspension or termination, and if after such inquiry is made the
41 director of property valuation shall determine that the appraiser suspended
42 should be removed permanently and such appraiser's office declared
43 vacated or should be terminated, then the director of property valuation

1 shall render an order removing such appraiser. A copy of such order, duly
2 certified and under the seal of the director of property valuation, shall be
3 sent to the board of county commissioners or district board employing
4 such appraiser who shall cause the same to be recorded in full upon the
5 journal of the board. Immediately upon the service of such order by the
6 director of property valuation such office of appraiser shall be vacant, and
7 the board of county commissioners or district board shall appoint an
8 eligible Kansas appraiser as appraiser to fill such vacancy, who shall
9 qualify as provided by law in such cases. Should the person appointed be
10 other than the person appointed to discharge the duties of the office
11 temporarily, the person discharging the duties of the office temporarily
12 shall immediately transfer to the person appointed to fill the vacancy all
13 the books, records and files of the office.

14 (b) Whenever the director of property valuation shall on such
15 director's own motion conclude, after inquiry, that the appraiser of any
16 county or district has failed or neglected to discharge such appraiser's
17 duties as required by law and that the interest of the public service will be
18 promoted by the removal of such appraiser, the director of property
19 valuation shall enter upon the record of proceeding in such director's office
20 an order suspending or terminating such appraiser from office. Such order
21 shall state the reason for such suspension or termination and from and after
22 the date of service of such order upon such appraiser and the board of
23 county commissioners or district board employing such appraiser, the
24 person suspended or terminated shall be divested of all power as appraiser
25 and shall immediately deliver to the person appointed to discharge the
26 duties of the office of such appraiser, all books, records and papers
27 pertaining to the office. Upon receipt of an order by the director of
28 property valuation suspending or terminating the appraiser of the county or
29 district, the board of county commissioners or district board shall appoint a
30 temporary appraiser to discharge the duties of the office until the
31 suspension is removed or the vacancy filled, and the person appointed
32 shall take the oath of office required by law and thereupon such person
33 shall be invested with all of the powers and duties of the office.

34 Within 15 days after service of an order of suspension or termination by
35 the director of property valuation under this subsection, the appraiser may
36 request a hearing on the order before the state ~~court~~ board of tax appeals.
37 Upon receipt of a timely request, the state ~~court~~ board of tax appeals shall
38 conduct a hearing in accordance with the provisions of the Kansas
39 administrative procedure act. If the appraiser is a county appraiser, the
40 hearing shall be held at the county seat of such county or if such appraiser
41 is a district appraiser such hearing shall be held at the county seat of the
42 county within such district having the greatest population. At the hearing,
43 the state ~~court~~ board of tax appeals shall make inquiry as to all facts

1 connected with such suspension or termination, and if after such inquiry is
2 made the state-~~court~~ board of tax appeals determines that the appraiser
3 suspended should be removed permanently and such appraiser's office
4 declared vacated or should be terminated, then the state-~~court~~ board of tax
5 appeals shall render an order removing such appraiser. A copy of such
6 order, duly certified by the secretary under the seal of the-~~court~~ board,
7 shall be sent to the board of county commissioners or district board, who
8 shall cause the same to be recorded in full upon the journal of the board.
9 Immediately upon the service of such order by the state-~~court~~ board of tax
10 appeals such office of county appraiser shall be vacant, and the board of
11 county commissioners or district board shall appoint an eligible Kansas
12 appraiser as appraiser to fill such vacancy, who shall qualify as provided
13 by law in such cases. Should the person appointed be other than the person
14 appointed to discharge the duties of the office temporarily, the person
15 discharging the duties of the office temporarily shall immediately transfer
16 to the person appointed to fill the vacancy all the books, records and files
17 of the office.

18 Sec. 25. K.S.A. 2012 Supp. 19-15,103 is hereby amended to read as
19 follows: 19-15,103. Whenever no-fund warrants are issued under the
20 authority provided by this act, the board of county commissioners shall
21 make a tax levy at the first tax levying period after such warrants are
22 issued, sufficient to pay such warrants and the interest thereon, except that
23 in lieu of making only one tax levy, such board of county commissioners,
24 if it deems it advisable, may make a tax levy each year for not to exceed
25 five years in approximately equal installments for the purpose of paying
26 said warrants and the interest thereon. All such tax levies shall be in
27 addition to all other levies authorized or limited by law and shall not be
28 subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947, and
29 amendments thereto. Such warrants shall be issued, registered, redeemed
30 and bear interest in the manner and in the form prescribed by K.S.A. 79-
31 2940, and amendments thereto, except they shall not bear the notation
32 required by such section and may be issued without the approval of the
33 state-~~court~~ board of tax appeals.

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

39 Sec. 26. K.S.A. 2012 Supp. 19-15,106 is hereby amended to read as
40 follows: 19-15,106. Whenever no-fund warrants are issued under the
41 authority provided by this act, the board of county commissioners shall
42 make a tax levy at the first tax levying period after such warrants are
43 issued, sufficient to pay such warrants and the interest thereon, except that

1 in lieu of making only one tax levy, such board of county commissioners,
2 if it deems it advisable, may make a tax levy each year for not to exceed
3 five years in approximately equal installments for the purpose of paying
4 said warrants and the interest thereon. All such tax levies shall be in
5 addition to all other levies authorized or limited by law and shall not be
6 subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947, and
7 amendments thereto.

8 Such warrants shall be issued, registered, redeemed and bear interest in
9 the manner and in the form prescribed by K.S.A. 79-2940, and
10 amendments thereto, except they shall not bear the notation required by
11 such section and may be issued without the approval of the ~~state court~~
12 *board* of tax appeals. Any surplus existing after the redemption of such
13 warrants shall be handled in the manner prescribed by K.S.A. 79-2940,
14 and amendments thereto. None of the provisions of the cash basis and
15 budget laws of this state shall apply to any expenditures made, the
16 payment of which has been provided for by the issuance of warrants under
17 this act.

18 Sec. 27. K.S.A. 2012 Supp. 19-15,116 is hereby amended to read as
19 follows: 19-15,116. The board of county commissioners of any county
20 may for the purposes hereinbefore authorized and provided:

21 (a) Receive and expend gifts;

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

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

31 (d) make an annual tax levy of not to exceed one mill for a period of
32 not to exceed 10 years upon all taxable tangible property in the county for
33 the purpose of creating a building fund to be used for the purposes herein
34 provided and to pay a portion of the principal and interest on bonds issued
35 under the authority of K.S.A. 12-1774, and amendments thereto, by cities
36 located in the county, except that no such levies shall be made until a
37 resolution authorizing the same shall be adopted by the board of county
38 commissioners stating the specific purpose for which such fund is created,
39 the total amount proposed to be raised, the number of years such tax levy
40 shall be made and shall be published once each week for three consecutive
41 weeks in the official county newspaper. Whereupon such levies may be
42 made unless a petition requesting an election upon the proposition, signed
43 by electors equal in number to not less than 10% of the electors of the

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

41 (e) issue no-fund warrants in the manner and form and bearing
42 interest and redeemable as prescribed by K.S.A. 79-2940, and amendments
43 thereto, except that they may be issued without the approval of the state

1 ~~court~~ board of tax appeals, and without the notation required by such
2 section. The board of county commissioners shall make a tax levy at the
3 first tax levying period after such warrants are issued, sufficient to pay
4 such warrants and the interest thereon. All such levies shall be in addition
5 to all other levies authorized or limited by law and the tax limitations
6 provided by article 19 of chapter 79 of the Kansas Statutes Annotated, *and*
7 *amendments thereto*, shall not apply to such levies;

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

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

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

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

21 Sec. 28. K.S.A. 2012 Supp. 19-15,123 is hereby amended to read as
22 follows: 19-15,123. The board of county commissioners of any county in
23 this state having a population of more than 300,000 may provide
24 additional courtrooms, offices and other facilities as are required by the
25 district court judge to carry out probate and juvenile matters. The quarters
26 and facilities shall be constructed and furnished in available space of the
27 courthouse. The board of county commissioners is hereby authorized to
28 issue no-fund warrants or general obligation bonds for the purpose of
29 paying all costs incurred in providing additional quarters and facilities.
30 Before such warrants shall be issued the board of county commissioners
31 shall have received from the chief judge of the district court a resolution
32 certifying to the necessity of additional quarters. Such no-fund warrants
33 shall be issued in the manner and form, bear interest and be redeemed as
34 prescribed by K.S.A. 79-2940, and amendments thereto, except that
35 warrants may be issued without approval of the state-~~court~~ board of tax
36 appeals, and without the notation required by K.S.A. 79-2940, and
37 amendments thereto. The board of county commissioners shall make a tax
38 levy at the first tax levying period after such warrants are issued, sufficient
39 to pay such warrants and the interest thereon. In lieu of making only one
40 tax levy, the board of county commissioners may, if it deems it advisable,
41 make a tax levy each year for not to exceed five years in approximately
42 equal installments for the purpose of paying the warrants and the interest
43 thereon. All such tax levies shall be in addition to all other levies

1 authorized or limited by law and shall not be subject to or within the
2 aggregate tax levy limitation prescribed by article 19 of chapter 79 of the
3 Kansas Statutes Annotated, and amendments thereto. None of the
4 provisions of the state budget law shall apply to any expenditure which has
5 been provided for by the issuance of warrants under this act. General
6 obligation bonds issued under the authority of this act shall be issued in the
7 manner prescribed by the general bond law but shall not be subject to or
8 within any bonded debt limitation prescribed by any other law of this state
9 and shall not be considered or included in applying any other law limiting
10 bonded indebtedness.

11 Sec. 29. K.S.A. 2012 Supp. 19-2106f is hereby amended to read as
12 follows: 19-2106f. The board of county commissioners of any county
13 previously authorized and making an annual tax levy under the authority
14 of K.S.A. 19-2106e, and amendments thereto, for the operation of a home
15 for the aged, which as the result of an increase in the population of the
16 county was not authorized to levy a tax under the provisions of such act
17 for the operation of such home for the year 1972, is hereby authorized to
18 issue no-fund warrants in an amount not to exceed the amount which could
19 have been raised by the levy of a tax under the provisions of K.S.A. 19-
20 2106e, and amendments thereto, had the same remained applicable to such
21 county. Such no-fund warrants shall be issued by the county in the manner
22 and form and shall bear interest and be redeemable in the manner
23 prescribed by K.S.A. 79-2940, and amendments thereto, except that they
24 may be issued without the approval of the state ~~count~~ board of tax appeals,
25 and without the notation required by such section. The board of county
26 commissioners shall make a tax levy at the first tax levying period after
27 such warrants are issued, sufficient to pay such warrants and the interest
28 thereon. All such tax levies shall be in addition to all other tax levies
29 authorized or limited by law and such tax levies shall not be limited by or
30 subject to the limitation upon the levy of taxes prescribed by article 44 of
31 chapter 79 of the 1971 supplement of the Kansas Statutes Annotated, ~~or~~
32 *and* amendments thereto.

33 Sec. 30. K.S.A. 2012 Supp. 19-2653 is hereby amended to read as
34 follows: 19-2653. Whenever no-fund warrants are issued under the
35 authority provided by this act, the board of county commissioners shall
36 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, except that
38 in lieu of making only one tax levy, such board of county commissioners,
39 if it deems it advisable, may make a tax levy each year for not to exceed
40 five years in approximately equal installments for the purpose of paying
41 said warrants and the interest thereon. All such tax levies shall be in
42 addition to all other levies authorized or limited by law and shall not be
43 subject to the aggregate tax levy prescribed by K.S.A. 79-1947, and

1 amendments thereto. Such warrants shall be issued, registered, redeemed
2 and bear interest in the manner and in the form prescribed by K.S.A. 79-
3 2940, and amendments thereto, except they shall not bear the notation
4 required by such section and may be issued without the approval of the
5 state-~~court~~ *board* of tax appeals. Any surplus existing after the redemption
6 of such warrants shall be handled in the manner prescribed by K.S.A. 79-
7 2940, and amendments thereto. None of the provisions of the cash basis
8 and budget laws of this state shall apply to any expenditures made, the
9 payment of which has been provided for by the issuance of warrants under
10 this act.

11 Sec. 31. K.S.A. 2012 Supp. 19-2752a is hereby amended to read as
12 follows: 19-2752a. That whenever a main sewer district has been
13 established under the provisions of K.S.A. 19-2731 to 19-2752, both
14 sections inclusive, and amendments thereto, and the question of the
15 issuance of bonds for the purpose of providing revenue to be used to
16 construct a main trunk sewer system with sewage disposal plant and all
17 appurtenances thereto has been submitted to the qualified electors of such
18 main sewer district and at least 65% of the persons voting on said question
19 shall have voted in favor of the issuance of said bonds in the amount stated
20 on the ballot, and after such election the governing body of such main
21 sewer district was unable to immediately commence work on the
22 construction of said main trunk sewer system and sewage disposal plant
23 and appurtenances because of a shortage of necessary materials and labor
24 and, as a result of such delay, the prices of materials and labor needed for
25 such construction and appurtenances have increased to such an extent that
26 the original amount of bonds voted will not provide sufficient revenue to
27 meet the total cost of such improvements and appurtenances, and the
28 governing body of such main sewer district shall have adopted a resolution
29 declaring such conditions to exist, then the governing body of such main
30 sewer district is hereby authorized and empowered to issue no-fund
31 warrants of such main sewer district in an amount not exceeding six
32 percent of the total amount of bonds authorized by the vote of the electors
33 of such main sewer district, and the revenue derived from the issuance of
34 said warrants may be used by the governing body of said main sewer
35 district to provide additional funds to be used in paying the cost of
36 constructing a main trunk sewer system with sewage disposal plant and all
37 appurtenances thereto, except that no warrants shall be issued under the
38 authority conferred by this act unless, and until, an application shall have
39 been filed with the state-~~court~~ *board* of tax appeals requesting such court
40 to authorize the issuance of such warrants and the-~~court~~ *board* shall enter
41 its order under its seal authorizing the issuance of the same.

42 The application to such-~~court~~ *board* shall be signed and sworn to by the
43 governing body of the main sewer district and shall reveal the following:

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

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

35 Sec. 32. K.S.A. 2012 Supp. 19-3554 is hereby amended to read as
36 follows: 19-3554. The governing body of any district created pursuant to
37 K.S.A. 19-3545 et seq., and amendments thereto, may issue no-fund
38 warrants in amounts sufficient to pay preliminary engineering, financial
39 and legal services to determine the advisability of proceeding with the
40 acquisition or construction of a water supply system. Such warrants shall
41 be authorized, issued, registered and redeemed as prescribed by K.S.A. 79-
42 2940, and amendments thereto, and shall bear interest at a rate not to
43 exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments

1 thereto. Any surplus existing after the redemption of such warrants shall be
2 handled in the manner prescribed by K.S.A. 79-2940, and amendments
3 thereto.

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

8 Sec. 33. K.S.A. 2012 Supp. 19-4420 is hereby amended to read as
9 follows: 19-4420. The board of county commissioners of any county
10 adopting the provisions of this act, for the purposes of carrying out the
11 provisions of this act from and after the date of the adoption of the
12 provisions thereof by such county and prior to the time that moneys are
13 available from the tax levy authorized by K.S.A. 19-4421, and
14 amendments thereto, is hereby authorized to issue no-fund warrants in an
15 amount not to exceed the amount which would be raised by the levy of a
16 tax of one mill upon all taxable tangible property in the county, deemed
17 necessary and fixed by resolution of the agency, for such purpose. Such
18 no-fund warrants shall be issued by the county in the manner and form and
19 shall bear interest and be redeemable in the manner prescribed by K.S.A.
20 79-2940, and amendments thereto, except that they may be issued without
21 the approval of the state-~~court~~ board of tax appeals, and without the
22 notation required by such section. The board of county commissioners
23 shall make a tax levy at the first tax levying period after such warrants are
24 issued, sufficient to pay such warrants and the interest thereon. All such
25 tax levies shall be in addition to all other levies authorized or limited by
26 law and the tax limitations provided by article 19 of chapter 79 of the
27 Kansas Statutes Annotated, and amendments thereto, shall not apply to
28 such levies.

29 Sec. 34. K.S.A. 2012 Supp. 19-4442 is hereby amended to read as
30 follows: 19-4442. The board of county commissioners of any county
31 adopting the provisions of this act, for the purposes of carrying out the
32 provisions of this act from and after the date of the adoption of the
33 provisions thereof by such county, and prior to the time that moneys are
34 available from the tax levy authorized by K.S.A. 19-4443, and
35 amendments thereto, is hereby authorized for such purpose, whenever
36 deemed necessary and fixed by resolution of the agency, to issue no-fund
37 warrants in an amount not to exceed the amount which would be raised by
38 the levy of a tax of one mill upon all taxable tangible property in the
39 county. Such no-fund warrants shall be issued by the county in the manner
40 and form and shall bear interest and be redeemable in the manner
41 prescribed by K.S.A. 79-2940, and amendments thereto, except that they
42 may be issued without the approval of the state-~~court~~ board of tax appeals,
43 and without the notation required by said section. The board of county

1 commissioners shall make a tax levy at the first levying period after such
2 warrants are issued, sufficient to pay 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.

5 Sec. 35. K.S.A. 2012 Supp. 20-356 is hereby amended to read as
6 follows: 20-356. Any county in which additional divisions of the district
7 court are established or in which additional district magistrate judge
8 positions are established, may pay all of the costs and expenses incidental
9 to or arising out of the establishment, operation and maintenance of the
10 facilities for such additional divisions or positions during the year in which
11 they are established, out of the general fund of the county or if it does not
12 have sufficient moneys available in its general fund for such purpose, such
13 county is hereby authorized and empowered to issue during such year, no-
14 fund warrants for the purpose of providing funds to pay all expenses,
15 costs, salaries payable by any such county and costs incidental to or arising
16 out of the establishment, maintenance and operation of such division or
17 position, including the providing and equipping of courtrooms and other
18 necessary offices and costs incidental thereto or arising therefrom or
19 whenever the board of county commissioners considers it advisable, such
20 board may issue general obligation bonds of the county to pay all of the
21 costs and expenses incidental to or arising out of the establishment,
22 operation and maintenance of facilities for such additional divisions or
23 positions other than costs incurred for payment of salaries, and for the
24 purpose of redeeming no-fund warrants issued under the authority of this
25 section except no-fund warrants issued for payment of salaries. Such no-
26 fund warrants shall be issued in the manner and form, bear interest and be
27 redeemed as prescribed by K.S.A. 79-2940, and amendments thereto,
28 except they may be issued without the approval of the state ~~court~~ board of
29 tax appeals and without the notation required by K.S.A. 79-2940, and
30 amendments thereto.

31 If such no-fund warrants are issued under the provisions of this act, the
32 county issuing the same shall make a tax levy at the first tax levying
33 period after such warrants are issued sufficient to pay the same and the
34 interest thereon. Any such county may make expenditures from its general
35 fund during the year in which the said divisions or positions of the court
36 are created for any of the purposes hereinbefore described, even though
37 such expenditures were not included in the county budget for that year.

38 General obligation bonds issued under the authority of this section shall
39 be issued in the manner prescribed by the general bond law but shall not
40 be subject to or within any bonded debt limitation prescribed by any other
41 law of this state and shall not be considered or included in applying any
42 other law limiting bonded indebtedness.

43 Sec. 36. K.S.A. 2012 Supp. 20-363 is hereby amended to read as

1 follows: 20-363. (a) On and after June 18, 1979, job positions for district
2 court employees whose principal duties involved service of process for the
3 district court of the county immediately prior to such date shall be
4 abolished. Except as provided in subsection (b), on and after such date the
5 office of sheriff in such county shall assume the duties of service of
6 process for the district court of the county and there is hereby created job
7 positions in such sheriff's office in a number equal to the number of job
8 positions abolished in the district court of such county by this section.

9 (b) On and after June 18, 1979, in Wyandotte county the county shall
10 assume the duties of service of process for the district court of such county
11 and there is hereby created job positions in such county, under the
12 supervision of the board of county commissioners, in a number equal to
13 the number of job positions abolished in the district court of such county
14 by this section.

15 (c) In appointing persons to fill the job positions created by this
16 section, due consideration shall be given to appointing those persons
17 whose job positions are abolished by this act. On and after such date the
18 county shall pay the compensation and employer's contributions of such
19 employees and amounts therefor may be paid during the budget year even
20 though the same were not included in the budget of expenditures for such
21 year. On and after June 18, 1979, district court employees shall not
22 perform the function of serving process for the district courts. A county
23 may issue no-fund warrants to cover costs imposed upon the county for
24 calendar year 1979 pursuant to this section and such warrants may be
25 issued without the approval of the state ~~court~~ board of tax appeals.

26 Sec. 37. K.S.A. 2012 Supp. 20-626 is hereby amended to read as
27 follows: 20-626. The board of county commissioners of any county in this
28 state having a population of more than 300,000 is hereby authorized to
29 issue no-fund warrants for the purpose of paying all costs incurred in
30 providing additional quarters in any available space of the courthouse for
31 the holding of court and jury and retiring rooms, except that before such
32 warrants shall be issued the board of county commissioners shall have
33 received from all of the judges of the appropriate court a resolution
34 certifying to necessity of additional quarters. Such no-fund warrants shall
35 be issued in the manner and form, bear interest and be redeemed as
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 said 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, except that in lieu of making only one tax levy, the county
42 commissioners may, if it deems it advisable, make a tax levy each year for
43 not to exceed five years in approximately equal installments for the

1 purpose of paying said warrants and the interest thereon. All such tax
2 levies shall be in addition to all other levies authorized or limited by law
3 and shall not be subject to or within the aggregate tax levy limitation
4 prescribed by article 19 of chapter 79 of the Kansas Statutes Annotated,
5 ~~and acts amendatory thereof~~ *amendments thereto*. None of the provisions
6 of the state budget law shall apply to any expenditure which has been
7 provided for by the issuance of warrants under this act.

8 Sec. 38. K.S.A. 2012 Supp. 24-133 is hereby amended to read as
9 follows: 24-133. (a) Subject to the provisions of subsection (b), the
10 governing body of any drainage district may issue emergency no-fund
11 warrants of the drainage district to pay the costs and expenses resulting
12 from an emergency within the district. An emergency within the district
13 exists by reason of current injuries to persons or property, or imminent
14 danger thereof, from floods or other injurious action of water in any
15 watercourse within the district. In case of an emergency, the governing
16 body of the district may build new dikes and levees, and repair, expand
17 and strengthen old ones, dig ditches, build jetties, or make any other
18 changes, alterations and additions in existing improvements. The
19 governing body also may build any other new structure or other
20 improvement it deems necessary to solve the problems created by the
21 emergency.

22 The governing body shall levy a tax at the first tax levying period after
23 the issuance to pay the emergency no-fund warrants and interest thereon.
24 The levy shall be in addition to all other levies authorized or limited by
25 law. Emergency no-fund warrants shall be issued, registered, redeemed
26 and bear interest in the manner and in the form prescribed by K.S.A. 79-
27 2940, and amendments thereto, except that such no-fund warrants shall be
28 issued without the approval of the state ~~court~~ *board* of tax appeals and
29 shall not bear the notation required thereby.

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

33 (c) If the governing body of a drainage district determines it is
34 necessary to issue no-fund warrants and the amount of such no-fund
35 warrants together with any outstanding no-fund warrants exceed 5% of the
36 assessed valuation of the drainage district prior to issuing any such no-
37 fund warrants under the authority of this section, the governing body shall
38 publish once in a newspaper of general circulation within the district a
39 notice of the intention of the governing body to issue such no-fund
40 warrants. If within 60 days after the publication of such notice, a petition
41 requesting an election on the question of the issuance of the no-fund
42 warrants signed by not less than 5% of the owners of land within the
43 district is filed with the county election officer of the county in which the

1 greater portion of the district is located, the governing body shall submit
2 the question of the issuance of such no-fund warrants at an election held
3 under the provisions of the general bond law.

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

9 Sec. 39. K.S.A. 2012 Supp. 24-665 is hereby amended to read as
10 follows: 24-665. The district board may issue no-fund warrants to pay for
11 initial organizational, engineering, legal and administrative expenses of the
12 district, except that the amount so issued shall not exceed the product of
13 two mills times the assessed valuation of the taxable tangible property
14 within the district, which warrants shall be issued, bear interest and be
15 retired in accordance with the provisions of K.S.A. 79-2940, and
16 amendments thereto, except that the approval of the state ~~court~~ board of
17 tax appeals shall not be required. Whenever warrants have been issued
18 under this section, the board shall make a tax levy at the first tax levying
19 period, after such warrants are issued sufficient to pay such warrants and
20 interest.

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

28 Sec. 40. K.S.A. 2012 Supp. 24-1219 is hereby amended to read as
29 follows: 24-1219. (a) The district board may issue no-fund warrants to pay
30 for initial organizational, engineering, legal and administrative expenses of
31 the district except that the amount so issued shall not exceed the product of
32 two mills times the assessed valuation of the taxable tangible property
33 within the district. Such warrants shall be issued, bear interest and be
34 retired in accordance with the provisions of K.S.A. 79-2940, and
35 amendments thereto, except that the approval of the state ~~court~~ board of
36 tax appeals shall not be required. Whenever warrants have been issued
37 under this section, the board shall make a tax levy at the first tax levying
38 period, after such warrants are issued, sufficient to pay such warrants and
39 interest.

40 (b) Following incorporation of the district by the secretary of state,
41 the board shall have authority to levy annually a tax of not to exceed two
42 mills to create a general fund for the payment of engineering, legal,
43 clerical, land and interests in land, installation maintenance, operation and

1 other administrative expenses and such tax may be against all of the
2 taxable, tangible property of the district. Whenever the board desires to
3 increase the mill levy for such purposes above two mills, it may adopt a
4 resolution declaring it necessary to increase such annual levy in an amount
5 which together with the current levy shall not exceed a total of four mills.
6 Any such resolution shall state the total amount of the tax to be levied and
7 shall be published once each week for two consecutive weeks in a
8 newspaper of general circulation in the district. Whereupon such annual
9 levy in an amount not to exceed the amount stated in the resolution may be
10 made for the ensuing budget year and each successive budget year unless a
11 petition requesting an election upon the proposition to increase the tax levy
12 in excess of the current tax levy, signed by not less than 5% of the
13 qualified electors in the district is filed with the county election officer
14 within 60 days following the date of the last publication of the resolution.
15 In the event a valid petition is filed, no such increased levy shall be made
16 without such proposition having been submitted to and having been
17 approved by a majority of the qualified electors voting at an election called
18 and held thereon. All such elections shall be called and held in the manner
19 prescribed for the calling and holding of elections upon the question of the
20 issuance of bonds under the general bond law.

21 (c) There is hereby authorized to be established in the watershed
22 districts of the state a fund which shall be called the structure maintenance
23 fund. The fund shall consist of moneys deposited therein from funds
24 received according to provisions of the watershed district law. The amount
25 of funds that may be deposited annually shall be a maximum of .35% of
26 the construction cost of the structure. Moneys in the structure maintenance
27 fund may be used for the purpose of engineering, reconstruction and other
28 required maintenance and other expenses relating to the maintenance of a
29 structure. The watershed board of directors is hereby authorized to invest
30 any portion of the structure maintenance fund, which is not currently
31 needed, in investments authorized by K.S.A. 12-1675, and amendments
32 thereto. All interest received on any such investment shall be credited to
33 the structure maintenance fund.

34 (d) The district board shall have authority to levy a tax, after
35 improvement bonds have been issued in accordance with K.S.A. 24-1214,
36 24-1215 and 24-1220, and amendments thereto, sufficient to pay such
37 bonds and interest.

38 Sec. 41. K.S.A. 2012 Supp. 31-144 is hereby amended to read as
39 follows: 31-144. (a) As used in this act, "school building" means any
40 building or structure operated or used for any purpose by, or located upon
41 the land of, any school district, community college district, area vocational
42 school, area vocational-technical school, institution under the state board
43 of regents or any private or nonpublic school, college or university,

1 whether or not operated for profit. The term school building does not
2 include within its meaning any single-family dwelling or duplex
3 constructed as part of a vocational education program or construction
4 trades class if such single-family dwelling or duplex is to be sold, after its
5 construction, for private use.

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

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

31 (d) Whenever a board of education receives an order from the state
32 fire marshal pursuant to subsection (c), the board, in lieu of repairing or
33 remodeling the school building or facility as ordered by the state fire
34 marshal, may close such building or facility as an attendance center.
35 Whenever any board of education finds that any such order of the state fire
36 marshal involves a cost in excess of that which the board of education
37 finds the school district can afford, or that the changes ordered are
38 unwarranted or unnecessary, the board may petition for review of such
39 order in the district court of the home county of such school district. Upon
40 receiving such petition, the district court shall appoint three disinterested
41 commissioners, one of whom shall be a licensed architect. The
42 commissioners shall inspect the building or facility affected by the order
43 and report to the court its findings of fact as to the necessity for the

1 improvements or changes ordered by the state fire marshal, together with
2 the estimated cost of each such improvement or change and such other
3 recommendations as the commissioners deem advisable. Upon receiving
4 such findings of fact and recommendations, or any other evidence relating
5 to the petition for review, the court shall enter its order affirming, reversing
6 or modifying the order of the state fire marshal. Such order of the court
7 may be reviewed by the appellate courts in the same manner as other
8 orders and judgments of the district court may be reviewed.

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

12 Sec. 42. K.S.A. 2012 Supp. 38-549 is hereby amended to read as
13 follows: 38-549. The board of directors of any youth camp or home may
14 adopt a resolution at any time before tax moneys are available under
15 authority of this act, and such resolution may provide for the issuance of
16 no-fund warrants in an amount not to exceed the amount which would be
17 produced by a one mill levy on the assessed taxable tangible property in
18 the contracting counties. Such no-fund warrants may be issued without the
19 approval of the state-~~court~~ board of tax appeals, and in all other respects
20 shall be issued in accordance to statutes related to no-fund warrants.

21 Sec. 43. K.S.A. 2012 Supp. 68-151n is hereby amended to read as
22 follows: 68-151n. The board of any such county may issue no-fund
23 warrants without the approval of the state-~~court~~ board of tax appeals, to
24 provide additional funds to be used to pay a part of the cost of the
25 relocation, construction, reconstruction and improvement of or the
26 acquisition of a site or right-of-way for any road or bridge which is
27 necessitated by the construction of any dam or reservoir by the federal
28 government and part of the total cost of which is to be paid or reimbursed
29 by the federal government. The total amount of such warrants shall not
30 exceed the sum of one hundred fifty thousand dollars (\$150,000). Such
31 warrants shall be in the form and be issued, registered, bear interest and
32 may be sold in the manner provided and all other things relating thereto
33 done as prescribed in K.S.A. 79-2940, ~~or acts amendatory thereof and~~
34 ~~amendments thereto~~, except as herein otherwise expressly provided and
35 except that they shall not bear the notation required by said section, but in
36 lieu thereof they shall bear the notation "issued pursuant to authority
37 granted by (giving a citation of this act)."

38 At the next tax levying time after the issuance of such warrants such
39 board shall make a tax levy sufficient to pay the warrants and the interest
40 thereon, except that if the board determines it to be advisable, said
41 warrants may be issued to mature in two approximately equal annual
42 installments and in such cases, such tax levy may be made each year for a
43 period of not to exceed two years. The tax levies herein authorized shall be

1 in addition to all other tax levies authorized or limited by law and shall not
2 be subject to the aggregate tax levy limit prescribed by K.S.A. 79-1947,
3 and amendments thereto, or that may be fixed by any other law of this
4 state.

5 Sec. 44. K.S.A. 2012 Supp. 72-4142 is hereby amended to read as
6 follows: 72-4142. To provide revenue for the initial purchase of textbooks
7 for use in the textbook rental plan, the board of education of any school
8 district is authorized to issue no-fund warrants in an amount necessary to
9 make such purchase. Such no-fund warrants shall be issued in the manner
10 and form, bear interest and be redeemed as prescribed by K.S.A. 79-2940,
11 and amendments thereto, except that they may be issued without the
12 approval of the state-~~court~~ board of tax appeals.

13 Whenever no-fund warrants are issued under the authority of this act,
14 the board of education shall make a tax levy at the first tax levying period
15 after such warrants are issued, sufficient to pay such warrants and the
16 interest thereon, except that in lieu of making only one tax levy, such
17 board, if it deems it advisable, may make a tax levy each year for not to
18 exceed three years in approximately equal installments for the purpose of
19 paying said warrants and the interest thereon. All such tax levies shall be
20 in addition to all other levies authorized or limited by law and none of the
21 tax limitations provided by law shall apply to such levy.

22 Sec. 45. K.S.A. 2012 Supp. 72-6441, as amended by section 3 of
23 2013 Senate Bill No. 23, is hereby amended to read as follows: 72-6441.

24 (a) (1) The board of any district to which the provisions of this subsection
25 apply may levy an ad valorem tax on the taxable tangible property of the
26 district each year for a period of time not to exceed two years in an amount
27 not to exceed the amount authorized by the state-~~court~~ board of tax appeals
28 under this subsection for the purpose of financing the costs incurred by the
29 state that are directly attributable to assignment of ancillary school
30 facilities weighting to enrollment of the district. The state-~~court~~ board of
31 tax appeals may authorize the district to make a levy which will produce
32 an amount that is not greater than the difference between the amount of
33 costs directly attributable to commencing operation of one or more new
34 school facilities and the amount that is financed from any other source
35 provided by law for such purpose, including any amount attributable to
36 assignment of school facilities weighting to enrollment of the district for
37 each school year in which the district is eligible for such weighting. If the
38 district is not eligible, or will be ineligible, for school facilities weighting
39 in any one or more years during the two-year period for which the district
40 is authorized to levy a tax under this subsection, the state-~~court~~ board of
41 tax appeals may authorize the district to make a levy, in such year or years
42 of ineligibility, which will produce an amount that is not greater than the
43 actual amount of costs attributable to commencing operation of the facility

1 or facilities.

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

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

11 (4) The provisions of this subsection apply to any district that: (A)
12 Commenced operation of one or more new school facilities in the school
13 year preceding the current school year or has commenced or will
14 commence operation of one or more new school facilities in the current
15 school year or any or all of the foregoing; (B) is authorized to adopt and
16 has adopted a local option budget which is at least equal to that amount
17 required to qualify for school facilities weighting under K.S.A. 2012 Supp.
18 72-6415b, and amendments thereto; and (C) is experiencing extraordinary
19 enrollment growth as determined by the state board of education.

20 (b) The board of any district that has levied an ad valorem tax on the
21 taxable tangible property of the district each year for a period of two years
22 under authority of subsection (a) may continue to levy such tax under
23 authority of this subsection each year for an additional period of time not
24 to exceed six years in an amount not to exceed the amount computed by
25 the state board of education as provided in this subsection if the board of
26 the district determines that the costs attributable to commencing operation
27 of one or more new school facilities are significantly greater than the costs
28 attributable to the operation of other school facilities in the district. The tax
29 authorized under this subsection may be levied at a rate which will
30 produce an amount that is not greater than the amount computed by the
31 state board of education as provided in this subsection. In computing such
32 amount, the state board shall:

33 (1) Determine the amount produced by the tax levied by the district
34 under authority of subsection (a) in the second year for which such tax was
35 levied and add to such amount the amount of general state aid directly
36 attributable to school facilities weighting that was received by the district
37 in the same year;

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

42 (3) compute 75% of the amount of the sum obtained under paragraph
43 (1), which computed amount is the amount the district may levy in the

1 second year of the six-year period for which the district may levy a tax
2 under authority of this subsection;

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

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

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

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

19 In determining the amount produced by the tax levied by the district
20 under authority of subsection (a), the state board shall include any moneys
21 which have been apportioned to the ancillary facilities fund of the district
22 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
23 5118 et seq., and amendments thereto.

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

29 Sec. 46. K.S.A. 2012 Supp. 72-6443 is hereby amended to read as
30 follows: 72-6443. (a) The ancillary school facilities weighting of each
31 district shall be determined in each school year in which such weighting
32 may be assigned to enrollment of the district as follows:

33 (1) Add the amount authorized under subsection (a) of K.S.A. 72-
34 6441, and amendments thereto, to be produced by a tax levy and certified
35 to the state board by the state ~~court~~ board of tax appeals to the amount, if
36 any, computed under subsection (b) of K.S.A. 72-6441, and amendments
37 thereto, to be produced by a tax levy;

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

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

42 Sec. 47. K.S.A. 2012 Supp. 72-6451 is hereby amended to read as
43 follows: 72-6451. (a) As used in this section:

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

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

8 (b) (1) (A) A school district may levy an ad valorem tax on the
9 taxable tangible property of the district each year for a period of time not
10 to exceed two years in an amount not to exceed the amount authorized by
11 the state-~~court~~ board of tax appeals under this subsection for the purpose
12 of financing the costs incurred by the state that are directly attributable to
13 assignment of declining enrollment weighting to enrollment of the district.
14 The state-~~court~~ board of tax appeals may authorize the district to make a
15 levy which will produce an amount that is not greater than the amount of
16 revenues lost as a result of the declining enrollment of the district. Such
17 amount shall not exceed 5% of the general fund budget of the district in
18 the school year in which the district applies to the state-~~court~~ board of tax
19 appeals for authority to make a levy pursuant to this section.

20 (B) As an alternative to the authority provided in paragraph (1)(A), if
21 a district was authorized to make a levy pursuant to this section in school
22 year 2006-2007, such district shall remain authorized to make a levy at a
23 rate necessary to generate revenue in the same amount that was generated
24 in school year 2007-2008 if the district adopts a local option budget in an
25 amount equal to the state prescribed percentage in effect in school year
26 2006-2007.

27 (2) The state-~~court~~ board of tax appeals shall certify to the state board
28 the amount authorized to be produced by the levy of a tax under this
29 section.

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

33 (c) A district may levy the tax authorized pursuant to this section for a
34 period of time not to exceed two years unless authority to make such levy
35 is renewed by the state-~~court~~ board of tax appeals. The state-~~court~~ board of
36 tax appeals may renew the authority to make such levy for periods of time
37 not to exceed two years.

38 (d) The state board shall provide to the state-~~court~~ board of tax
39 appeals such school data and information requested by the state-~~court~~
40 board of tax appeals and any other information deemed necessary by the
41 state board.

42 (e) There is hereby established in every district a fund which shall be
43 called the declining enrollment fund. Such fund shall consist of all moneys

1 deposited therein or transferred thereto according to law. The proceeds
2 from the tax levied by a district under authority of this section shall be
3 credited to the declining enrollment fund of the district. The proceeds from
4 the tax levied by a district credited to the declining enrollment fund shall
5 be remitted to the state treasurer in accordance with the provisions of
6 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
7 remittance, the state treasurer shall deposit the entire amount in the state
8 treasury to the credit of the state school district finance fund.

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

14 Sec. 48. K.S.A. 2012 Supp. 72-8203b is hereby amended to read as
15 follows: 72-8203b. Whenever the board of education of any school district
16 shall make a finding that such school district has a temporary cash deficit
17 in any school district fund, such school district may issue temporary notes
18 of the school district for the purpose of borrowing money to meet such
19 temporary cash deficit. The proceeds of any notes issued pursuant to this
20 section shall be credited to the fund found to have such deficit. Such notes
21 may be issued only with the approval of the ~~state-court~~ board of tax
22 appeals. Temporary notes issued pursuant to this act shall mature, be
23 retired and paid during the fiscal year during which they are issued. Such
24 notes shall be retired from the proceeds of distributions to the fund in
25 which the temporary cash deficit occurred. Such notes shall be in a form
26 prescribed by the state board of education and may bear interest at a rate
27 not to exceed 5% per annum. No such notes may be issued in an amount in
28 excess of anticipated receipts during the fiscal year of the fund in which
29 the temporary cash deficit occurred. If any such anticipated receipts are
30 not received during the fiscal year in which such notes are issued, such
31 notes shall be retired in the next succeeding fiscal year from the proceeds
32 of later received distributions to such fund or shall be retired from a tax
33 levy upon the taxable tangible property in the school district in an amount
34 sufficient to retire such notes, which levy shall be made at the next tax
35 levying period.

36 Sec. 49. K.S.A. 2012 Supp. 74-2433a is hereby amended to read as
37 follows: 74-2433a. The ~~state-court~~ board of tax appeals created by K.S.A.
38 74-2433, and amendments thereto, is hereby transferred out of the
39 department of revenue and established as an independent agency and
40 administrative law court within the executive branch of state government.

41 Sec. 50. K.S.A. 2012 Supp. 74-2433b is hereby amended to read as
42 follows: 74-2433b. All budgeting, purchasing and related management
43 functions of the ~~state-court~~ board of tax appeals shall be administered

1 under the direction and supervision of the state ~~court~~ board of tax appeals.

2 Sec. 51. K.S.A. 2012 Supp. 74-2433c is hereby amended to read as
3 follows: 74-2433c. All vouchers for expenditures from appropriations to or
4 for the state ~~court~~ board of tax appeals shall be approved by the ~~chief~~
5 ~~judge~~ chairperson of the state ~~court~~ board of tax appeals or a person or
6 persons designated by the ~~chief judge~~ chairperson for such purpose.

7 Sec. 52. K.S.A. 2012 Supp. 74-2433d is hereby amended to read as
8 follows: 74-2433d. All records of and appropriations for the state court of
9 tax appeals shall be transferred to the state ~~court~~ board of tax appeals on
10 the effective date of this order July 1, 2013.

11 Sec. 53. K.S.A. 2012 Supp. 74-2433e is hereby amended to read as
12 follows: 74-2433e. The state ~~court~~ board of tax appeals created by K.S.A.
13 74-2433, and amendments thereto, is hereby specifically continued in
14 existence, and it shall have the same powers, functions and duties as were
15 vested by law in it immediately prior to the effective date of this order,
16 except as is herein otherwise specifically provided.

17 Sec. 54. K.S.A. 2012 Supp. 74-2443f, as amended by section 11 of
18 2013 Senate Bill No. 83, is hereby amended to read as follows: 74-2433f.
19 (a) There shall be a division of the state ~~court~~ board of tax appeals known
20 as the small claims and expedited hearings division. Hearing officers
21 appointed by the chief hearing officer shall have authority to hear and
22 decide cases heard in the small claims and expedited hearings division.

23 (b) The small claims and expedited hearings division shall have
24 jurisdiction over hearing and deciding applications for the refund of
25 protested taxes under the provisions of K.S.A. 79-2005, and amendments
26 thereto, and hearing and deciding appeals from decisions rendered
27 pursuant to the provisions of K.S.A. 79-1448, and amendments thereto,
28 and of article 16 of chapter 79 of the Kansas Statutes Annotated, and
29 amendments thereto, with regard to single-family residential property. The
30 filing of an appeal with the small claims and expedited hearings division
31 shall be a prerequisite for filing an appeal with the state ~~court~~ board of tax
32 appeals for appeals involving single-family residential property.

33 (c) At the election of the taxpayer, the small claims and expedited
34 hearings division shall have jurisdiction over: (1) Any appeal of a decision,
35 finding, order or ruling of the director of taxation, except an appeal,
36 finding, order or ruling relating to an assessment issued pursuant to K.S.A.
37 79-5201 et seq., and amendments thereto, in which the amount of tax in
38 controversy does not exceed \$15,000; (2) hearing and deciding
39 applications for the refund of protested taxes under the provisions of
40 K.S.A. 79-2005, and amendments thereto, where the value of the property,
41 other than property devoted to agricultural use, is less than \$2,000,000 as
42 reflected on the valuation notice; and (3) hearing and deciding appeals
43 from decisions rendered pursuant to the provisions of K.S.A. 79-1448, and

1 amendments thereto, and of article 16 of chapter 79 of the Kansas Statutes
2 Annotated, and amendments thereto, other than those relating to land
3 devoted to agricultural use, wherein the value of the property is less than
4 \$2,000,000 as reflected on the valuation notice.

5 (d) In accordance with the provisions of K.S.A. 74-2438, and
6 amendments thereto, any party may elect to appeal any application or
7 decision referenced in subsection (b) to the state-~~court~~ board of tax
8 appeals. Except as provided in subsection (b) regarding single-family
9 residential property, the filing of an appeal with the small claims and
10 expedited hearings division shall not be a prerequisite for filing an appeal
11 with the state-~~court~~ board of tax appeals under this section. Final decisions
12 of the small claims and expedited hearings division may be appealed to the
13 state-~~court~~ board of tax appeals. An appeal of a decision of the small
14 claims and expedited hearings division to the state-~~court~~ board of tax
15 appeals shall be de novo.

16 (e) A taxpayer shall commence a proceeding in the small claims and
17 expedited hearings division by filing a notice of appeal in the form
18 prescribed by the rules of the state-~~court~~ board of tax appeals which shall
19 state the nature of the taxpayer's claim. Notice of appeal shall be provided
20 to the appropriate unit of government named in the notice of appeal by the
21 taxpayer. In any valuation appeal or tax protest commenced pursuant to
22 articles 14 and 20 of chapter 79 of the Kansas Statutes Annotated, and
23 amendments thereto, the hearing shall be conducted in the county where
24 the property is located or a county adjacent thereto. In any appeal from a
25 final determination by the secretary of revenue, the hearing shall be
26 conducted in the county in which the taxpayer resides or a county adjacent
27 thereto.

28 (f) The hearing in the small claims and expedited hearings division
29 shall be informal. The hearing officer may hear any testimony and receive
30 any evidence the hearing officer deems necessary or desirable for a just
31 determination of the case. A hearing officer shall have the authority to
32 administer oaths in all matters before the hearing officer. All testimony
33 shall be given under oath. A party may appear personally or may be
34 represented by an attorney, a certified public accountant, a certified general
35 appraiser, a tax representative or agent, a member of the taxpayer's
36 immediate family or an authorized employee of the taxpayer. A county or
37 unified government may be represented by the county appraiser, designee
38 of the county appraiser, county attorney or counselor or other
39 representatives so designated. No transcript of the proceedings shall be
40 kept.

41 (g) The hearing in the small claims and expedited hearings division
42 shall be conducted within 60 days after the appeal is filed in the small
43 claims and expedited hearings division unless such time period is waived

1 by the taxpayer. A decision shall be rendered by the hearing officer within
2 30 days after the hearing is concluded and, in cases arising from appeals
3 described by subsections (b) and (c)(2) and (3), shall be accompanied by a
4 written explanation of the reasoning upon which such decision is based.
5 Documents provided by a taxpayer or county or district appraiser shall be
6 returned to the taxpayer or the county or district appraiser by the hearing
7 officer and shall not become a part of the court's permanent records.
8 Documents provided to the hearing officer shall be confidential and may
9 not be disclosed, except as otherwise specifically provided.

10 (h) With regard to any matter properly submitted to the division
11 relating to the determination of valuation of property for taxation purposes,
12 it shall be the duty of the county appraiser to initiate the production of
13 evidence to demonstrate, by a preponderance of the evidence, the validity
14 and correctness of such determination. No presumption shall exist in favor
15 of the county appraiser with respect to the validity and correctness of such
16 determination. With regard to leased commercial and industrial property,
17 the presumption of validity and correctness of such determination shall
18 exist in favor of the county appraiser unless the taxpayer has furnished the
19 county or district appraiser, within 30 calendar days following the informal
20 meeting required by K.S.A. 79-1448, and amendments thereto, or within
21 30 calendar days following the informal meeting required by K.S.A. 79-
22 2005, and amendments thereto, a complete income and expense statement
23 for the property for the three years next preceding the year of appeal.

24 Sec. 55. K.S.A. 2012 Supp. 74-2433g is hereby amended to read as
25 follows: 74-2433g. (a) The hearing officers of the small claims and
26 expedited hearings division shall be appointed by the chief hearing officer
27 of the state ~~court~~ board of tax appeals.

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

31 Sec. 56. K.S.A. 2012 Supp. 74-2435 is hereby amended to read as
32 follows: 74-2435. Within amounts budgeted for it, the state ~~court~~ board of
33 tax appeals may appoint such employees as may be necessary, which
34 employees shall be in the classified service of the Kansas civil service act,
35 and may appoint a secretary and attorneys, and such secretary and
36 attorneys shall be in the unclassified service of the Kansas civil service act.

37 Sec. 57. K.S.A. 2012 Supp. 74-2436 is hereby amended to read as
38 follows: 74-2436. The ~~court~~ board shall keep an accurate record of its
39 official proceedings, and shall keep a common seal of such design as shall
40 be determined by the ~~court~~ board. Copies of records of the ~~court~~ board,
41 certified by the secretary and attested with the seal of the ~~court~~ board, shall
42 be received in evidence with like effect as copies of other public records.
43 The secretary of the ~~court~~ board shall be the custodian of the seal and

1 records and be authorized to affix the seal in all proper cases. The
2 secretary or any ~~judge member~~ of the ~~court board~~ shall have the power to
3 administer oaths in all matters before the ~~court board~~. Two ~~judges~~
4 ~~members~~ of the ~~court board~~ shall constitute a quorum.

5 Sec. 58. K.S.A. 2012 Supp. 74-2437a is hereby amended to read as
6 follows: 74-2437a. The state ~~court board~~ of tax appeals shall have the
7 power to summon witnesses from any part of the state to appear and give
8 testimony, and to compel such witnesses to produce records, books, papers
9 and documents relating to any subject matter before the state ~~court board~~
10 of tax appeals, subject to the restrictions of K.S.A. 79-1424, and
11 amendments thereto. Summons, subpoenas and subpoenas duces tecum
12 may be directed to the sheriff of any county and may be made returnable at
13 such time as the ~~court board~~ of tax appeals shall determine. No fees shall
14 be charged by the sheriff for service thereof. Witness fees and mileage
15 shall be allowed and may be taxed as costs to either party in the discretion
16 of the court.

17 Sec. 59. K.S.A. 2012 Supp. 74-2437b is hereby amended to read as
18 follows: 74-2437b. The state ~~court board~~ of tax appeals shall have power
19 to issue an order directing depositions of witnesses residing within or
20 without the state, to be taken, upon notice to the interested parties, if any,
21 in like manner that depositions of witnesses are taken in civil actions
22 pending in the district court, in any matter before the ~~court board~~.

23 Sec. 60. K.S.A. 2012 Supp. 74-2438 is hereby amended to read as
24 follows: 74-2438. An appeal may be taken to the state ~~court board~~ of tax
25 appeals from any finding, ruling, order, decision, final determination or
26 other final action, including action relating to abatement or reduction of
27 penalty and interest, on any case of the secretary of revenue or the
28 secretary's designee by any person aggrieved thereby. Notice of such
29 appeal shall be filed with the secretary of the ~~court board~~ within 30 days
30 after such finding, ruling, order, decision, final determination or other
31 action on a case, and a copy served upon the secretary of revenue or the
32 secretary's designee. An appeal may also be taken to the state ~~court board~~
33 of tax appeals at any time when no final determination has been made by
34 the secretary of revenue or the secretary's designee after 270 days has
35 passed since the date of the request for informal conference pursuant to
36 K.S.A. 79-3226, and amendments thereto, and no written agreement by the
37 parties to further extend the time for making such final determination is in
38 effect. Upon receipt of a timely appeal, the ~~court board~~ shall conduct a
39 hearing in accordance with the provisions of the Kansas administrative
40 procedure act. The hearing before the ~~court board~~ shall be a de novo
41 hearing unless the parties agree to submit the case on the record made
42 before the secretary of revenue or the secretary's designee. With regard to
43 any matter properly submitted to the ~~court board~~ relating to the

1 determination of valuation of residential property or real property used for
2 commercial and industrial purposes for taxation purposes, it shall be the
3 duty of the county or district appraiser to initiate the production of
4 evidence to demonstrate, by a preponderance of the evidence, the validity
5 and correctness of such determination, except that no such duty shall
6 accrue with regard to leased commercial and industrial property unless the
7 property owner has furnished to the county or district appraiser a complete
8 income and expense statement for the property for the three years next
9 preceding the year of appeal. No presumption shall exist in favor of the
10 county or district appraiser with respect to the validity and correctness of
11 such determination. No interest shall accrue on the amount of the
12 assessment of tax subject to any such appeal beyond 120 days after the
13 date the matter was fully submitted, except that, if a final order is issued
14 within such time period, interest shall continue to accrue until such time as
15 the tax liability is fully satisfied, and if a final order is issued beyond such
16 time period, interest shall recommence to accrue from the date of such
17 order until such time as the tax liability is fully satisfied.

18 Sec. 61. K.S.A. 2012 Supp. 74-2438a is hereby amended to read as
19 follows: 74-2438a. (a) The executive director of the state-~~court~~ board of
20 tax appeals shall charge and collect a filing fee, established by rules and
21 regulations adopted by the state-~~court~~ board of tax appeals, for any appeal
22 in any proceeding under the tax protest, tax grievance or tax exemption
23 statutes or in any other original proceeding for such-~~court~~ board to recover
24 all or part of the costs of processing such actions incurred by the state
25 ~~court~~ board of tax appeals. With regard to single-family residential
26 property, the filing fee charged for applications by taxpayers for refunds of
27 protested taxes under the provisions of K.S.A. 79-2005, and amendments
28 thereto, and appeals from decisions rendered pursuant to K.S.A. 79-1448,
29 and amendments thereto, shall not exceed \$35; Provided, however, that no
30 filing fee shall be imposed on any such application or appeal of residential
31 property filed with the small claims and expedited hearings division. Not-
32 for-profit organizations shall not be charged a filing fee exceeding \$10 for
33 any appeal if the valuation of the property that is the subject of the
34 controversy does not exceed \$100,000.

35 (b) The-~~BOTA COTA~~ filing fee fund is hereby renamed the-~~COTA~~
36 *BOTA* filing fee fund.

37 (c) The executive director of the-~~court~~ board of tax appeals shall
38 remit to the state treasurer at least monthly all tax appeal filing fees
39 received by the state-~~court~~ board of tax appeals. Upon receipt of any such
40 remittance, the state treasurer shall deposit the amount in the state treasury
41 to the credit of the-~~COTA~~ *BOTA* filing fee fund.

42 (d) All expenditures from the-~~COTA~~ *BOTA* filing fee fund shall be
43 made in accordance with appropriation acts upon warrants of the director

1 of accounts and reports issued pursuant to vouchers approved by the
2 executive director of the state ~~court~~ board of tax appeals or a person or
3 persons designated by such executive director.

4 Sec. 62. K.S.A. 2012 Supp. 74-2439 is hereby amended to read as
5 follows: 74-2439. Except as otherwise provided by law, the state ~~court~~
6 board of tax appeals shall have the following powers and duties:

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

9 (b) authorizing the issuance of emergency warrants by taxing
10 districts, as provided in article 29 of chapter 79 of Kansas Statutes
11 Annotated, and ~~acts amendatory thereof or supplemental amendments~~
12 thereto, and authorizing the issuance of warrants by cities or counties
13 under statutes of this state;

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

17 (d) correcting errors and irregularities under the provisions of article
18 17 of chapter 79 of Kansas Statutes Annotated, *and amendments thereto*;
19 and

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

22 Sec. 63. K.S.A. 2012 Supp. 74-2442 is hereby amended to read as
23 follows: 74-2442. There are hereby transferred to, vested in, and imposed
24 upon, the director of property valuation to be executed and exercised by
25 him, all the jurisdiction, rights, powers, duties and authority now vested in
26 or imposed upon the state commission of revenue and taxation with
27 respect to ad valorem tax administration and the assessment of state
28 assessed property, except such as are specifically transferred to, vested in,
29 and imposed upon, the state ~~court~~ board of tax appeals. The state
30 commission of revenue and taxation is hereby abolished.

31 Sec. 64. K.S.A. 2012 Supp. 74-2447 is hereby amended to read as
32 follows: 74-2447. On July 1, ~~2008~~2013, there are hereby transferred to,
33 vested in, and imposed upon, the state ~~court~~ board of tax appeals, all the
34 jurisdiction, rights, powers, duties and authority now vested in or imposed
35 upon the state ~~board court~~ of tax appeals. The state ~~board court~~ of tax
36 appeals is hereby abolished.

37 Sec. 65. K.S.A. 2012 Supp. 74-4911f is hereby amended to read as
38 follows: 74-4911f. (a) Subject to procedures or limitations prescribed by
39 the governor, any person who is not an employee and who becomes a state
40 officer may elect to not become a member of the system. The election to
41 not become a member of the system must be filed within 90 days of
42 assuming the position of state officer. Such election shall be irrevocable. If
43 such election is not filed by such state officer, such state officer shall be a

1 member of the system.

2 (b) Any such state officer who is a member of the Kansas public
3 employees retirement system, on or after the effective date of this act, may
4 elect to not be a member by filing an election with the office of the
5 retirement system. The election to not become a member of the system
6 must be filed within 90 days of assuming the position of state officer. If
7 such election is not filed by such state officer, such state officer shall be a
8 member of the system.

9 (c) Subject to limitations prescribed by the board, the state agency
10 employing any employee who has filed an election as provided under
11 subsection (a) or (b) and who has entered into an employee participation
12 agreement, as provided in K.S.A. 2012 Supp. 74-49b10, and amendments
13 thereto, for deferred compensation pursuant to the Kansas public
14 employees deferred compensation plan shall contribute to such plan on
15 such employee's behalf an amount equal to 8% of the employee's salary, as
16 such salary has been approved pursuant to K.S.A. 75-2935b, and
17 amendments thereto, or as otherwise prescribed by law. With regard to a
18 state officer who is a member of the legislature who has retired pursuant to
19 the Kansas public employees retirement system and who files an election
20 as provided in this section, employee's salary means per diem
21 compensation as provided by law as a member of the legislature.

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

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

5 Sec. 66. K.S.A. 2012 Supp. 75-430 is hereby amended to read as
6 follows: 75-430. (a) The secretary of state shall compile, index and publish
7 a publication to be known as the Kansas register. Such register shall
8 contain:

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

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

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

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

21 (5) the full text of all administrative rules and regulations which have
22 been adopted and filed in accordance with the provisions of article 4 of
23 chapter 77 of the Kansas Statutes Annotated, and amendments thereto,
24 except that the secretary of state may publish a summary of any rule and
25 regulation together with the address of the state agency from which a copy
26 of the full text of the proposed rules and regulations may be received, if
27 such rule and regulation is lengthy and expensive to publish and otherwise
28 available in published form and a summary will, in the opinion of the
29 secretary, properly notify the public of the contents of such rule and
30 regulation;

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

35 (7) all notices of hearings of special legislative interim study
36 committees, descriptions of all prefiled bills and resolutions and
37 descriptions of all bills and resolutions introduced in the legislature during
38 any session of the legislature, and other legislative information which is
39 approved for publication by the legislative coordinating council;

40 (8) the hearings docket of the Kansas supreme court and the court of
41 appeals;

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

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

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

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

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

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

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

19 (f) One copy of each issue of the register shall be made available
20 without charge on request to each officer, board, commission, and
21 department of the state having statewide jurisdiction, to each member of
22 the legislature, to each county clerk in the state, and to the supreme court,
23 court of appeals and each district court.

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

27 Sec. 67. K.S.A. 2012 Supp. 75-37,121 is hereby amended to read as
28 follows: 75-37,121. (a) There is created the office of administrative
29 hearings within the department of administration, to be headed by a
30 director appointed by the secretary of administration. The director shall be
31 in the unclassified service under the Kansas civil service act.

32 (b) The office may employ or contract with presiding officers, court
33 reporters and other support personnel as necessary to conduct proceedings
34 required by the Kansas administrative procedure act for adjudicative
35 proceedings of the state agencies, boards and commissions specified in
36 subsection (h). The office shall conduct adjudicative proceedings of any
37 state agency which is specified in subsection (h) when requested by such
38 agency. Only a person admitted to practice law in this state or a person
39 directly supervised by a person admitted to practice law in this state may
40 be employed as a presiding officer. The office may employ regular part-
41 time personnel. Persons employed by the office shall be under the
42 classified civil service.

43 (c) If the office cannot furnish one of its presiding officers within 60

1 days in response to a requesting agency's request, the director shall
2 designate in writing a full-time employee of an agency other than the
3 requesting agency to serve as presiding officer for the proceeding, but only
4 with the consent of the employing agency. The designee must possess the
5 same qualifications required of presiding officers employed by the office.

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

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

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

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

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

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

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

24 (h) The following state agencies, boards and commissions shall
25 utilize the office of administrative hearings for conducting adjudicative
26 hearings under the Kansas administrative procedures act in which the
27 presiding officer is not the agency head or one or more members of the
28 agency head:

29 (1) On and after July 1, 2005: ~~Department of social and rehabilitation~~
30 ~~services~~ *Kansas department for children and families*, juvenile justice
31 authority, ~~department on aging~~ *Kansas department for aging and disability*
32 *services*, department of health and environment, Kansas public employees
33 retirement system, Kansas water office, Kansas ~~animal health department~~
34 *department of agriculture division of animal health* and Kansas insurance
35 department.

36 (2) On and after July 1, 2006: Emergency medical services board,
37 emergency medical services council and Kansas human rights
38 commission.

39 (3) On and after July 1, 2007: Kansas lottery, Kansas racing and
40 gaming commission, state treasurer, pooled money investment board,
41 Kansas department of wildlife, parks and tourism and state ~~court~~ *board of*
42 tax appeals.

43 (4) On and after July 1, 2008: Department of human resources, state

1 corporation commission,—state conservation commission *Kansas*
2 *department of agriculture division of conservation*, agricultural labor
3 relations board, department of administration, department of revenue,
4 board of adult care home administrators, Kansas state grain inspection
5 department, board of accountancy and Kansas wheat commission.

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

8 (i) (1) Effective July 1, 2005, any presiding officer in agencies
9 specified in subsection (h)(1) which conduct hearings pursuant to the
10 Kansas administrative procedure act, except those exempted pursuant to
11 K.S.A. 77-551, and amendments thereto, and support personnel for such
12 presiding officers, shall be transferred to and shall become employees of
13 the office of administrative hearings. Such personnel shall retain all rights
14 under the state personnel system and retirement benefits under the laws of
15 this state which had accrued to or vested in such personnel prior to the
16 effective date of this section. Such person's services shall be deemed to
17 have been continuous. All transfers of personnel positions in the classified
18 service under the Kansas civil service act shall be in accordance with civil
19 service laws and any rules and regulations adopted thereunder. This
20 section shall not affect any matter pending before an administrative
21 hearing officer at the time of the effective date of the transfer, and such
22 matter shall proceed as though no transfer of employment had occurred.

23 (2) Effective July 1, 2006, any presiding officer in agencies specified
24 in subsection (h)(2) which conduct hearings pursuant to the Kansas
25 administrative procedure act, except those exempted pursuant to K.S.A.
26 77-551, and amendments thereto, and support personnel for such presiding
27 officers, shall be transferred to and shall become employees of the office
28 of administrative hearings. Such personnel shall retain all rights under the
29 state personnel system and retirement benefits under the laws of this state
30 which had accrued to or vested in such personnel prior to the effective date
31 of this section. Such person's services shall be deemed to have been
32 continuous. All transfers of personnel positions in the classified service
33 under the Kansas civil service act shall be in accordance with civil service
34 laws and any rules and regulations adopted thereunder. This section shall
35 not affect any matter pending before an administrative hearing officer at
36 the time of the effective date of the transfer, and such matter shall proceed
37 as though no transfer of employment had occurred.

38 (3) Effective July 1, 2007, any presiding officer in agencies specified
39 in subsection (h)(3) which conduct hearings pursuant to the Kansas
40 administrative procedure act, except those exempted pursuant to K.S.A.
41 77-551, and amendments thereto, and support personnel for such presiding
42 officers, shall be transferred to and shall become employees of the office
43 of administrative hearings. Such personnel shall retain all rights under the

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

10 (4) Effective July 1, 2008, any full-time presiding officer in agencies
11 specified in subsection (h)(4) which conduct hearings pursuant to the
12 Kansas administrative procedure act, except those exempted pursuant to
13 K.S.A. 77-551, and amendments thereto, and support personnel for such
14 presiding officers, shall be transferred to and shall become employees of
15 the office of administrative hearings. Such personnel shall retain all rights
16 under the state personnel system and retirement benefits under the laws of
17 this state which had accrued to or vested in such personnel prior to the
18 effective date of this section. Such person's services shall be deemed to
19 have been continuous. All transfers of personnel positions in the classified
20 service under the Kansas civil service act shall be in accordance with civil
21 service laws and any rules and regulations adopted thereunder. This
22 section shall not affect any matter pending before an administrative
23 hearing officer at the time of the effective date of the transfer, and such
24 matter shall proceed as though no transfer of employment had occurred.

25 (5) Effective July 1, 2009, any full-time presiding officer in agencies
26 specified in subsection (h)(5) which conduct hearings pursuant to the
27 Kansas administrative procedure act, except those exempted pursuant to
28 K.S.A. 77-551, and amendments thereto, and support personnel for such
29 presiding officers, shall be transferred to and shall become employees of
30 the office of administrative hearings. Such personnel shall retain all rights
31 under the state personnel system and retirement benefits under the laws of
32 this state which had accrued to or vested in such personnel prior to the
33 effective date of this section. Such person's services shall be deemed to
34 have been continuous. All transfers of personnel positions in the classified
35 service under the Kansas civil service act shall be in accordance with civil
36 service laws and any rules and regulations adopted thereunder. This
37 section shall not affect any matter pending before an administrative
38 hearing officer at the time of the effective date of the transfer, and such
39 matter shall proceed as though no transfer of employment occurred.

40 Sec. 68. K.S.A. 2012 Supp. 75-4201 is hereby amended to read as
41 follows: 75-4201. As used in this act, unless the context otherwise
42 requires:

43 (a) "Treasurer" means state treasurer.

1 (b) "Controller" means director of accounts and reports.

2 (c) "Board" means the pooled money investment board.

3 (d) "Bank" means a bank incorporated under the laws of this state, or
4 organized under the laws of the United States or another state and which
5 has a main or branch office in this state.

6 (e) "State moneys" means all moneys in the treasury of the state or
7 coming lawfully into the possession of the treasurer.

8 (f) "State bank account" means state moneys or fee agency account
9 moneys deposited in accordance with the provisions of this act.

10 (g) "Operating account" means a state bank account which is payable
11 or withdrawable, in whole or in part, on demand.

12 (h) "Investment account" means a state bank account which is not
13 payable on demand.

14 (i) "Fee agency account" means a state bank account of any state
15 agency consisting of moneys authorized by law prior to remittance to the
16 state treasurer.

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

21 (k) "Securities" means, for the purposes of this section and K.S.A.
22 75-4218, and amendments thereto, securities, security entitlements,
23 financial assets and securities account consisting of any one or more of the
24 following, and security entitlements thereto, which may be accepted or
25 rejected by the pooled money investment board:

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

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

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

34 (4) Revenue bonds of any municipality, as defined by K.S.A. 10-101,
35 and amendments thereto, within the state of Kansas or bonds issued by a
36 public building commission as authorized by K.S.A. 12-1761, and
37 amendments thereto, if approved by the state bank commissioner, except:
38 (A) Bonds issued under the provisions of K.S.A. 12-1740 et seq., and
39 amendments thereto, unless such bonds are rated at least MIG-1 or Aa by
40 Moody's Investors Service or AA by Standard & Poor's Corp.; and (B)
41 bonds secured by revenues of a utility which has been in operation for less
42 than three years. Any expense incurred in connection with granting
43 approval of revenue bonds shall be paid by the applicant for approval.

1 (5) Temporary notes of any municipal corporation or quasi-municipal
2 corporation within the state of Kansas which are general obligations of the
3 municipal corporation or quasi-municipal corporation issuing the same.

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

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

15 (8) Securities listed in paragraph (14) of subsection (d) of K.S.A. 9-
16 1402, and amendments thereto, within limitations of K.S.A. 9-1402, and
17 amendments thereto.

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

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

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

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

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

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

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

43 (p) "Depository bank" means a bank, savings bank or savings and

1 loan association authorized and eligible to receive state moneys.

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

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

10 (s) "Securities," "security entitlements," "financial assets," "securities
11 account," "security agreement," "security interest," "perfection" and
12 "control" shall have the meanings given such terms under the Kansas
13 uniform commercial code.

14 Sec. 69. K.S.A. 2012 Supp. 75-5104 is hereby amended to read as
15 follows: 75-5104. Whenever, under any statute of this state, the director of
16 revenue is authorized to make, adopt or promulgate rules and regulations
17 or rules or regulations, or words of like effect, and whenever in any statute
18 of this state there is reference to any such rule or regulation, such authority
19 and such reference shall after the effective date of this act be deemed to so
20 authorize or refer to the secretary of revenue and not the director of
21 revenue, and no approval for adoption of any such rules and regulations
22 shall be required by the state ~~court~~ board of tax appeals.

23 Sec. 70. K.S.A. 2012 Supp. 75-5107 is hereby amended to read as
24 follows: 75-5107. Whenever, under any statute of this state, the director of
25 property valuation is authorized to make, adopt or promulgate rules and
26 regulations or rules or regulations, or words of like effect, and whenever in
27 any statute of this state there is reference to any such rule or regulation,
28 such authority and such reference shall after the effective date of this act
29 be deemed to so authorize or refer to the secretary of revenue and not the
30 director of property valuation, and no approval for adoption of any such
31 rules and regulations shall be required by the state ~~court~~ board of tax
32 appeals.

33 Sec. 71. K.S.A. 2012 Supp. 75-5121 is hereby amended to read as
34 follows: 75-5121. The secretary of revenue may appoint attorneys for the
35 department of revenue and its divisions and officers, except attorneys for
36 the state ~~court~~ board of tax appeals and the division and director of
37 alcoholic beverage control. All attorneys appointed under this section shall
38 be subject to assignment and reassignment of duty within the department
39 of revenue as may be determined by the attorney designated by the
40 secretary of revenue as chief attorney of the department of revenue. Not
41 more than three attorneys appointed under this section shall be in the
42 classified service under the Kansas civil service act. All other attorneys,
43 including the chief attorney of the department of revenue, appointed under

1 this section shall be in the unclassified service under the Kansas civil
2 service act and shall receive annual salaries fixed by the secretary of
3 revenue and approved by the governor.

4 Sec. 72. K.S.A. 2012 Supp. 75-5161 is hereby amended to read as
5 follows: 75-5161. In addition to other provisions and authority granted
6 under law, the secretary of revenue shall have the authority to equitably
7 resolve any assessment resulting from an audit, or any portion of such
8 assessment, that is pending in the administrative appeals process before the
9 secretary or secretary's designee pursuant to K.S.A. 79-3226 or 79-3610,
10 and amendments thereto, or the state-~~court~~ board of tax appeals, or is
11 pending in the judicial review process before any state or federal district or
12 appellate court. Such settlement authority shall include the ability to
13 resolve the amount of tax, penalty or interest due in the settlement
14 agreement.

15 Sec. 73. K.S.A. 2012 Supp. 77-514 is hereby amended to read as
16 follows: 77-514. (a) For all agencies, except for the state-~~court~~ board of
17 tax appeals, the agency head, one or more members of the agency head or
18 a presiding officer assigned by the office of administrative hearings shall
19 be the presiding officer.

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

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

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

30 (e) If a substitute is required for a person who is disqualified or
31 becomes unavailable for any other reason, any action taken by a duly
32 appointed substitute for a disqualified or unavailable person is as effective
33 as if taken by the latter.

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

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

42 (h) Except as otherwise provided by law, in any proceeding under this
43 act, a person shall not be eligible to act as presiding officer, and shall not

1 provide confidential legal or technical advice to a presiding officer in the
2 proceeding, if that person:

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

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

7 Sec. 74. K.S.A. 2012 Supp. 77-529 is hereby amended to read as
8 follows: 77-529. (a) (1) Except as otherwise provided by paragraph (2),
9 any party, within 15 days after service of a final order, may file a petition
10 for reconsideration with the agency head, stating the specific grounds upon
11 which relief is requested. The filing of the petition is not a prerequisite for
12 seeking administrative or judicial review except as provided in K.S.A. 44-
13 1010 and 44-1115, and amendments thereto, concerning orders of the
14 Kansas human rights commission, K.S.A. 55-606 and 66-118b, and
15 amendments thereto, concerning orders of the corporation commission and
16 K.S.A. 74-2426, and amendments thereto, concerning orders of the state
17 ~~court~~ board of tax appeals.

18 (2) Any party applying for an exemption under: (A) Section 13, of
19 article 11 of the Kansas Constitution, or (B) K.S.A. 79-201a *Second*, and
20 amendments thereto, for property constructed or purchased, in whole or in
21 part, with the proceeds of revenue bonds under the authority of K.S.A. 12-
22 1740 to 12-1749, inclusive, and amendments thereto, may file a petition
23 for reconsideration with the state-~~court~~ board of tax appeals within 30 days
24 after service of a final order.

25 (b) Within 20 days after the filing of the petition, the agency head
26 shall render a written order denying the petition, granting the petition and
27 dissolving or modifying the final order, or granting the petition and setting
28 the matter for further proceedings. An order on reconsideration altering a
29 prior order shall be in writing and shall include findings of fact,
30 conclusions of law and policy reasons for the decision. In proceedings
31 before the Kansas corporation commission, the petition is deemed to have
32 been denied if the agency head does not dispose of it within 30 days after
33 the filing of the petition.

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

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

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

42 (e) For the purposes of this section, "agency head" shall include a
43 presiding officer designated in accordance with subsection (g) of K.S.A.

1 77-514, and amendments thereto.

2 Sec. 75. K.S.A. 2012 Supp. 79-210 is hereby amended to read as
3 follows: 79-210. The owner or owners of all property which is exempt
4 from the payment of property taxes under the laws of the state of Kansas
5 for a specified period of years, other than property exempt under K.S.A.
6 79-201d and 79-201g, and amendments thereto, shall in each year after
7 approval thereof by the state ~~court~~ board of tax appeals claim such
8 exemption on or before March 1 of each year in which such exemption is
9 claimed in the manner hereinafter provided. All claims for exemption from
10 the payment of property taxes shall be made upon forms prescribed by the
11 director of property valuation and shall identify the property sought to be
12 exempt, state the basis for the exemption claimed and shall be filed in the
13 office of the assessing officer of the county in which such property is
14 located. The assessing officers of the several counties shall list and value
15 for assessment, all property located within the county for which no claim
16 for exemption has been filed in the manner hereinbefore provided. The
17 secretary of revenue shall adopt rules and regulations necessary to
18 administer the provisions of this section. The provisions of this section
19 shall apply to property exempted pursuant to the provisions of section 13
20 of article 11 of the Kansas constitution. The claim for exemption annually
21 filed by the owner of such property with the assessing officer shall include
22 a written statement, signed by the clerk of the city or county granting the
23 exemption, that the property continues to meet all the terms and conditions
24 established as a condition of granting the exemption.

25 Sec. 76. K.S.A. 2012 Supp. 79-213 is hereby amended to read as
26 follows: 79-213. (a) Any property owner requesting an exemption from the
27 payment of ad valorem property taxes assessed, or to be assessed, against
28 their property shall be required to file an initial request for exemption, on
29 forms approved by the state ~~court~~ board of tax appeals and provided by the
30 county appraiser.

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

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

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

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

1 (f) Upon receipt of the request for exemption, the ~~court~~ *board* shall
2 docket the same and notify the applicant and the county appraiser of such
3 fact.

4 (g) After examination of the request for exemption, and the county
5 appraiser's recommendation related thereto, the ~~court~~ *board* may fix a time
6 and place for hearing, and shall notify the applicant and the county
7 appraiser of the time and place so fixed. A request for exemption pursuant
8 to: (1) Section 13 of article 11 of the Kansas constitution; or (2) K.S.A. 79-
9 201a *Second*, and amendments thereto, for property constructed or
10 purchased, in whole or in part, with the proceeds of revenue bonds under
11 the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments
12 thereto, prepared in accordance with instructions and assistance which
13 shall be provided by the department of commerce, shall be deemed
14 approved unless scheduled for hearing within 30 days after the date of
15 receipt of all required information and data relating to the request for
16 exemption, and such hearing shall be conducted within 90 days after such
17 date. Such time periods shall be determined without regard to any
18 extension or continuance allowed to either party to such request. In any
19 case where a party to such request for exemption requests a hearing
20 thereon, the same shall be granted. Hearings shall be conducted in
21 accordance with the provisions of the Kansas administrative procedure act.
22 In all instances where the ~~court~~ *board* sets a request for exemption for
23 hearing, the county shall be represented by its county attorney or county
24 counselor.

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

28 (i) During the pendency of a request for exemption, no person, firm,
29 unincorporated association, company or corporation charged with real
30 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
31 2004a, and amendments thereto, on the tax books in the hands of the
32 county treasurer shall be required to pay the tax from the date the request
33 is filed with the county appraiser until the expiration of 30 days after the
34 ~~court~~ *board* issued its order thereon and the same becomes a final order. In
35 the event that taxes have been assessed against the subject property, no
36 interest shall accrue on any unpaid tax for the year or years in question nor
37 shall the unpaid tax be considered delinquent from the date the request is
38 filed with the county appraiser until the expiration of 30 days after the
39 ~~court~~ *board* issued its order thereon. In the event the ~~court~~ *board*
40 determines an application for exemption is without merit and filed in bad
41 faith to delay the due date of the tax, the tax shall be considered delinquent
42 as of the date the tax would have been due pursuant to K.S.A. 79-2004 and
43 79-2004a, and amendments thereto, and interest shall accrue as prescribed

1 therein.

2 (j) In the event the ~~court~~ *board* grants the initial request for
3 exemption, the same shall be effective beginning with the date of first
4 exempt use except that, with respect to property the construction of which
5 commenced not to exceed 24 months prior to the date of first exempt use,
6 the same shall be effective beginning with the date of commencement of
7 construction.

8 (k) In conjunction with its authority to grant exemptions, the ~~court~~
9 *board* shall have the authority to abate all unpaid taxes that have accrued
10 from and since the effective date of the exemption. In the event that taxes
11 have been paid during the period where the subject property has been
12 determined to be exempt, the ~~court~~ *board* shall have the authority to order
13 a refund of taxes for the year immediately preceding the year in which the
14 exemption application is filed in accordance with subsection (a).

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

1 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
2 amendments thereto; (12) property used exclusively by the state or any
3 municipality or political subdivision of the state for right-of-way purposes.
4 The state agency or the governing body of the municipality or political
5 subdivision shall at the time of acquisition of property for right-of-way
6 purposes notify the county appraiser in the county in which the property is
7 located that the acquisition occurred and provide a legal description of the
8 property acquired; (13) machinery, equipment, materials and supplies
9 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments
10 thereto; (14) vehicles owned by the state or by any political or taxing
11 subdivision thereof and used exclusively for governmental purposes; (15)
12 property used for residential purposes which is exempted pursuant to
13 K.S.A. 79-201x from the property tax levied pursuant to K.S.A. 72-6431,
14 and amendments thereto; (16) from and after July 1, 1998, vehicles which
15 are owned by an organization having as one of its purposes the assistance
16 by the provision of transit services to the elderly and to disabled persons
17 and which are exempted pursuant to K.S.A. 79-201 *Ninth, and*
18 *amendments thereto*; (17) from and after July 1, 1998, motor vehicles
19 exempted from taxation by subsection (e) of K.S.A. 79-5107, and
20 amendments thereto; (18) commercial and industrial machinery and
21 equipment exempted from property or ad valorem taxation by K.S.A. 2012
22 Supp. 79-223, and amendments thereto; (19) telecommunications
23 machinery and equipment and railroad machinery and equipment
24 exempted from property or ad valorem taxation by K.S.A. 2012 Supp. 79-
25 224, and amendments thereto; and (20) property exempted from property
26 or ad valorem taxation by K.S.A. 2012 Supp. 79-234, and amendments
27 thereto.

28 (m) The provisions of this section shall apply to property exempt
29 pursuant to the provisions of section 13 of article 11 of the Kansas
30 constitution.

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

34 Sec. 77. K.S.A. 2012 Supp. 79-213a is hereby amended to read as
35 follows: 79-213a. Any group, association, corporation or individual who
36 has not been assessed or levied a tax on its personal or real property prior
37 to July 1, 1985, and who has applied for exemption from ad valorem
38 taxation on such property premised upon use for purposes described in
39 K.S.A. 79-201 *Second*, and amendments thereto, between July 1, 1986,
40 and January 1, 1990, shall not be liable for any taxes prior to January 1,
41 1987, if such group, association, corporation or individual had a
42 reasonable basis to believe that it would not be assessed or taxed under the
43 laws of the state of Kansas, and did not deceive or otherwise mislead, by

1 affirmative misrepresentation, the county appraiser or other taxing
2 authority in relationship to the use or ownership of such property. The
3 burden of proof shall rest with the party claiming exemption. Relief may
4 be granted under this section by a court in any pending tax appeal, by
5 remand to the state ~~court~~ board of tax appeals or upon the filing of an
6 initial application pursuant to K.S.A. 79-213, and amendments thereto.

7 Sec. 78. K.S.A. 2012 Supp. 79-213d is hereby amended to read as
8 follows: 79-213d. When any taxpayer has filed an application requesting
9 an exemption from the payment of all or a portion of the ad valorem
10 property taxes assessed, or to be assessed, against such taxpayer's property,
11 the county appraiser shall notify the county clerk that the exemption
12 application has been filed and the county clerk shall not be required to
13 include the assessed valuation of such property in the applicable taxing
14 districts until such time as the application is denied by the state ~~court~~
15 board of tax appeals or, if judicial review of court's order is sought, until
16 such time as judicial review is finalized. The provisions of this section
17 shall be effective on and after July 1, 2008.

18 Sec. 79. K.S.A. 2012 Supp. 79-332a is hereby amended to read as
19 follows: 79-332a. (a) Any person, corporation or association owning oil
20 and gas leases or engaged in operating for oil or gas who fails to make and
21 file a statement of assessment on or before April 1 shall be subject to a
22 penalty as follows:

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

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

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

38 (c) Whenever any person, corporation or association owning oil and
39 gas leases or engaged in operating for oil or gas shall fail to make and
40 deliver to the county appraiser of every county wherein the property to be
41 assessed is located, a full and complete statement of assessment relative to
42 such property as required by blank forms prepared or approved for the
43 purpose by the director of property valuation to elicit the information

1 necessary to fix the valuation of the property, the appraiser shall ascertain
2 the assessed value of the property of such taxpayer, and shall add 50%
3 thereto as a penalty for failing to file such statement.

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

12 Sec. 80. K.S.A. 2012 Supp. 79-425a is hereby amended to read as
13 follows: 79-425a. (a) Whenever a tract of land which has been assessed
14 shall thereafter be divided into tracts owned by different persons, any one
15 or more of such persons, after giving 10 days' written notice to the other
16 persons at their respective mailing addresses, may make application to the
17 county appraiser for an apportionment of the assessed valuation of such
18 tract among the several tracts, and the county appraiser is authorized to
19 apportion such valuation among the owners of such tracts according to the
20 value of their respective interests as shown by evidence available at a time
21 designated by the county appraiser. Upon the apportionment of the
22 assessed valuation among the several tracts and the levying of tax against
23 each such tract, the county treasurer, upon payment of such tax on any
24 such tract, shall issue a receipt therefor and, in any case where such tax is
25 not paid on any of such tracts, it shall be sold for delinquent taxes in the
26 same manner prescribed by law for sale of real estate for delinquent taxes.
27 If taxes levied on a tract of land prior to its division are delinquent, the
28 owner of any divided portion of such tract may have that portion released
29 from the tax lien by paying to the county treasurer the share of the
30 delinquent tax attributable to such divided portion as shown by the
31 apportionment made of the whole tract's assessed valuation among the
32 divided portions by the county appraiser.

33 (b) Any person aggrieved by the application of the provisions of
34 subsection (a) may, within 10 days after the apportionment decision of the
35 county appraiser, appeal to the state-~~court~~ board of tax appeals, and the
36 ~~court~~ board shall have the power, upon a showing that such decision was
37 erroneous, to substitute an apportionment of the assessed valuation of a
38 tract of land for that of the county appraiser.

39 Sec. 81. K.S.A. 2012 Supp. 79-5a27 is hereby amended to read as
40 follows: 79-5a27. On or before June 15, 1989, and on or before June 15
41 each year thereafter, the director of property valuation shall certify to the
42 county clerk of each county the amount of assessed valuation apportioned
43 to each taxing unit therein for properties valued and assessed under K.S.A.

1 79-5a01 et seq., and amendments thereto. The county clerk shall include
2 such assessed valuations in the applicable taxing districts with all other
3 assessed valuations in those taxing districts and on or before July 1 notify
4 the appropriate officials of each taxing district within the county of the
5 assessed valuation estimates to be utilized in the preparation of budgets for
6 ad valorem tax purposes. If in any year the county clerk has not received
7 the applicable valuations from the director of property valuation, the
8 county clerk shall use the applicable assessed valuations of the preceding
9 year as an estimate for such notification. If the public utility has filed an
10 application for exemption of all or a portion of its property, the director
11 shall notify the county clerk that the exemption application has been filed
12 and the county clerk shall not be required to include such assessed
13 valuation in the applicable taxing districts until such time as the
14 application is denied by the state ~~court~~ board of tax appeals or, if judicial
15 review of the court's order is sought, until such time as judicial review is
16 finalized.

17 Sec. 82. K.S.A. 2012 Supp. 79-6a14 is hereby amended to read as
18 follows: 79-6a14. Whenever the director of property valuation shall
19 determine that it is advisable to abate motor carrier ad valorem tax
20 liabilities determined to be uncollectable accounts the director shall file a
21 petition with the state court of tax appeals setting forth: (a) The name of
22 the debtor; (b) the year for which the tax is due; (c) the amount of the
23 obligation; (d) a review or statement of actions taken to collect such taxes;
24 and (e) one or more of the grounds for abatement as hereinafter set forth.

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

36 Sec. 83. K.S.A. 2012 Supp. 79-1404a is hereby amended to read as
37 follows: 79-1404a. The director of property valuation shall have authority
38 to review any valuation change made by a county or district appraiser
39 pursuant to K.S.A. 79-1448 and 79-2005, and amendments thereto, or a
40 hearing officer or panel pursuant to K.S.A. 79-1606, and amendments
41 thereto, and may rescind such change upon written findings that such
42 change has caused property not to be valued according to law, provided
43 however, no valuation change shall be rescinded more than 60 days after

1 the date of such change. Any party aggrieved by an order of the director of
2 property valuation rescinding a valuation change may appeal such order to
3 the state-~~court~~ board of tax appeals as provided in K.S.A. 74-2438, and
4 amendments thereto.

5 Sec. 84. K.S.A. 2012 Supp. 79-1409 is hereby amended to read as
6 follows: 79-1409. The state-~~court~~ board of tax appeals shall constitute a
7 state board of equalization, and shall equalize the valuation and assessment
8 of property throughout the state; and shall have power to equalize the
9 assessment of all property in this state between persons, firms or
10 corporations of the same assessment district, between cities and townships
11 of the same county, and between the different counties of the state, and the
12 property assessed by the director of property valuation in the first instance.
13 And any person feeling aggrieved by the action of the county board of
14 equalization may, within 45 days after the decision of such board, appeal
15 to the state board of equalization for a determination of such grievance.

16 It shall be the duty of the state board of equalization to meet in its
17 office, or such other place within any county of the state as the board shall
18 deem advisable, to perform the work of equalization as hereinbefore
19 provided. Such board may meet at any time on and after January 15 of
20 each year as it may deem necessary and shall meet from the 11th day of
21 July, or the next following business day if such date shall fall on a day
22 other than a regular business day, until the 25th day of August as the
23 business of the board shall require. Whenever the valuation of any taxing
24 district, whether it be a county, township, city, school district, or otherwise,
25 is changed by the state board of equalization, the officers of such taxing
26 district who have authority to levy taxes are required to use the valuation
27 so fixed by the state board as a basis for making their levies for all
28 purposes. In case a change is made in such valuation, the state-~~court~~ board
29 of tax appeals shall certify the equalized values to the director of property
30 valuation who shall forthwith certify the same to the county clerks of the
31 several counties of the state or to the counties affected by such
32 equalization; and such county clerks shall carry the real estate and tangible
33 personal property on the tax rolls of their respective counties at the
34 valuations so certified, and shall use such valuations as the basis of all tax
35 levies, except that any certification received by a county clerk after August
36 25 may be handled as an abatement, refund, or added tax as the
37 certification warrants.

38 The director of property valuation shall apportion the amount of tax for
39 state purposes as required by law to be raised in the state among the
40 several counties therein, in proportion to the valuation of the taxable
41 property therein for the year as equalized by the state board of
42 equalization.

43 Sec. 85. K.S.A. 2012 Supp. 79-1410 is hereby amended to read as

1 follows: 79-1410. It shall be the duty of the director of property valuation
2 to compile the abstracts of assessments received from county clerks into
3 tabular statements convenient for the use of the state-~~court~~ board of tax
4 appeals.

5 Sec. 86. K.S.A. 2012 Supp. 79-1413a is hereby amended to read as
6 follows: 79-1413a. Whenever upon complaint made to the state-~~court~~
7 board of tax appeals by the county or district appraiser, the director of
8 property valuation, the board of county commissioners, any property
9 taxpayer or any aggrieved party, and a summary proceeding in that behalf
10 had, it shall be made to appear to the satisfaction of the-~~court~~ board that
11 the appraisal of real property or tangible personal property in any county is
12 not in substantial compliance with law and the guidelines and timetables
13 prescribed by the director of property valuation, and that the interest of the
14 public will be promoted by a reappraisal of such property, the state-~~court~~
15 board of tax appeals shall order a reappraisal of all or any part of the
16 property in such county to be made by one or more persons, to be
17 appointed by the state-~~court~~ board of tax appeals for that purpose, the
18 expense of any such reappraisal to be borne by the county in which is
19 situated the property to be reappraised. The state-~~court~~ board of tax
20 appeals shall, upon its own motion, after a hearing, order any such
21 reappraisal if it shall clearly appear that the public would be benefited
22 thereby. Due notice of the time and place fixed for such summary
23 proceeding or hearing shall be mailed to the county clerk and the county
24 appraiser of the county involved, the director of property valuation, who
25 shall be made a party to the proceeding, and to the party filing any such
26 complaint. Upon ordering such a reappraisal the state-~~court~~ board of tax
27 appeals may order all or any part of the taxable real property and tangible
28 personal property in such county to be reappraised, and shall either
29 designate the person or persons to make such reappraisal or permit the
30 board of county commissioners to designate such persons with the
31 approval of the state-~~court~~ board of tax appeals. The cost of such
32 reappraisal shall be paid from the county general fund, the special
33 countywide reappraisal fund established by K.S.A. 79-1482, and
34 amendments thereto, the issuance of no-fund warrants, or from a special
35 assessment equalization fund in the same manner as provided in K.S.A.
36 79-1607 and 79-1608, and amendments thereto, for the payment of the
37 cost of appraisals.

38 The persons designated shall have access to all official records in the
39 office of the county clerk, county treasurer, county or district appraiser and
40 register of deeds pertaining to listing, assessment, and records of the
41 ownership of real property and tangible personal property in such county
42 and all powers of the assessing officials in the county pertaining to
43 discovery of taxable property in the county. They shall reappraise all such

1 taxable real property and tangible personal property in the county as shall
2 be ordered by the state ~~court~~ board of tax appeals, except that which is
3 state assessed. They shall make such reappraisals on forms approved by
4 the state director of property valuation, and shall deliver the same upon
5 completion to the county or district appraiser who shall retain the same for
6 use of the county or district appraisers, the county board of equalization
7 and the state ~~court~~ board of tax appeals.

8 No person, firm, corporation, partnership, or association, other than the
9 county or district appraiser, shall commence any contracted reappraisal in
10 any county until a written agreement has been entered into between the
11 board of county commissioners and such contractors. Such agreement
12 shall specifically set out the duties of the reappraisers, and shall contain a
13 stipulation that upon completion of the reappraisal and before final
14 payment to the reappraisers under the agreement, the reappraisers will
15 notify each taxpayer of its recommendations as to the valuation of such
16 taxpayer's property, by mailing such information to the taxpayer's last
17 known address. Pursuant to K.S.A. 79-1460, and amendments thereto, the
18 county or district appraiser shall not be authorized to use the valuations
19 submitted by the reappraisers in the year the reappraisal was completed
20 unless the reappraisal was completed and delivered to such appraiser on or
21 before March 1 of the year in which the valuations established are used as
22 a basis for the levy of taxes. Before entering into any contracts with the
23 county commissioners for reappraisals of property, every reappraiser shall
24 give and file with the board of county commissioners a good and sufficient
25 surety bond by a surety company authorized to do business in this state,
26 approved by the county attorney, in such sum as the county commissioners
27 shall fix, but not less than the amount to be received by the reappraisers
28 under the terms of the contract and conditioned for the faithful
29 performance of all duties required of such reappraisers under the terms of
30 the contract entered into, and the execution and filing of such a bond shall
31 be a condition precedent to entering into such an agreement and to
32 commencing work on the contract of reappraisal. Such bond shall be
33 further conditioned to remain in full force and effect for one year
34 subsequent to the date of the printing of the change of value notices for the
35 reappraisal and the delivery thereof to the county or district appraiser.

36 Sec. 87. K.S.A. 2012 Supp. 79-1422 is hereby amended to read as
37 follows: 79-1422. (a) Any person required to file a statement listing
38 property for assessment and taxation purposes under the provisions of this
39 act who fails to make and file such statement on or before the date
40 prescribed by K.S.A. 79-306, and amendments thereto, shall be subject to
41 a penalty as follows:

42 The appraiser shall, after having ascertained the assessed value of the
43 property of such taxpayer, add 5% thereto as a penalty for late filing if the

1 failure is not for more than one month, with an additional 5% for each
2 additional month or fraction thereof during which such failure continues,
3 not exceeding 25% in the aggregate.

4 For good cause shown the appraiser may extend the time in which to
5 make and file such statement. Such request for extension of time must be
6 in writing and shall state just and adequate reasons on which the request
7 may be granted. The request must be received by the appraiser prior to the
8 due date of the statement.

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

19 (c) The state-~~court~~ board of tax appeals shall have the authority to
20 abate any penalty imposed under the provisions of this section and order
21 the refund of the abated penalty, whenever excusable neglect on the part of
22 the person required to make and file the statement listing property for
23 assessment and taxation purposes is shown, or whenever the property for
24 which a statement of assessment was not filed as required by law is
25 repossessed, judicially or otherwise, by a secured creditor and such
26 secured creditor pays the taxes and interest due.

27 Sec. 88. K.S.A. 2012 Supp. 79-1426 is hereby amended to read as
28 follows: 79-1426. Any county assessor, deputy assessor, member of the
29 state-~~court~~ board of tax appeals, director of property valuation, or member
30 of any county board of equalization, and every other person whose duty it
31 is to list, value, assess or equalize real estate or tangible personal property
32 for taxation, who shall knowingly or willfully fail to list or return for
33 assessment or valuation any real estate or personal property, or who shall
34 knowingly or willfully list or return for assessment or valuation any real
35 estate or personal property at other than as provided for by law, or any
36 assessing officer who shall willfully or knowingly fail to appraise, assess
37 or to equalize the values of any real estate or tangible personal property,
38 which is subject to general property taxes as required in K.S.A. 79-1439,
39 and amendments thereto, shall be deemed guilty of a misdemeanor, and
40 upon conviction thereof shall be fined in any sum not exceeding \$500 or
41 imprisonment in the county jail for a period not exceeding 90 days, and in
42 addition thereto shall forfeit his or her office if an officer mentioned
43 herein. A variance of 10% in the appraisal at fair market value in money

1 shall not be considered a violation of this section.

2 Sec. 89. K.S.A. 2012 Supp. 79-1427a is hereby amended to read as
3 follows: 79-1427a. (a) If, the county appraiser discovers, after the tax roll
4 has been certified to the county clerk, that any tangible personal property
5 subject to taxation has been omitted from the tax rolls, the county clerk
6 shall place such property on the tax roll as an added tax, or if, after one
7 year from the date prescribed by K.S.A. 79-306, and amendments thereto,
8 for the listing of tangible personal property, the county appraiser discovers
9 that any tangible personal property which was subject to taxation in any
10 year or years within two years next preceding January 1 of the calendar
11 year in which it was discovered has not been listed or has been
12 underreported for whatever reason, such property shall be deemed to have
13 escaped taxation. In the case of property which has not been listed, it shall
14 be the duty of the county appraiser to list and appraise such property and,
15 for an added tax, add penalties as prescribed in K.S.A. 79-1422, and
16 amendments thereto, and which shall be designated on the appraisal roll as
17 an added appraisal for that year. In the case of property which has escaped
18 taxation, it shall be the duty of the county appraiser to list and appraise
19 such property and add 50% thereto as a penalty for escaping taxation for
20 each such year during which such property was not listed, and it shall be
21 designated on the appraisal roll as "escaped appraisal" for each such
22 preceding year or years. In the case of property which has been listed but
23 underreported, it shall be the duty of the county appraiser to list and
24 appraise the underreported portion of such property and add 50% thereto
25 as a penalty for escaping taxation for each such year during which such
26 property was underreported, and it shall be designated on the appraisal roll
27 as "escaped appraisal" for each such preceding year or years. The county
28 clerk, upon receipt of the valuation for such property in either of the
29 aforementioned cases, shall place such property on the tax rolls and
30 compute the amount of tax due based upon the mill levy for the year or
31 years in which such tax should have been levied, and shall certify such
32 amount to the county treasurer as an added or escaped appraisal. The
33 amount of such tax shall be due immediately and payable within 45 days
34 after the issuance of an additional or escaped property tax bill by the
35 county treasurer. The county treasurer may not distribute any taxes
36 assessed under this section and paid under protest by the taxpayer pursuant
37 to K.S.A. 79-2005, and amendments thereto, until such time as the appeal
38 is final. No interest shall be imposed unless the tax remains unpaid after
39 such 45-day period. Taxes levied pursuant to this section which remain
40 unpaid after such 45-day period shall be deemed delinquent and the county
41 treasurer shall collect and distribute such tax in the same manner as
42 prescribed by law for the collection and distribution of other taxes levied
43 upon property which are delinquent. If the owner of such property is

1 deceased, taxes charged as herein provided shall be levied against the
2 estate of such deceased person for only two calendar years preceding death
3 and shall be paid by the legal representative or representatives of such
4 estate. In the event that such escaped appraisal is due to any willful or
5 clerical error of the county appraiser, such property shall be appraised at its
6 fair market value and no penalty shall be added.

7 (b) A taxpayer with a grievance as to any penalty applied pursuant to
8 the provisions of this section, may appeal to the state-~~court~~ board of tax
9 appeals on forms prepared by the state-~~court~~ board of tax appeals and
10 provided by the county appraiser. The state-~~court~~ board of tax appeals shall
11 have the authority to abate any penalty imposed under the provisions of
12 this section and order the refund of the abated penalty, whenever excusable
13 neglect on the part of the person required to make and file the statement
14 listing property for assessment and taxation purposes is shown, or
15 whenever the property which has been deemed to have escaped taxation is
16 repossessed, judicially or otherwise, by a secured creditor and such
17 creditor pays the taxes and interest due. No interest shall be assessed
18 during the pendency of this appeal.

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

23 Sec. 90. K.S.A. 2012 Supp. 79-1437f is hereby amended to read as
24 follows: 79-1437f. Except as otherwise provided by K.S.A. 79-1460, and
25 amendments thereto, contents of the real estate sales validation
26 questionnaire shall be made available only to the following people for the
27 purposes listed hereafter:

28 (a) County officials for cooperating with and assisting the director of
29 property valuation in developing the information as provided for in K.S.A.
30 79-1487, and amendments thereto;

31 (b) any property owner, or the owner's representative, for prosecuting
32 an appeal of the valuation of such owner's property or for determining
33 whether to make such an appeal, but access shall be limited to the contents
34 of those questionnaires concerning the same constitutionally prescribed
35 subclass of property as that of such owner's property;

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

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

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

43 (f) the county appraiser or the appraiser's designee, hearing officers or

1 panels appointed pursuant to K.S.A. 79-1602 or 79-1611, and amendments
2 thereto, and the state-court board of tax appeals for conducting valuation
3 appeal proceedings;

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

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

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

12 Sec. 91. K.S.A. 2012 Supp. 79-1448, as amended by section 13 of
13 2013 Senate Bill No. 83, is hereby amended to read as follows: 79-1448.
14 Any taxpayer may complain or appeal to the county appraiser from the
15 classification or appraisal of the taxpayer's property by giving notice to the
16 county appraiser within 30 days subsequent to the date of mailing of the
17 valuation notice required by K.S.A. 79-1460, and amendments thereto, for
18 real property, and on or before May 15 for personal property. The county
19 appraiser or the appraiser's designee shall arrange to hold an informal
20 meeting with the aggrieved taxpayer with reference to the property in
21 question. At such meeting it shall be the duty of the county appraiser or the
22 county appraiser's designee to initiate production of evidence to
23 substantiate the valuation of such property, including the affording to the
24 taxpayer of the opportunity to review the data sheet of comparable sales
25 utilized in the determination of such valuation. In any appeal from the
26 appraisal of leased commercial and industrial property, the county or
27 district appraiser's appraised value shall be presumed to be valid and
28 correct and may only be rebutted by a preponderance of the evidence,
29 unless the property owner furnishes the county or district appraiser a
30 complete income and expense statement for the property for the three
31 years next preceding the year of appeal within 30 calendar days following
32 the informal meeting. The county appraiser may extend the time in which
33 the taxpayer may informally appeal from the classification or appraisal of
34 the taxpayer's property for just and adequate reasons. Except as provided
35 in K.S.A. 79-1404, and amendments thereto, no informal meeting
36 regarding real property shall be scheduled to take place after May 15, nor
37 shall a final determination be given by the appraiser after May 20. Any
38 final determination shall be accompanied by a written explanation of the
39 reasoning upon which such determination is based when such
40 determination is not in favor of the taxpayer. Any taxpayer who is
41 aggrieved by the final determination of the county appraiser may appeal to
42 the hearing officer or panel appointed pursuant to K.S.A. 79-1611, and
43 amendments thereto, and such hearing officer, or panel, for just cause

1 shown and recorded, is authorized to change the classification or valuation
2 of specific tracts or individual items of real or personal property in the
3 same manner provided for in K.S.A. 79-1606, and amendments thereto. In
4 lieu of appealing to a hearing officer or panel appointed pursuant to K.S.A.
5 79-1611, and amendments thereto, any taxpayer aggrieved by the final
6 determination of the county appraiser, except with regard to land devoted
7 to agricultural use, wherein the value of the property, is less than
8 \$2,000,000, as reflected on the valuation notice, or the property constitutes
9 single family residential property, may appeal to the small claims and
10 expedited hearings division of the state ~~court~~ board of tax appeals within
11 the time period prescribed by K.S.A. 79-1606, and amendments thereto.
12 Any taxpayer who is aggrieved by the final determination of a hearing
13 officer or panel may appeal to the state ~~court~~ board of tax appeals as
14 provided in K.S.A. 79-1609, and amendments thereto. An informal
15 meeting with the county appraiser or the appraiser's designee shall be a
16 condition precedent to an appeal to the county or district hearing panel.

17 Sec. 92. K.S.A. 2012 Supp. 79-1476 is hereby amended to read as
18 follows: 79-1476. The director of property valuation is hereby directed and
19 empowered to administer and supervise a statewide program of reappraisal
20 of all real property located within the state. Except as otherwise authorized
21 by K.S.A. 19-428, and amendments thereto, each county shall comprise a
22 separate appraisal district under such program, and the county appraiser
23 shall have the duty of reappraising all of the real property in the county
24 pursuant to guidelines and timetables prescribed by the director of
25 property valuation and of updating the same on an annual basis. In the case
26 of multi-county appraisal districts, the district appraiser shall have the duty
27 of reappraising all of the real property in each of the counties comprising
28 the district pursuant to such guidelines and timetables and of updating the
29 same on an annual basis. Commencing in 2000, every parcel of real
30 property shall be actually viewed and inspected by the county or district
31 appraiser once every six years. Any county or district appraiser shall be
32 deemed to be in compliance with the foregoing requirement in any year if
33 17% or more of the parcels in such county or district are actually viewed
34 and inspected.

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

42 Valuations shall be established for each parcel of real property at its fair
43 market value in money in accordance with the provisions of K.S.A. 79-

1 503a, and amendments thereto.

2 In addition thereto valuations shall be established for each parcel of
3 land devoted to agricultural use upon the basis of the agricultural income
4 or productivity attributable to the inherent capabilities of such land in its
5 current usage under a degree of management reflecting median production
6 levels in the manner hereinafter provided. A classification system for all
7 land devoted to agricultural use shall be adopted by the director of
8 property valuation using criteria established by the United States
9 department of agriculture soil conservation service. For all taxable years
10 commencing after December 31, 1989, all land devoted to agricultural use
11 which is subject to the federal conservation reserve program shall be
12 classified as cultivated dry land for the purpose of valuation for property
13 tax purposes pursuant to this section. For all taxable years commencing
14 after December 31, 1999, all land devoted to agricultural use which is
15 subject to the federal wetlands reserve program shall be classified as native
16 grassland for the purpose of valuation for property tax purposes pursuant
17 to this section. Productivity of land devoted to agricultural use shall be
18 determined for all land classes within each county or homogeneous region
19 based on an average of the eight calendar years immediately preceding the
20 calendar year which immediately precedes the year of valuation, at a
21 degree of management reflecting median production levels. The director of
22 property valuation shall determine median production levels based on
23 information available from state and federal crop and livestock reporting
24 services, the soil conservation service, and any other sources of data that
25 the director considers appropriate.

26 The share of net income from land in the various land classes within
27 each county or homogeneous region which is normally received by the
28 landlord shall be used as the basis for determining agricultural income for
29 all land devoted to agricultural use except pasture or rangeland. The net
30 income normally received by the landlord from such land shall be
31 determined by deducting expenses normally incurred by the landlord from
32 the share of the gross income normally received by the landlord. The net
33 rental income normally received by the landlord from pasture or rangeland
34 within each county or homogeneous region shall be used as the basis for
35 determining agricultural income from such land. The net rental income
36 from pasture and rangeland which is normally received by the landlord
37 shall be determined by deducting expenses normally incurred from the
38 gross income normally received by the landlord. Commodity prices, crop
39 yields and pasture and rangeland rental rates and expenses shall be based
40 on an average of the eight calendar years immediately preceding the
41 calendar year which immediately precedes the year of valuation. Net
42 income for every land class within each county or homogeneous region
43 shall be capitalized at a rate determined to be the sum of the contract rate

1 of interest on new federal land bank loans in Kansas on July 1 of each year
2 averaged over a five-year period which includes the five years
3 immediately preceding the calendar year which immediately precedes the
4 year of valuation, plus a percentage not less than 0.75% nor more than
5 2.75%, as determined by the director of property valuation, except that the
6 capitalization rate calculated for property tax year 2003, and all such years
7 thereafter, shall not be less than 11% nor more than 12%.

8 Based on the foregoing procedures the director of property valuation
9 shall make an annual determination of the value of land within each of the
10 various classes of land devoted to agricultural use within each county or
11 homogeneous region and furnish the same to the several county appraisers
12 who shall classify such land according to its current usage and apply the
13 value applicable to such class of land according to the valuation schedules
14 prepared and adopted by the director of property valuation under the
15 provisions of this section.

16 It is the intent of the legislature that appraisal judgment and appraisal
17 standards be followed and incorporated throughout the process of data
18 collection and analysis and establishment of values pursuant to this
19 section.

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

37 The term "expenses" shall mean those expenses typically incurred in
38 producing the plants, animals and horticultural products described above
39 including management fees, production costs, maintenance and
40 depreciation of fences, irrigation wells, irrigation laterals and real estate
41 taxes, but the term shall not include those expenses incurred in providing
42 temporary or permanent buildings used in the production of such plants,
43 animals and horticultural products.

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

5 Sec. 93. K.S.A. 2012 Supp. 79-1478 is hereby amended to read as
6 follows: 79-1478. The state shall assume a portion of the costs incurred by
7 any county in complying with the provisions of this act. The portion of the
8 cost to be paid to each such county by the state shall be determined in
9 accordance with a statewide payment schedule adopted by the secretary of
10 revenue. Such schedule shall contain a specified amount according to class
11 or subclass of property as specified in K.S.A. 79-1459, and amendments
12 thereto, to be paid by the state to each county on a per parcel basis.
13 Payments shall be made to counties as authorized under the provisions of
14 this section in accordance with appropriation acts of the legislature. No
15 county for which the state ~~court~~ board of tax appeals has issued an order
16 pursuant to K.S.A. 79-1479, and amendments thereto, shall be entitled to
17 receive any payment from the state under the provisions of this section for
18 the period of time such an order is in effect.

19 The state division of property valuation shall make assistance available
20 to any county in the reappraisal of property located in such county upon
21 such county's request. Any county requesting such assistance shall make
22 reimbursement for the costs incurred by the state in providing the same.
23 Counties are hereby authorized to contract with private appraisal firms to
24 conduct the reappraisal of property within the county. Selection of a
25 private firm whose products or services are necessary to conduct a
26 reappraisal must be made from a list of approved firms supplied by the
27 director of property valuation. Contracts executed between counties and
28 such firms must meet the specifications of the director of property
29 valuation.

30 Sec. 94. K.S.A. 2012 Supp. 79-1478a is hereby amended to read as
31 follows: 79-1478a. The director of property valuation shall order the state
32 treasurer to withhold all or a portion of funds appropriated by the
33 legislature pursuant to K.S.A. 79-1478, and amendments thereto, upon a
34 finding by the director that a county is not in compliance with statutes,
35 rules and regulations or directives governing property taxation. The order
36 of the director shall be served on the county as provided in K.S.A. 60-304,
37 and amendments thereto. Any county aggrieved by such order may appeal
38 to the state ~~court~~ board of tax appeals as provided in K.S.A. 74-2438, and
39 amendments thereto, which shall conduct a summary proceeding thereon
40 pursuant to the Kansas administrative procedure act.

41 Unless the funds withheld under this section are restored by the state
42 ~~court~~ board of tax appeals, such funds shall be deposited in a special
43 training fund to be utilized by the director of property valuation to correct

1 the problem resulting in the withholding of the funds and to provide
2 training for county officials.

3 Sec. 95. K.S.A. 2012 Supp. 79-1479 is hereby amended to read as
4 follows: 79-1479. (a) On or before January 15, 1992, and quarterly
5 thereafter, the county or district appraiser shall submit to the director of
6 property valuation a progress report indicating actions taken during the
7 preceding quarter calendar year to implement the appraisal of property in
8 the county or district. Whenever the director of property valuation shall
9 determine that any county has failed, neglected or refused to properly
10 provide for the appraisal of property or the updating of the appraisals on an
11 annual basis in substantial compliance with the provisions of law and the
12 guidelines and timetables prescribed by the director, the director shall file
13 with the state-~~court~~ board of tax appeals a complaint stating the facts upon
14 which the director has made the determination of noncompliance as
15 provided by K.S.A. 79-1413a, and amendments thereto. If, as a result of
16 such proceeding, the state-~~court~~ board of tax appeals finds that the county
17 is not in substantial compliance with the provisions of law and the
18 guidelines and timetables of the director of property valuation providing
19 for the appraisal of all property in the county or the updating of the
20 appraisals on an annual basis, it shall order the immediate assumption of
21 the duties of the office of county appraiser by the director of the division
22 of property valuation until such time as the director of property valuation
23 determines that the county is in substantial compliance with the provisions
24 of law. In addition, the-~~court~~ board shall order the state treasurer to
25 withhold all or a portion of the county's entitlement to moneys from either
26 or both of the local ad valorem tax reduction fund and the city and county
27 revenue sharing fund for the year following the year in which the order is
28 issued. Upon service of any such order on the board of county
29 commissioners, the appraiser shall immediately deliver to the director of
30 property valuation, or the director's designee, all books, records and papers
31 pertaining to the appraiser's office.

32 Any county for which the director of the division of property valuation
33 is ordered by the state-~~court~~ board of tax appeals to assume the
34 responsibility and duties of the office of county appraiser shall reimburse
35 the state for the actual costs incurred by the director of the division of
36 property valuation in the assumption and carrying out of such
37 responsibility and duties, including any contracting costs in the event it is
38 necessary for the director of property valuation to contract with private
39 appraisal firms to carry out such responsibilities and duties.

40 (b) On or before June 1 of each year, the director of property
41 valuation shall review the appraisal of property in each county or district
42 to determine if property within the county or district is being appraised or
43 valued in accordance with the requirements of law. If the director

1 determines the property in any county or district is not being appraised in
2 accordance with the requirements of law, the director of property valuation
3 shall notify the county or district appraiser and the board of county
4 commissioners of any county or counties affected that the county has 30
5 days within which to submit to the director a plan for bringing the
6 appraisal of property within the county into compliance.

7 If a plan is submitted and approved by the director the county or district
8 shall proceed to implement the plan as submitted. The director shall
9 continue to monitor the program to insure that the plan is implemented as
10 submitted. If no plan is submitted or if the director does not approve the
11 plan, the director shall petition the state-~~court~~ board of tax appeals for a
12 review of the plan or, if no plan is submitted, for authority for the division
13 of property valuation to assume control of the appraisal program of the
14 county and to proceed to bring the same into compliance with the
15 requirements of law.

16 If the state-~~court~~ board of tax appeals approves the plan, the county or
17 district appraiser shall proceed to implement the plan as submitted. If no
18 plan has been submitted or the plan submitted is not approved, the-~~court~~
19 board shall fix a time within which the county may submit a plan or an
20 amended plan for approval. If no plan is submitted and approved within
21 the time prescribed by the-~~court~~ board, the-~~court~~ board shall order the
22 division of property valuation to assume control of the appraisal program
23 of the county and shall certify its order to the state treasurer who shall
24 withhold distributions of the county's share of moneys from the county and
25 city revenue sharing fund and the local ad valorem tax reduction fund and
26 credit the same to the general fund of the state for the year following the
27 year in which the-~~court's~~ board's order is made. The director of property
28 valuation shall certify the amount of the cost incurred by the division in
29 bringing the program in compliance to the state-~~court~~ board of tax appeals.
30 The-~~court~~ board shall order the county commissioners to reimburse the
31 state for such costs.

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

40 Sec. 96. K.S.A. 2012 Supp. 79-1481 is hereby amended to read as
41 follows: 79-1481. No hearing officer or panel shall issue an order
42 applicable uniformly to all property in any class in any area or areas of the
43 county, which order changes the assessment of such class of property in

1 such area or areas, without the approval of the state-~~court~~ *board* of tax
2 appeals. Whenever any hearing officer or panel proposes to issue any such
3 order, it shall make written application to the state-~~court~~ *board* of tax
4 appeals for a hearing on such matter if such change constitutes the final
5 decision of the county. The state-~~court~~ *board* of tax appeals shall set a time
6 and place for a hearing thereon within five days of receipt of such
7 application. The hearing shall be conducted in accordance with the
8 provisions of the Kansas administrative procedure act. The time set for
9 hearing such matter shall in no event be more than 30 days following the
10 date of receipt of such application. The state-~~court~~ *board* of tax appeals
11 shall notify the hearing officer or panel, the county or district appraiser and
12 the director of property valuation, of the time and place set for hearing.
13 The director of property valuation shall be made a party to such hearing.

14 Sec. 97. K.S.A. 2012 Supp. 79-1489 is hereby amended to read as
15 follows: 79-1489. The director shall determine the mid-year ratios for each
16 county and notify the board of county commissioners thereof. When the
17 final ratios are determined, the director shall notify the board of county
18 commissioners of each county of the ratios determined for such county. If
19 the board of county commissioners disagrees with the ratios determined
20 for the county, such board, within 15 days after receipt of such notice, may
21 appeal such determination to the state-~~court~~ *board* of tax appeals. Written
22 notice of appeal shall be served on the state-~~court~~ *board* of tax appeals and
23 the director by certified mail. The notice of appeal shall clearly and
24 specifically state the facts upon which the appeal is based. The state-~~court~~
25 *board* of tax appeals shall conduct a summary proceeding in accordance
26 with the provisions of the Kansas administrative procedure act within 30
27 days of receipt of the written notice of appeal and shall issue findings and
28 a final order within 30 days after the conclusion of such summary
29 proceeding. If the state-~~court~~ *board* of tax appeals finds that corrections in
30 the ratios are necessary, it shall order the director to make necessary
31 corrections consistent with such findings prior to the publication of the
32 study.

33 Sec. 98. K.S.A. 2012 Supp. 79-1609, as amended by section 14 of
34 2013 Senate Bill No. 83, is hereby amended to read as follows: 79-1609.
35 Any person aggrieved by any order of the hearing officer or panel may
36 appeal to the state-~~court~~ *board* of tax appeals by filing a written notice of
37 appeal, on forms approved by the state-~~court~~ *board* of tax appeals and
38 provided by the county clerk for such purpose, stating the grounds thereof
39 and a description of any comparable property or properties and the
40 appraisal thereof upon which they rely as evidence of inequality of the
41 appraisal of their property, if that be a ground of the appeal, with the state
42 ~~court~~ *board* of tax appeals and by filing a copy thereof with the county
43 clerk within 30 days after the date of the order from which the appeal is

1 taken. A county or district appraiser may appeal to the state-~~court~~ *board* of
2 tax appeals from any order of the hearing officer or panel. With regard to
3 any matter properly submitted to the-~~court~~ *board* relating to the
4 determination of valuation of residential property or real property used for
5 commercial and industrial purposes for taxation purposes, it shall be the
6 duty of the county appraiser to initiate the production of evidence to
7 demonstrate, by a preponderance of the evidence, the validity and
8 correctness of such determination. With regard to leased commercial and
9 industrial property, the presumption of validity and correctness of such
10 determination shall exist in favor of the county or district appraiser unless,
11 within 30 calendar days following the informal meeting required by
12 K.S.A. 79-1448, and amendments thereto, the taxpayer furnished to the
13 county or district appraiser complete income and expense statements for
14 the property for the three years next preceding the year of appeal.

15 Sec. 99. K.S.A. 2012 Supp. 79-1611 is hereby amended to read as
16 follows: 79-1611. The board of county commissioners of each county may
17 appoint at least one hearing officer or county hearing panel of not fewer
18 than three individuals to hear and determine appeals from the final
19 determination of classification and appraised valuation of real or personal
20 property by the county appraiser. The board of county commissioners, with
21 the approval of the director of property valuation, may unite with the board
22 of county commissioners of one or more counties to form a district for the
23 purpose of appointing at least one hearing officer or district hearing panel
24 of not fewer than three individuals. In any county wherein a hearing
25 officer or county or district hearing panel is not appointed pursuant to this
26 section any appeal from the final determination of the county appraiser
27 shall be filed directly with the state-~~court~~ *board* of tax appeals as provided
28 in K.S.A. 79-1609, and amendments thereto.

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

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

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

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

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

20 Sec. 100. K.S.A. 2012 Supp. 79-1701 is hereby amended to read as
21 follows: 79-1701. The county clerk shall, prior to November 1, correct the
22 following clerical errors in the assessment and tax rolls for the current
23 year, which are discovered prior to such date:

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

39 Sec. 101. K.S.A. 2012 Supp. 79-1702, as amended by section 16 of
40 2013 Senate Bill No. 83, is hereby amended to read as follows: 79-1702. If
41 any taxpayer, municipality or taxing district shall have a grievance
42 described under the provisions of K.S.A. 79-1701 or 79-1701a, and
43 amendments thereto, which is not remediable thereunder solely because

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

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

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

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

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

39 Sec. 102. K.S.A. 2012 Supp. 79-1703 is hereby amended to read as
40 follows: 79-1703. (a) Except as provided in subsection (b) or as otherwise
41 provided by law, no board of county commissioners or other officer of any
42 county shall have power to release, discharge, remit or commute any
43 portion of the taxes assessed or levied against any person or property

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

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

24 Sec. 103. K.S.A. 2012 Supp. 79-1704 is hereby amended to read as
25 follows: 79-1704. Whenever in any city of the first class having a
26 population of more than 20,000 and less than 24,000 inhabitants, the title
27 to any real property, upon which taxes may be due and delinquent, may be
28 vested in such city, then the state-~~court~~ *board* of tax appeals is hereby
29 authorized upon application of such city, and for good reason shown, to
30 compromise, abate or cancel all such taxes or any part thereof.

31 Sec. 104. K.S.A. 2012 Supp. 79-1964a is hereby amended to read as
32 follows: 79-1964a. When it is apparent to the governing body of any
33 taxing district except cities, counties, community colleges, and school
34 districts at tax levying time that the rate of levy, for any individual fund for
35 which the board desires to make a levy, is so limited by the maximum levy
36 limit for the individual fund or by the aggregate limit, that it is impossible
37 to raise sufficient tax plus receipts from all other sources, to finance the
38 proposed budget of expenditures for such fund for the ensuing budget year,
39 the governing body may make application to the state-~~court~~ *board* of tax
40 appeals for authority to increase such rate of levy. The application shall be
41 signed and sworn to, and shall have a majority approval of any governing
42 body composed of three members or less, and a $\frac{3}{4}$ majority of any
43 governing body composed of more than three members. The application

1 shall reveal the following:

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

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

24 No order for an increased levy for any fund of any taxing district shall
25 be made without a public hearing before the state-~~court~~ *board* of tax
26 appeals conducted in accordance with the provisions of the Kansas
27 administrative procedure act. In addition to notice to the parties, notice of
28 such hearing shall be published in two issues of a paper of general
29 circulation within the district applying for such authority at least 10 days
30 prior to such hearing. The notice shall be in such form as the state-~~court~~
31 *board* of tax appeals prescribes, and the expense of such publication shall
32 be 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.

35 Sec. 105. K.S.A. 2012 Supp. 79-1964b is hereby amended to read as
36 follows: 79-1964b. Whenever it shall be the opinion of the majority of the
37 members of any body authorized to levy taxes in any taxing district other
38 than a city, county or community college located in any county adjoining a
39 regular army post or military reservation, or of any officer solely charged
40 with that duty therein, that the rates of levy in the particular taxing district
41 under consideration are so limited as to be insufficient for the raising of
42 the funds necessary to supply the needs of such taxing district for general
43 or maintenance expenses for the current tax year, such levying officers or

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

22 Sec. 106. K.S.A. 2012 Supp. 79-2005, as amended by section 17 of
23 2013 Senate Bill No. 83, is hereby amended to read as follows: 79-2005.
24 (a) Any taxpayer, before protesting the payment of such taxpayer's taxes,
25 shall be required, either at the time of paying such taxes, or, if the whole or
26 part of the taxes are paid prior to December 20, no later than December 20,
27 or, with respect to taxes paid in whole or in part in an amount equal to at
28 least $\frac{1}{2}$ of such taxes on or before December 20 by an escrow or tax
29 service agent, no later than January 31 of the next year, to file a written
30 statement with the county treasurer, on forms approved by the state ~~court~~
31 board of tax appeals and provided by the county treasurer, clearly stating
32 the grounds on which the whole or any part of such taxes are protested and
33 citing any law, statute or facts on which such taxpayer relies in protesting
34 the whole or any part of such taxes. When the grounds of such protest is an
35 assessment of taxes made pursuant to K.S.A. 79-332a and 79-1427a, and
36 amendments thereto, the county treasurer may not distribute the taxes paid
37 under protest until such time as the appeal is final. When the grounds of
38 such protest is that the valuation or assessment of the property upon which
39 the taxes are levied is illegal or void, the county treasurer shall forward a
40 copy of the written statement of protest to the county appraiser who shall
41 within 15 days of the receipt thereof, schedule an informal meeting with
42 the taxpayer or such taxpayer's agent or attorney with reference to the
43 property in question. The county appraiser shall review the appraisal of the

1 taxpayer's property with the taxpayer or such taxpayer's agent or attorney
2 and may change the valuation of the taxpayer's property, if in the county
3 appraiser's opinion a change in the valuation of the taxpayer's property is
4 required to assure that the taxpayer's property is valued according to law,
5 and shall, within 15 business days thereof, notify the taxpayer in the event
6 the valuation of the taxpayer's property is changed, in writing of the results
7 of the meeting. In the event the valuation of the taxpayer's property is
8 changed and such change requires a refund of taxes and interest thereon,
9 the county treasurer shall process the refund in the manner provided by
10 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 ~~court~~ *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 ~~court~~
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 ~~court~~ *board*. With
13 regard to any matter properly submitted to the ~~court~~ *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 ~~court~~ *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 ~~court~~ *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 ~~court~~
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 ~~court~~ *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. 107. K.S.A. 2012 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. 108. K.S.A. 2012 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 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 board is hereby
2 authorized to issue no-fund warrants in an amount not to exceed $\frac{1}{6}$ of the
3 amount of the budget of expenditures adopted for the 1975 budget year.
4 Such warrants shall be issued, registered, redeemed and bear interest in the
5 manner and in the form prescribed by K.S.A. 79-2940, and amendments
6 thereto, except that they shall not bear the notation required by said section
7 and may be issued without the approval of the state-~~court~~ board of tax
8 appeals. Moneys received from the issuance of such warrants may be
9 expended during the period for which the warrants were issued, even
10 though the same were not budgeted for, and any tax levied to redeem said
11 warrants shall be exempt from the limitations imposed under the
12 provisions of K.S.A. 79-5001 to 79-5016, inclusive, and amendments
13 thereto.

14 Sec. 109. K.S.A. 2012 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 the
40 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. 110. K.S.A. 2012 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. 111. K.S.A. 2012 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. 112. K.S.A. 2012 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. 113. K.S.A. 2012 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 ~~court~~ *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 court under this section, such insurance money shall
8 be deposited with the county treasurer immediately and used by the county
9 treasurer in lieu of ad valorem taxes as provided in K.S.A. 79-2940, and
10 amendments thereto. This section shall not require a deposit of insurance
11 money in excess of the total amount of such warrants and interest thereon.

12 Sec. 114. K.S.A. 2012 Supp. 79-2977 is hereby amended to read as
13 follows: 79-2977.(a) (1) Notwithstanding the provisions of any other law
14 to the contrary, with respect to the following taxes administered by the
15 department of revenue, an amnesty from the assessment or payment of all
16 penalties and interest with respect to unpaid taxes or taxes due and owing
17 shall apply upon compliance with the provisions of this section and if such
18 tax liability is paid in full within the amnesty period, from October 1,
19 2003, to November 30, 2003: (A) Privilege tax under K.S.A. 79-1106 et
20 seq., and amendments thereto; (B) taxes under the Kansas estate tax act,
21 K.S.A. 2012 Supp. 79-15,100 et seq., and amendments thereto; (C) taxes
22 under the Kansas income tax act, K.S.A. 79-3201 et seq., and amendments
23 thereto; (D) taxes under the Kansas withholding and declaration of
24 estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto; (E)
25 taxes under the Kansas cigarette and tobacco products act, K.S.A. 79-3301
26 et seq., and amendments thereto; (F) taxes under the Kansas retailers' sales
27 tax act, K.S.A. 79-3601 et seq., and amendments thereto, and the Kansas
28 compensating tax act, K.S.A. 79-3701 et seq., and amendments thereto;
29 (G) local sales and use taxes under K.S.A. 12-187 et seq., and amendments
30 thereto; (H) liquor enforcement tax under K.S.A. 79-4101 et seq., and
31 amendments thereto; (I) liquor drink tax under K.S.A. 79-41a01 et seq.,
32 and amendments thereto; and (J) mineral severance tax under K.S.A. 79-
33 4216 et seq., and amendments thereto.

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

42 (3) Amnesty shall not apply to any matter or matters for which, on or
43 after February 6, 2003, any one of the following circumstances exist: (A)

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

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

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

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

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

42 (f) Fraud or intentional misrepresentation of a material fact in
43 connection with an application for amnesty shall void such application and

1 any waiver of penalties and interest from amnesty.

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

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

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

9 Sec. 115. K.S.A. 2012 Supp. 79-3107c is hereby amended to read as
10 follows: 79-3107c. (a) Any person, before protesting the payment of
11 mortgage registration fees, shall be required, within 30 days after the time
12 of paying such fees, to file a written protest statement with the register of
13 deeds, on forms approved by the director of property valuation and
14 provided by the register of deeds, clearly stating the grounds on which the
15 whole or any part of such fees are protested and citing any law, statute or
16 facts upon which such person relies in protesting the whole or any part of
17 such fees. The register of deeds shall forward a copy of the written
18 statement of protest to the county treasurer and to the state-~~court~~ board of
19 tax appeals within 15 days of the receipt thereof.

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

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

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

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

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

42 Sec. 116. K.S.A. 2012 Supp. 79-3221 is hereby amended to read as
43 follows: 79-3221. (a) All returns required by this act shall be made as

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

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

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

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

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

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

10 (2) The amount of any credit or refund.

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

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

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

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

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

1 not, by reason of the combatant activities, accepting mail for delivery at
2 the time the notice or demand is signed. In such case the notice or demand
3 shall be deemed to have been given or made upon the date it is signed.

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

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

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

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

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

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

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

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

33 Sec. 117. K.S.A. 2012 Supp. 79-3226 is hereby amended to read as
34 follows: 79-3226. (a) As soon as practicable after the return is filed, the
35 director of taxation shall examine it and shall determine the correct amount
36 of the tax. If the tax found due shall be greater than the amount theretofore
37 paid, or if a claim for a refund is denied, notice shall be mailed to the
38 taxpayer. Within 60 days after the mailing of such notice the taxpayer may
39 request an informal conference with the secretary of revenue or the
40 secretary's designee relating to the tax liability or denial of refund by filing
41 a written request with the secretary of revenue or the secretary's designee
42 which sets forth the objections to the proposed liability or proposed denial
43 of refund. The purpose of such conference shall be to review and

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

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

40 Sec. 118. K.S.A. 2012 Supp. 79-3233g is hereby amended to read as
41 follows: 79-3233g. In all cases where the income tax liability exceeds the
42 sum of \$100 including penalties and interest, the secretary shall petition
43 the state ~~court~~ board of tax appeals to abate such income tax liability

1 setting forth the name of the debtor, the year for which the tax is due, and
2 the grounds for abatement as set forth in K.S.A. 79-3233i, and
3 amendments thereto.

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

13 Sec. 119. K.S.A. 2012 Supp. 79-32,193 is hereby amended to read as
14 follows: 79-32,193. (a) The secretary of revenue is hereby authorized and
15 directed to promptly negotiate, approve and recommend judicial approval
16 of a settlement agreement to resolve all tax refund claims pending in the
17 Barker class action for the amounts set forth in subsection (d). As used in
18 this section, "Barker class action" means the consolidated class action
19 styled Keyton E. Barker, et al. v. State of Kansas, et al., Nos. 89-CV-666
20 and 89-CV-1100, filed in the district court of Shawnee county, Kansas. The
21 settlement agreement shall include:

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

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

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

37 (b) Subject to the provisions of subsection (c), any person who paid
38 Kansas individual income tax on or on account of federal military
39 retirement benefits for any or all of the tax years from 1984 through 1991
40 shall be entitled to receive refund payments in an aggregate amount equal
41 to that portion of the tax actually paid pursuant to the Kansas income tax
42 act which is attributable to federal military retirement benefits, plus
43 interest on the amount of overpayment at the rate of 5% per annum from

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

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

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

1 for taxable years 1984 through 1991 shall be held in abeyance. Upon final
2 judicial approval of the settlement agreement, all such administrative
3 appeals shall be deemed dismissed with prejudice to all parties.

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

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

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

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

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

35 Sec. 120. K.S.A. 2012 Supp. 79-3694 is hereby amended to read as
36 follows: 79-3694. (a) (1) An application for a refund claim that is
37 incomplete, not supported by the required documentation or otherwise
38 fails to meet the requirements specified in K.S.A. 2012 Supp. 79-3693,
39 and amendments thereto, whether submitted to the department or to a
40 retailer, shall not be considered a valid refund claim for the purpose of any
41 of the following:

42 (A) Tolling the statute of limitations provisions of K.S.A. 79-3609,
43 and amendments thereto, except that for any refund application returned to

1 the applicant for failing to meet the requirements of K.S.A. 2012 Supp. 79-
2 3693, and amendments thereto, the applicant shall have 60 days from the
3 date of the department's written notice to file with the department a
4 complete refund application meeting the requirements of K.S.A. 2012
5 Supp. 79-3693, and amendments thereto; or

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

9 (2) If an application for a refund claim is incomplete, not supported
10 by the required documentation or otherwise fails to meet the requirements
11 specified in K.S.A. 2012 Supp. 79-3693, and amendments thereto, the
12 substance or merits of the incomplete refund application shall not be
13 reviewed by the department, and the incomplete application shall be
14 returned to the applicant. At the time, the applicant shall be notified in
15 writing of the actions, corrections, information or additional
16 documentation that are needed to complete the application, and that the
17 applicant shall have 60 days from the date of the department's written
18 notice to file a complete refund application satisfying the requirements of
19 K.S.A. 2012 Supp. 79-3693, and amendments thereto. The applicant also
20 shall be provided with a written description of the method by which an
21 informal conference may be requested pursuant to K.S.A. 79-3226, and
22 amendments thereto, to request a review of the determination that the
23 refund application is incomplete. Each review of the department's
24 determination that the taxpayer submitted a refund application that was
25 incomplete, not supported by the required documentation, or otherwise
26 failed to meet the requirements specified in K.S.A. 2012 Supp. 79-3693,
27 and amendments thereto, shall be limited to determining whether the
28 refund application, as originally submitted, complied with the
29 requirements of K.S.A. 2012 Supp. 79-3693, and amendments thereto, by
30 providing sufficient information and documentation to allow the refund
31 application to be verified and processed. If, upon review at the informal
32 conference, it is determined that the refund application failed to meet the
33 requirements specified in K.S.A. 2012 Supp. 79-3693, and amendments
34 thereto, when submitted so that the refund application could not be
35 verified and processed, the applicant shall be required to file a new refund
36 application for the refund being sought.

37 (b) Each application for refund that meets the requirements specified
38 in K.S.A. 2012 Supp. 79-3693, and amendments thereto, so that it can be
39 verified and processed shall be reviewed by the department as a refund
40 claim and its validity determined. Each applicant shall be notified in
41 writing of the department's determination and, if the refund claim is denied
42 in whole or in part, shall be provided with a written description of the
43 method by which an informal conference pursuant to K.S.A. 79-3226, and

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

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

13 Sec. 121. K.S.A. 2012 Supp. 79-5205 is hereby amended to read as
14 follows: 79-5205. (a) At such time as the director of taxation shall
15 determine that a dealer has not paid the tax as provided by K.S.A. 79-
16 5204, and amendments thereto, the director may immediately assess a tax
17 based on personal knowledge or information available to the director of
18 taxation; mail to the taxpayer at the taxpayer's last known address or serve
19 in person, a written notice of the amount of tax, penalties and interest; and
20 demand its immediate payment. If payment is not immediately made,
21 because collection of every assessment made hereunder is presumed to be
22 in jeopardy due to the nature of the commodity being taxed, the director
23 may immediately collect the tax, penalties and interest in any manner
24 provided by K.S.A. 79-5212, and amendments thereto.

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

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

35 (d) Within 15 days after the mailing or personal service of such notice
36 of assessment pursuant to subsection (a), the taxpayer may request an
37 informal conference with the secretary of revenue or the secretary's
38 designee relating to the tax, penalties and interest assessed by filing a
39 written request with the secretary or the secretary's designee. Such written
40 request shall set forth the taxpayer's objections to the assessment. The
41 purpose of such conference shall be to review and reconsider all facts and
42 issues that underlie the assessment. The informal conference shall not
43 constitute an adjudicative proceeding under the Kansas administrative

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

27 Sec. 122. K.S.A. 2012 Supp. 80-119 is hereby amended to read as
28 follows: 80-119. Whenever no-fund warrants are issued under the
29 authority of this act the township board shall make a tax levy or levies
30 sufficient to pay such warrants and the interest thereon. Such warrants may
31 mature serially at such yearly dates as to be payable by not more than five
32 tax levies. Such warrants shall be issued, registered, redeemed and bear
33 interest in the manner and be in the form prescribed by K.S.A. 79-2940,
34 and amendments thereto, except they shall not bear the notation required
35 by such section and may be issued without the approval of the state-~~court~~
36 board of tax appeals.

37 Sec. 123. K.S.A. 2012 Supp. 80-808 is hereby amended to read as
38 follows: 80-808. The township board of any township which maintains and
39 operates a township library which is known as a Carnegie library is hereby
40 authorized and empowered to issue no-fund warrants in an amount not
41 exceeding \$4,000 for the purpose of providing funds for the repair and
42 reconstruction of the Carnegie library building of such township.
43 Whenever any township board shall issue warrants under the provisions of

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

18 Sec. 124. K.S.A. 2012 Supp. 80-1920 is hereby amended to read as
19 follows: 80-1920. Subject to the provisions of K.S.A. 19-270, and
20 amendments thereto, and upon the presentation of such petition, the
21 township board of any such township shall create a township fire
22 department. Such township board is hereby authorized and empowered to
23 purchase fire-fighting equipment for the use of the fire department and to
24 provide buildings for the housing and storage of the same. For the purpose
25 of raising funds to pay the cost of such equipment and housing facilities,
26 the township board is hereby empowered to issue no-fund warrants in an
27 amount not exceeding \$12,000. After the issuance of such no-fund
28 warrants, the township board shall make a tax levy at the first tax-levying
29 period after such warrants are issued, sufficient to pay such warrants and
30 the interest thereon. In lieu of making only one tax levy, such board, if it
31 deems it advisable, may make a tax levy each year for not to exceed five
32 years in approximately equal installments for the purpose of paying the
33 warrants and the interest thereon.

34 Such warrants shall be issued, registered, redeemed and bear interest in
35 the manner and be in the form prescribed by K.S.A. 79-2940, and
36 amendments thereto, except they shall not bear the notation required
37 therein and may be issued without the approval of the state ~~court~~ board
38 of tax appeals. Any surplus existing after the redemption of the warrants shall
39 be handled in the manner prescribed by K.S.A. 79-2940, and amendments
40 thereto. None of the provisions of the cash-basis and budget laws of this
41 state shall apply to any expenditures made, the payment of which has been
42 provided for by the issuance of such no-fund warrants.

43 Sec. 125. K.S.A. 2012 Supp. 82a-1030 is hereby amended to read as

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

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

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

41 (d) Subsequent to the certification of approval of the organization of a
42 district by the secretary of state and the election of a board of directors for
43 such district, such board shall be authorized to issue no-fund warrants in

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

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

30 Sec. 126. K.S.A. 2012 Supp. 2-131e, as amended by section 7 of
31 2013 Senate Bill No. 56, 9-1402, 12-110a, 12-631, 12-1664, 12-16,109,
32 12-1737, 12-1742, 12-1744a, 12-1744b, 12-1744c, 12-1744d, 12-1755, 12-
33 1934, 12-3206, 12-3805, 14-1060, 17-1374, 19-236, 19-431, 19-15,103,
34 19-15,106, 19-15,116, 19-15,123, 19-2106f, 19-2653, 19-2752a, 19-3554,
35 19-4420, 19-4442, 20-356, 20-363, 20-626, 24-133, 24-665, 24-1219, 31-
36 144, 38-549, 68-151n, 72-4142, 72-6441, as amended by section 3 of 2013
37 Senate Bill No. 23, 72-6443, 72-6451, 72-8203b, 74-2426, 74-2433, 74-
38 2433a, 74-2433b, 74-2433c, 74-2433d, 74-2433e, 74-2433f, as amended
39 by section 11 of 2013 Senate Bill No. 83, 74-2433g, 74-2434, 74-2435,
40 74-2436, 74-2437, 74-2437a, 74-2437b, 74-2438, 74-2438a, 74-2439, 74-
41 2442, 74-2447, 74-4911f, 75-430, 75-37,121, 75-37,121a, 75-4201, 75-
42 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, as
2 amended by section 13 of 2013 Senate Bill No. 83, 79-1476, 79-1478, 79-
3 1478a, 79-1479, 79-1481, 79-1489, 79-1609, as amended by section 14 of
4 2013 Senate Bill No. 83, 79-1611, 79-1701, 79-1702, as amended by
5 section 16 of 2013 Senate Bill No. 83, 79-1703, 79-1704, 79-1964a, 79-
6 1964b, 79-2005, as amended by section 17 of 2013 Senate Bill No. 83, 79-
7 2416d, 79-2925a, 79-2938, 79-2939, 79-2940, 79-2941, 79-2951, 79-2977,
8 79-3107c, 79-3221, 79-3226, 79-3233g, 79-32,193, 79-3694, 79-5205, 80-
9 119, 80-808, 80-1920 and 82a-1030 are hereby repealed.

10 Sec. 127. This act shall take effect and be in force from and after its
11 publication in the statute book.