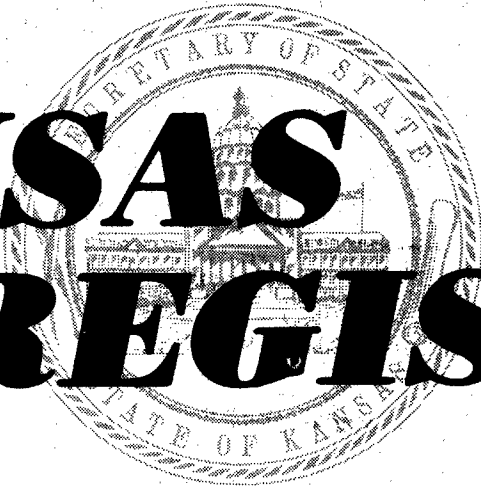


KANSAS REGISTER



State of Kansas

JACK H. BRIER
Secretary of State

Vol. 2, No. 19

May 12, 1983

Pages 735-796

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State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES****NOTICE OF COMMENCEMENT OF
NEGOTIATIONS FOR ARCHITECTURAL AND
ENGINEERING SERVICES**

Notice is hereby given of the commencement of negotiations for contracts for architectural and engineering services for the following projects:

Architectural

- Renovation of Rehabilitation Medicine Clinic, University of Kansas Medical Center
- New Printing Plant, Topeka, Department of Administration
- New Heating Plant, Topeka, Department of Administration
- Chemistry-Biochemistry Building, Kansas State University
- Weber Hall Addition and Remodeling, Kansas State University
- Martin Allen Hall Renovation, Fort Hays State University
- Sheridan Coliseum Renovation, Fort Hays State University
- 96 Bed Modular Facility, Kansas State Industrial Reformatory, Hutchinson
- Service Building Remodeling, Kansas State Penitentiary, Lansing
- New Heating Plant, Parsons State Hospital and Training Center
- Vocational Training Building, Parsons State Hospital and Training Center

Engineering

- Replace Bailey Hall HVAC System, University of Kansas
- Reconfiguration of Electrical System, Kansas State Penitentiary, and Emergency Generator, Kansas Correctional Institute for Women, Lansing
- Correct Storm Drainage, Kansas Neurological Institute, Topeka

- Hazardous Waste Incinerator, University of Kansas Medical Center
- Repair Main Chilled Water Line, University of Kansas Medical Center

The State Building Advisory Commission will nominate individuals or firms for the above projects at their meeting of June 8, 1983. Nominated individuals or firms will be interviewed by negotiating committees at a later date.

In order to be considered, individuals or firms must be on file with the Division of Architectural Services. Any architect or architectural firm not on file but having a Kansas office staffed by one or more architects licensed by the State Board of Technical Professions may contact Jack Nelson, Division of Architectural Services, 625 Polk Street, Topeka, Kansas 66603, (913) 233-9367 to achieve eligibility. The requirement of a Kansas office does not apply to engineers and engineering firms but they must be permitted by law to practice and be on file with the Division to be eligible. All expressions of interest must be received by Mr. Nelson not later than May 27, 1983 and only eligible individuals or firms will be considered.

Negotiations for ancillary technical services will be conducted for the above projects as required. Such services shall include but not be limited to geo-technical and other soil or subsurface investigation and testing services, surveying, adjusting and balancing of HVAC and other mechanical building systems, infra-red testing and other consultant services.

The above listed projects are line item appropriations made by the 1983 legislature. Other projects requiring professional services may appear from other fund sources. Any additional information or questions regarding the above or other projects should be directed to Mr. Jack Nelson at the Division of Architectural Services.

JOHN B. HIPPIE
Director, Division of
Architectural Services

Doc. No. 001201

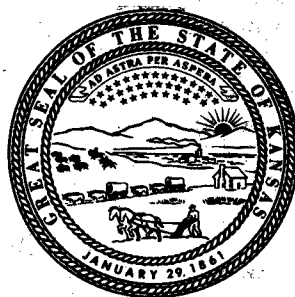
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PUBLISHED BY
JACK H. BRIER
Secretary of State
State Capitol
Topeka, Kansas 66612



PHONE: 913/296-2236

Carol A. Bell
Publications Director

State of Kansas

CONSUMER CREDIT COMMISSIONER**NOTICE OF HEARING ON
PROPOSED PERMANENT
ADMINISTRATIVE REGULATIONS**

You are hereby notified that the office of the Consumer Credit Commissioner will hold a public hearing at 10:00 a.m. on June 1, 1983, at 535 Kansas Avenue, Suite 1114, Topeka, Kansas on the proposed amendment to permanent regulation 75-6-2. All interested parties may present oral or written comments at the hearing. The proposed change in this regulation would have no fiscal impact.

The regulation to be adopted is as follows:

75-6-2. (16a-1-301(1), 16a-2-201, and 16a-2-401) Finance charges, "or "actuarial method", or "the United States rule." Finance charges shall be determined, using the actuarial method, by applying the contract rate to the actual unpaid principal balances balance of the amount financed for the time actually outstanding until the contract is fully paid, by use of the actuarial method or the United States rule.

The "actuarial method" or the "United States rule" means that the finance charge is computed on the unpaid principal balances for the actual time the said balances remain unpaid and if the amount of the payment is insufficient to pay the accumulated finance charge, the unpaid accumulated finance charge continues to accumulate to be paid from the proceeds of the subsequent payments and is not added to the unpaid principal balance.

Under the actuarial method, at the end of each unit period (or fractional unit period) the unpaid balance of the amount financed is increased by the finance charge earned during that period and is decreased by the total payment (if any) made at the end of the period. (Authorized by K.S.A. 16a-6-104 (e); implementing K.S.A. 16a-1-301 (1); effective, E-74-13, Jan. 1, 1974; effective May 1, 1975; amended May 1, 1984.)

DONALD O. PHELPS
Consumer Credit Commissioner

Doc. No. 001202

State of Kansas

ATTORNEY GENERAL**OPINION NO. 83-63**

Counties and County Officers—Miscellaneous Provisions—Place of County Attorney's Office. James H. Bradley, Chairman; Robert Markley, Harvey M. Walquist, Osage County Board of County Commissioners, Lyndon, April 28, 1983.

County attorneys must maintain an office at the seat of justice, unless otherwise provided by law or the board of county commissioners. Cited herein: K.S.A. 19-2601. RVE

OPINION NO. 83-64

Kansas Constitution—Home Rule—Exercise of Au-

thority Through Ordinance; Effect of Resolution. Alan M. Boeh, Doniphan County Attorney, Troy, April 29, 1983.

Article 12, Section 5 of the Kansas Constitution confers upon cities a broad measure of authority over their own affairs. Commonly known as home rule, this power must be exercised subject to the limitations contained in the constitution, one of which is the requirement that action be taken by means of an ordinance subject to the provisions of K.S.A. 12-3001 *et seq.* Action by a city through a resolution rather than an ordinance does not meet this requirement, leaving invalid any exercise of home rule made as a result thereof. Cited herein: K.S.A. 10-119, 10-1003, Kan. Const., Art. 11, § 1, Art. 12, § 5. JSS

OPINION NO. 83-65

Counties and County Officers—County Attorney—Authority to Appoint Assistants. Richard G. Oliver, Wilson County Attorney, Fredonia, April 29, 1983.

A county attorney has inherent power, within budget limitations, to appoint such assistant county attorneys as he or she deems necessary to properly expedite the business of his or her office. Cited herein: K.S.A. 19-702, 19-703, 19-704, 19-706b, 19-713, 19-716, 19-724, 28-167. RVE

ROBERT T. STEPHAN
Attorney General

Doc. No. 001213

State of Kansas

**DEPARTMENT OF
HEALTH AND ENVIRONMENT****NOTICE OF MEETING**

The Statewide Health Coordinating Council will meet on May 25, 1983, in Topeka, Kansas. The public is invited to attend this meeting. For detailed information, contact the Office of Health Planning, Kansas Department of Health and Environment, 6700 South Topeka Avenue, Building 321, Topeka, Kansas 66620, (913) 862-9360, ext. 536.

BARBARA J. SABOL
Secretary

Doc. No. 001216

State of Kansas

DEPARTMENT OF HEALTH AND ENVIRONMENT

DOCKET OF ADMINISTRATIVE HEARINGS

May 23, 1983—In the Matter of the License Application of Nursing Management, Inc., to Operate Greenbrier Care Center, Lawrence, Kansas. Case No. 83-H-11. Bldg. 740, Forbes Field, Topeka, Kansas, Conference Room 1-C-8, 9:00 a.m.

This docket is issued on May 1, 1983 and the administrative hearings are those scheduled as of this date. Other administrative hearings may be scheduled in this same time period and the above hearings may be rescheduled without further notification. Interested persons may call the department at (913) 862-9360, ext. 585, to confirm the scheduling of a particular hearing.

BARBARA J. SABOL Secretary

Doc. No. 001203

State of Kansas

SECRETARY OF STATE

NOTICE

The following bills have been signed into law by the Governor, as of May 1, and transmitted to this office:

FINAL LIST

Senate Bills

Table with 7 columns of bill numbers (1-35) and 7 columns of corresponding numbers (36-412).

House Bills

Table with 7 columns of bill numbers (2008-2047) and 7 columns of corresponding numbers (2054-2584).

*Signed with one section line-item vetoed.

The following bills have been vetoed by the Governor:

Senate Bills: 12, 264, 286, 384.

House Bills: 2016, 2175, 2466.

The following resolutions have been adopted by the Legislature and transmitted to this office:

Senate Concurrent Resolutions: 1603, 1608, 1609, 1613, 1614, 1616, 1620, 1621, 1622, 1623, 1631, 1632, 1634, 1635, 1638.

House Concurrent Resolutions: 5002, 5005, 5006, 5007, 5010, 5011, 5012, 5014, 5015, 5016, 5018, 5019, 5036, 5040, 5042, 5043, 5049.

House Resolutions: 6001, 6002, 6003, 6004, 6005, 6006, 6007, 6008, 6009, 6010, 6011, 6012, 6013, 6014, 6015, 6016, 6017, 6018, 6019, 6020, 6022, 6023, 6024, 6025, 6026, 6027, 6028, 6029, 6030, 6031, 6032, 6033, 6034, 6035, 6036, 6037, 6038, 6039, 6040, 6042, 6043, 6044, 6045, 6046, 6047, 6048, 6049, 6050, 6051, 6052, 6053, 6054, 6056, 6057, 6058, 6059, 6060, 6061, 6062, 6063, 6064, 6065, 6066, 6067, 6068, 6069, 6070, 6071, 6072, 6073, 6074, 6075, 6077, 6078.

Titles of the above bills and resolutions were listed in earlier editions of the Kansas Register, as they were introduced. Copies of enrolled (final) bills and resolutions are available from the Legislative Division of the Secretary of State's Office; State Capitol; Topeka 66612. Phone: 913/296-4557.

(Published in the KANSAS REGISTER, May 12, 1983.)

NOTICE OF BOND SALE
\$102,259.00
GENERAL OBLIGATION BONDS
Series 1983A (Streets)
CITY OF COLBY, KANSAS

Sealed, written bids will be received and considered by the Governing Body of the City of Colby, County of Thomas, State of Kansas, on the 17th day of May, 1983, at 7:30 P.M. Central Daylight Time, in the Council Chambers, City Hall, 585 North Franklin, Colby, Kansas, 67701, for the purchase of all, and not less than all, of a total amount of One Hundred Two Thousand, Two Hundred Fifty-Nine Dollars and No Cents (\$102,259.00) principal amount of General Obligation Bonds of the City, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

All of the Bonds will be negotiable coupon bonds, will be in denominations of \$5,000.00 each, except for Bond No. 1 which will be in the denomination of \$2,259.00, dated June 1, 1983, and mature serially on June 1, in the years as follows:

Series 1983A (Streets)		
\$102,259.00		
Number	Principal Amount	Maturity (June 1)
1	\$ 2,259.00	1984
2-3	\$10,000.00	1984
4-5	\$10,000.00	1985
6-7	\$10,000.00	1986
8-9	\$10,000.00	1987
10-11	\$10,000.00	1988
12-13	\$10,000.00	1989
14-15	\$10,000.00	1990
16-17	\$10,000.00	1991
18-19	\$10,000.00	1992
20-21	\$10,000.00	1993

Interest on the Bonds will be payable on June 1, 1984 and semi-annually thereafter on the first days of JUNE and DECEMBER of each year until the Bonds are fully paid. Both the principal of and interest on the Bonds will be payable to bearer at the Office of the State Treasurer in the City of Topeka, Kansas.

Proposals will be received on the Bonds bearing such rate or rates of interest, not exceeding five (5) different interest rates, as may be specified by the bidder. The repetition of a rate will not constitute one of said maximum number of rates. The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be in an even multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%). The difference between the highest and lowest coupon rates specified in any bid shall not exceed two percent (2%). No bid of less than par and accrued interest, and no bid of less than all of the Bonds will be considered.

Bids shall be submitted on the official bid form furnished by the City and shall be addressed to the City of Colby, 585 North Franklin, Colby, Kansas, 67701 and shall be plainly marked BOND BID. All bids must state the total interest cost of the bid, and the average annual interest rate, all certified by the bidder to be correct; and the City will be entitled to

rely on the certificate of correctness of the bidder. Each bid must be accompanied by a certified cashier's check equal to two percent (2%) of the total amount of the bid, and shall be payable to the City of Colby. In the event a bidder whose bid is accepted shall fail to carry out his contract of purchase, said deposit shall be retained by the City as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

The bonds duly printed, executed and registered, will be furnished and paid for by the City; and the bonds will be sold subject to the unqualified approving opinion of NICHOLS AND WOLFE CHARTERED, Bond Counsel of Topeka, Kansas, whose opinion will be paid for by the City. The purchaser will be furnished with a complete transcript of proceedings evidencing the authorization and issuance of the Bonds; and the usual closing proofs, which will include a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity. Delivery of the Bonds will be made to the successful bidder on or before June 24, 1983, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, at the expense of the City. Delivery elsewhere will be made at the expense of the purchaser.

The Bonds will constitute general obligations of the City, payable as to both principal and interest in part from the collection of special assessments which have been levied on benefited property; but any portion of said specially assessed part not so paid, and the remainder of said principal and interest will be payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable tangible property within the territorial limits of the City. The Bonds are being issued for the purpose of Street Improvements in the City.

The sealed bids for the Bonds shall be opened publicly and only at the time and place specified in this Notice. The City reserves the right to reject any and/or all of the bids, and to waive any irregularities. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the City; and the net interest cost will be determined by deducting any amount of any premium paid from the aggregate amount of interest upon all of the Bonds from their date until their respective maturities.

Assessed valuation figures for the City of Colby, Kansas for the year 1982, are as follows:

Equalized assessed valuation of taxable, tangible property	\$16,081,772.00
Tangible valuation of motor vehicles	1,669,529.00
Equalized assessed tangible valuation for computation of bonded debt limitations	\$17,751,301.00

The total general obligation bonded indebtedness of the City of Colby, Kansas, as of March 31, 1983, including this \$102,259.00 proposed issue of Bonds, is in the amount as follows:

City-at-large	\$ 164,000.00
Internal Improvement (Sewer Districts and Paving)	940,259.00

(continued)

This internal improvement issue—Temporary Notes	147,881.00
Waterworks general obligation issue—Outside the indebtedness limitation—K.S.A. 20-801 et seq.	1,320,000.00
TOTAL	\$2,572,140.00

The total bonded indebtedness of the City of Colby, Kansas, excludes all revenue bonds but includes the temporary notes of this issue to be retired out of the proceeds of the May 17, 1983 bond sale.

Dated this 2nd day of May, 1983.

PEARL SMITH
City Clerk/Finance Director

Doc. No. 001214

(Published in the KANSAS REGISTER, May 12, 1983.)

NOTICE OF BOND SALE
\$3,650,000
INTERNAL IMPROVEMENT BONDS
SERIES A-95
CITY OF HUTCHINSON, KANSAS
(general obligation bonds, payable from unlimited ad valorem taxes)

Sealed bids will be received by the governing body of the City of Hutchinson, Kansas (the "City"), at the office of the City Clerk in the City Hall, 125 E. Avenue "B," Hutchinson, Kansas 67501, until 10:00 o'clock A.M., C.D.T., on

Tuesday, May 17, 1983

at which time and place said bids will be publicly opened and read for the purchase of \$3,650,000 principal amount of Internal Improvement Bonds, Series A-95, of the City (the "Bonds"). All bids received will be reported to the governing body for determination of the best bid at a meeting of the governing body to be held at said time, date and place.

Details of the Bonds

The Bonds will be negotiable coupon bonds in the denomination of \$5,000 each. The Bonds will be dated June 1, 1983, and will mature serially on September 1 of each year in the principal amounts as follows:

<i>Year</i>	<i>Principal Amount</i>	<i>Year</i>	<i>Principal Amount</i>
1984	\$ 75,000	1994	\$300,000
1985	75,000	1995	300,000
1986	75,000	1996	300,000
1987	100,000	1997	200,000
1988	150,000	1998	200,000
1989	175,000	1999	200,000
1990	200,000	2000	150,000
1991	250,000	2001	150,000
1992	250,000	2002	150,000
1993	250,000	2003	100,000

The Bonds will bear interest at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 of each year, beginning on March 1, 1984.

Place of Payment

Both principal and interest on the Bonds will be payable in lawful money of the United States of

America at the Office of the State Treasurer in the City of Topeka, Kansas.

Redemption of Bonds

The Bonds maturing on September 1, 1994, and thereafter, will be subject to redemption and payment prior to maturity at the option of the City, in whole or in part on September 1, 1993, or on any interest payment date thereafter, in inverse numerical order at the redemption prices set forth below plus accrued interest to the date of redemption:

<i>Redemption Dates</i>	<i>Redemption Price</i>
September 1, 1993, and March 1, 1994	102.50%
September 1, 1994, and March 1, 1995	102.00%
September 1, 1995, and March 1, 1996	101.50%
September 1, 1996, and March 1, 1997	101.00%
September 1, 1997, and March 1, 1998	100.50%
September 1, 1998, and thereafter	100.00%

If the City calls any of the Bonds for redemption prior to their maturity, the City will publish a notice of said redemption once in a financial journal published in the City of New York, New York, said notice to be published not less than thirty (30) days prior to the day fixed for redemption. Written notice of such redemption will also be sent by United States registered or certified mail to the office of the State Treasurer, Topeka, Kansas, and to the manager or managers of the underwriting account making the successful bid not less than thirty (30) days prior to the date fixed for redemption.

Security for the Bonds

The Bonds will be general obligations of the City payable as to both principal and interest in part from special assessments levied upon the property benefited by such improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property within the territorial limits of the City, the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all taxable tangible property within the territorial limits of the City.

Conditions of Bids

Bids will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The Bonds will be sold in one block on an "all or none" basis. The same rate shall apply to all Bonds maturing in the same year. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. No interest rate shall exceed a rate equal to the 20 bond index of tax exempt municipal bonds published by the *Weekly Bond Buyer*, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 2%, and the difference between the highest and lowest interest rates specified in any bid shall not exceed 2%. No bid less than the principal amount of the Bonds plus accrued interest thereon to the date of their delivery will be considered, and no bid providing for supplemental interest coupons will be considered.

(continued)

Basis of Award

Each bid shall specify the total interest cost to the City during the life of the Bonds on the basis of such bid, the premium, if any, offered by the bidder, the net interest cost to the City on the basis of such bid, and the average annual net interest rate on the basis of such bid. The net interest cost to the City shall be determined by subtracting the amount of the premium, if any, from the total interest cost to the City and shall be stated as a dollar amount in the bid. The City shall be entitled to rely upon such dollar amount as stated in the bid as the basis for determining the lowest net interest cost bid. If there is any discrepancy between said net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the coupon rates specified in the bid shall be adjusted accordingly.

Delivery of and Payment for the Bonds

The City will pay for printing and registering the Bonds and will deliver the same properly executed and registered to the successful bidder on or before June 30, 1983, at such bank or trust company located in the contiguous United States as may be specified by the successful bidder without cost to the successful bidder. Payment for the Bonds shall be made in federal funds or other funds which shall be available to the City on the same day as delivery of the Bonds. The successful bidder will be furnished with a certified transcript evidencing the authorization and issuance of the Bonds and the usual closing proofs, which will include a certificate that there is no litigation pending or threatened at the time of the delivery of the Bonds affecting their validity.

Legal Opinion

The Bonds will be sold subject to the legal opinion of GAAR & BELL, Overland Park, Kansas, Bond Counsel, whose unqualified approving opinion will be furnished and paid for by the City and will be printed on the Bonds.

CUSIP Numbers

At the request of the successful bidder, CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the successful bid and this Notice of Bond Sale. All expenses in relation to the printing of CUSIP numbers on the Bonds, including the CUSIP Service Bureau charge in the assignment of said numbers, will be paid for by the City.

Good Faith Deposit

Each bid must be accompanied by a good faith deposit in the form of a cashier's or certified check in the amount of \$73,000, made payable to the order of the Treasurer of the City of Hutchinson, Kansas. Such check, or the proceeds thereof, will be held by the Treasurer pending payment for and delivery of the Bonds to the successful bidder. In the event the successful bidder shall fail to carry out its contract of

purchase, the amount of said deposit shall be retained by the City as liquidated damages. No interest will be paid on the deposit made by the successful bidder.

Bid Forms

All bids shall be subject to the terms and conditions contained in this Notice of Bond Sale and must be made on the forms which may be obtained from the City Clerk. No additions or alterations shall be made to such forms and any erasures may cause rejection of any bid. The right is reserved to waive irregularities and reject any and all bids.

Submission of Bids

Mailed bids may be addressed to the undersigned, City Clerk, City Hall, P. O. Box 1567, Hutchinson, Kansas 67501, and marked "Bid for the Purchase of Bonds."

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the City for the year 1982 is \$114,309,190. The total general obligation indebtedness of the City as of the date of the Bonds, including the Bonds, is \$23,807,000. Temporary notes in the principal amount of \$3,650,000 will be retired out of the proceeds of the Bonds herein offered for sale.

Bond Ratings

The outstanding general obligation bonds of the City are rated "A1" by Moody's Investor Service, Inc., and the City has applied for rating on the Bonds herein offered for sale.

Official Statement

Upon the sale of the Bonds, the City will adopt an Official Statement in substantially the form as the Preliminary Official Statement, subject to minor amendments and supplementation. Copies of the City's Preliminary Official Statement relating to the Bonds may be obtained from the City Clerk or the City's Financial Advisor, Shearson/American Express Inc., 2345 Grand Avenue, Suite 1600, Kansas City, Missouri 64108 (816/346-6114). Upon request, 100 copies of the Official Statement will be made available to the successful bidder without charge. Additional copies may be obtained at the expense of such bidder.

DATED this 26th day of April, 1983.

VERNON STALLMAN

City Clerk

City Hall

P. O. Box 1567

125 E. Avenue "B"

Hutchinson, Kansas 67501

(316/665-2614)

Doc. No. 001200

(Published in the KANSAS REGISTER, May 12, 1983.)

NOTICE OF BOND SALE
\$400,000
GENERAL OBLIGATION BONDS
SERIES 1983-1
OF THE
CITY OF PRAIRIE VILLAGE, KANSAS

Sealed Bids. Sealed bids will be received by the undersigned, City Clerk of the City of Prairie Village, Kansas (the "City"), on behalf of the Governing Body of said City at the City Hall, 7700 Mission Road, Prairie Village, Kansas, until 10:00 o'clock A.M., C.D.T., on

Wednesday, May 25, 1983

for the purchase of \$400,000 principal amount of General Obligation Bonds, Series 1983-1 (the "bonds"), of the City hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the Governing Body immediately thereafter.

Bond Details. The Bonds will consist of negotiable coupon bonds in the denomination of \$5,000 each, dated June 1, 1983, and becoming due serially on September 1 in the years as follows:

BOND NUMBERS	YEAR	PRINCIPAL AMOUNT	BOND NUMBERS	YEAR	PRINCIPAL AMOUNT
1-5	1984	\$25,000	32-39	1989	\$40,000
6-10	1985	25,000	40-48	1990	45,000
11-16	1986	30,000	49-57	1991	45,000
17-23	1987	35,000	58-67	1992	50,000
24-31	1988	40,000	68-80	1993	65,000

The Bonds will bear interest at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable on September 1, 1983, and thereafter semiannually on March 1 and September 1 in each year.

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America at the Office of the State Treasurer of the State of Kansas in the City of Topeka, Kansas.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: Not more than five different interest rates shall be specified. The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. No interest rate shall exceed a rate equal to the 20 Bond Index of tax exempt municipal bonds published by *The Weekly Bond Buyer* in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 2%. The difference between the highest rate specified and the lowest rate specified shall not exceed 2%. No supplemental interest coupons will be authorized. No bid of less than the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost to the City during the life of the Bond issue on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the City on the basis of such bid. Each bid shall also

specify the average annual net interest rate to the City on the basis of such bid.

Basis of Award. The award of the Bonds will be made on the basis of the lowest net interest cost to the City, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the City. If there is any discrepancy between the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the coupon rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest costs are received, the Governing Body shall determine which bid, if any, shall be accepted, and its determination shall be final.

Authority, Purpose and Security. The Bonds are being issued pursuant to K.S.A. 12-1736 for the purpose of construction of a public building connected to the existing City Hall to be used as a police facility. The Bonds and the interest thereon will constitute general obligations of the City, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

Legal Opinion. The Bonds will be sold subject to the legal opinion of GAAR & BELL, Overland Park, Kansas, Bond Counsel, whose approving legal opinion as to the validity of the Bonds will be furnished and paid for by the City, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered. Said opinion will also state that in the opinion of Bond Counsel, under existing laws and regulations, the interest on the Bonds is exempt from federal income taxation and from Kansas intangible personal property taxes.

Delivery and Payment. The City will pay for printing and registering the Bonds and will deliver the same properly prepared, executed and registered to the successful bidder on or before June 30, 1983, at such bank or trust company in the State of Kansas as may be specified by the successful bidder or elsewhere at the expense of the successful bidder. Said bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing proofs which will include a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity. Payment for the Bonds shall be made in federal reserve funds, immediately subject to use by the City.

Good Faith Deposit. Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$8,000 payable to the order of the City to secure the City from any loss resulting from the failure of the bidder to comply with the terms of its bid. No interest will be paid upon the deposit made by the successful bidder. Said check shall be returned to the bidder if its bid is not accepted. If a bid is accepted, said check or the proceeds thereof shall be held by the City until the bidder shall have complied with all of the terms and conditions of this Notice, at which time the amount of said check shall be paid to or upon the order of the bidder. If a bid is accepted but the City shall fail to

(continued)

deliver the Bonds to the bidder in accordance with the terms and conditions of this Notice, said check or the proceeds thereof shall be returned to the bidder. If a bid is accepted but the bidder shall default in the performance of any of the terms and conditions of this Notice, the amount of such check shall be retained by the City as and for liquidated damages.

CUSIP Numbers. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the City.

Bond Ratings. The city has applied to Moody's Investors Service, Inc., for a rating on the Bonds. Such application and rating are further described in the City's Official Statement relating to the Bonds, copies of which may be obtained from the City Clerk or the Director of Administration.

Bid Forms. All bids must be made on forms which may be procured from the City Clerk. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. The City reserves the right to waive irregularities and to reject any or all bids.

Submission of Bids. Bids must be submitted in sealed envelopes addressed to the undersigned City Clerk, and marked "Proposal for the Purchase of General Obligation Bonds". Bids may be submitted by mail or delivered in person to the undersigned at the City Hall and must be received by the undersigned prior to 10:00 o'clock A.M., C.D.T., on May 25, 1983.

Official Statement. The City has prepared a Preliminary Official Statement dated May 11, 1983, copies of which may be obtained from the City Clerk. Upon the sale of the Bonds, the City will adopt the final Official Statement dated June 1, 1983, and, at the request of the successful bidder, will furnish the successful bidder with a reasonable number of copies thereof without additional cost. Additional copies may be ordered by the successful bidder at its expense.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the City for the year 1982 is \$87,016,846.00. The total general obligation indebtedness of the City as of the date of the Bonds, including the Bonds being sold, is \$2,500,000.

Additional Information. Additional information regarding the Bonds may be obtained from the City Clerk, Marie T. Philips, or Director of Administration, Barbara Vernon, City of Prairie Village, 7700 Mission Road, Prairie Village, Kansas.

DATED this 2nd day of May, 1983.

CITY OF PRAIRIE VILLAGE, KANSAS

By Marie T. Philips, City Clerk
City Hall

7700 Mission Road
Prairie Village, Kansas 66208
Telephone: (913) 381-6464

State of Kansas

SECRETARY OF STATE

NOTICE OF FORFEITURE

In accordance with K.S.A. 17-7510, the authority of the following foreign corporations to do business in the State of Kansas was forfeited on April 15, 1983 for failure to file an annual report and pay the annual franchise tax, as required by the Kansas General Corporation Code.

Cancelled 4/15/83 for failure to file the 9/30/82 annual report:

Foreign for Profit

A & E Heating & Air Conditioning, Inc., 200 South Douglas, Lee's Summit, MO.

Aimexco, Inc., 720 South Colorado Blvd., Suite 546, Denver, CO.

Aimexco Management, Inc., 720 S. Colorado Blvd., Suite 546, Denver, CO.

Alexander Grant Information Systems, Inc., 55 Capitol Mall, Sacramento, CA.

ARA Payroll Services, Inc., Independence Square West, Philadelphia, PA.

ARCO Insurance Agency, Inc., 608 Ward Parkway, Kansas City, MO.

Casa Resources Corporation, 410 17th Street, Suite 2440, Denver, CO.

Chester A. Dean Construction Company, P.O. Box 6067, Leawood, KS.

COMAC, Inc., 200 South Bowie, Amarillo, TX.

Computerland Corp., 30985 Santana St., Hayward, CA.

Coral Refining Corporation, 765 Pawnee, P.O. Box 5056, Kansas City, KS.

Earth Mining and Exploration, Inc., 4105 S. Turner St., Springdale, AR.

E. B. Earnhardt, Inc., 711A N. Prince Lane, Springfield, MO.

Elcom Electrical Construction Inc., 924 Westwood Drive, Plano, TX.

Epic Mortgage, Inc., 100 West Tenth Street, Wilmington, DE.

Equity Programs Investment Corporation, 5201 Leesburg Pike, Suite 1600, Falls Church, VA.

ESI Securities, Inc., Suite 1600, 5201 Leesburg Pike, Falls Church, VA.

Foodtown Stores, Inc., 605 East Jefferson, Pittsburg, KS.

Gorman-Taber Company, 401 Lydia, Kansas City, MO.

Graham Exploration, Ltd., 3510 N. Causeway Blvd., Suite 200, Metairie, LA.

Graham Minerals, Inc., 3510 N. Causeway Blvd., Suite 200, Metairie, LA.

Graham Oil & Gas, Ltd., 3510 N. Causeway Blvd., Suite 200, Metairie, LA.

Graham Properties, Inc., 3510 N. Causeway Blvd., Suite 200, Metairie, LA.

Herman Watson, M.D., Inc., 1734 East 63rd Street, Suite 603, Kansas City, MO.

Keenan & Clarey, Inc., 806 First National Bank Bldg., Minneapolis, MN.

(continued)

Kree Institute of Electrolysis, Inc., 1500 Broadway, New York, NY.

LIGUF Oil, Inc., Suite M-1070, Campbell Centre, Dallas, TX.

Maternity Factory Outlet of Kansas, Inc., 710 West Jackson Blvd., Chicago, IL.

Metpath Inc., 1 Malcom Avenue, Teterboro, NJ.

NASD Market Services, Inc., 1735 K Street, N.W., Washington, DC.

O'Byrne Electric Company, 828 N. Prince Lane, Springfield, MO.

OCM Corporation, 2537 South Gessner, Houston, TX.

OCSIBAN Properties, Inc., Tax Division, Nabisco, Inc., East Hanover, NJ.

Osage Spray Service, Inc., Route 3, Box 323R, Bartlesville, OK.

Pacific Molasses Company, One California Street, San Francisco, CA.

Painter & Associates, Inc., 1011 W. 103rd St., Kansas City, MO.

Paragon Petroleum Corporation, 410 17th St., Suite 1110, Denver, CO.

Park-Mark, Inc., 2909 Barrett Station Rd., St. Louis, MO.

Payne, Inc., P.O. Box 14837, Okla. City, OK.

Performance Testing & Consultants, Inc., 1000 East 18th Avenue, N. Kansas City, MO.

PQR Company, 6845 East 41st Street, Tulsa, OK.

Rocky Mountain Compression Services, Inc., 8000 E. Prencice Ave., Bldg. C-Suite 5, Englewood, CO.

Texas Energy Chemicals Corporation, 100 West Tenth Street, Wilmington, DE.

Tip-Top Plumbing & Heating Co., 8710 Hillcrest, Kansas City, MO.

Tomlinson Petroleum, Inc., Suite 415, 1200 Milam, Houston, TX.

Tri-State Oil Tool Industries, Inc., 700 South Flower St., Los Angeles, CA.

Weeds, Inc., 520 W. Cobbs Creek Parkway, Yeadon, PA.

Westran Corporation, 950 W. Norton Ave., Muskegon, MI.

Cancelled 4/15/83 for failure to file the annual report due after 1/17/83 extension:

Foreign for Profit

Associates Resource Corporation, 2880 LBJ Freeway, Suite 302, Plaza North Building, Dallas, TX.

Berg Motors, Inc., P.O. Box 360, Neodesha, KS.

Ocelot Oil Corp., 1660 Lincoln Street, #2006, Denver, CO.

TP Industrial, Inc., 5101 Clark Ave., Lakewood, CA.

Cancelled 4/15/83 for failure to correct and return annual report:

Foreign for Profit

American National Petroleum Company, 10900 Richmond, Suite A, Houston, TX.

Burnup & Sims Communications Services, Inc., 100 W. 10th Street, c/o The Corporation Trust Co., Wilmington, DE.

Case International Company, P.O. Box 40, Roselle, IL.

G. J. Flooring, Inc., 1527 Oak, Kansas City, MO.
J. M. McDonald Co., 2635 West Second St., Hastings, NE.

Ralph Trimble Construction Company, Inc., 5621 Parkdale Drive, Dallas, TX.

Video Concepts, Inc., 5200 DTC Parkway, Englewood, CO.

Cancelled 4/15/83 for failure to submit a certificate of good standing with the annual report:

Foreign for Profit

Chemco Products, Inc., P.O. Box 220, Sand Springs, OK.

Cosgrove-Smith Fire Suppression, Inc., 4601 N. Tompkins, Oklahoma City, OK.

Edward A. Farha, Inc., 322 S. Johnstone Avenue, Bartlesville, OK.

Paychex, Inc., 275 Lake Ave., Rochester, NY.

Foreign Not-for-profit with Solicitation Certificate

National Jewish Hospital and Research Center, 3800 E. Colfax, Denver, CO.

JACK H. BRIER

Secretary of State

BY: JOHN R. WINE, JR.

Chief Counsel

Deputy Assistant Secretary of State

Doc. No. 001199

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF PURCHASES**

NOTICE TO BIDDERS

Sealed bids for items hereinafter listed will be received by the Director of Purchases, State Office Building, Topeka, Kansas, until 2:00 p.m., CST or DST, whichever is in effect on the date indicated, and then will be publicly opened:

MONDAY, MAY 23, 1983

#25316

Department of Health and Environment, Topeka—
PHARMACEUTICALS/CYSTIC FIBROSIS PROGRAM

#25570

Statewide—STEEL OFFICE FURNITURE

#25571

Adjutant General's Department, Topeka—GRASS
MOWING SERVICE at Nickell Barracks Training
Center

#25572

Department of Human Resources—JANITORIAL
SERVICES in Overland Park

#25573

Rainbow Mental Health Facility, Kansas City—
PHARMACEUTICAL SERVICES

#53689

University of Kansas, Lawrence—DISK DRIVE AND
CONTROLLER

#53702

Department of Transportation—GENERATORS, for
Hutchinson, Topeka and Salina

#53713

Department of Transportation, Topeka—SNOW
WINGS, for Hutchinson

(continued)

#53718
Emporia State University, Emporia—TV CAMERA TUBES

#53719
Kansas State Penitentiary, Lansing—AIR CONDITIONING EQUIPMENT

#53720
University of Kansas, Lawrence—ELECTROCHEMICAL APPARATUS

#53746
Secretary of State, Topeka—MICROFILM EQUIPMENT

#53755
University of Kansas Medical Center, Kansas City—WORD PROCESSING SYSTEM

#53776
Department of Human Resources, Topeka—CONTINUOUS MAILERS—K—BEN 4211

#A-4513
Youth Center at Topeka, Topeka—RESURFACE ATHLETIC TRACK

TUESDAY, MAY 24, 1983

#25567
Statewide—DAIRY PRODUCTS

#25569
University of Kansas Medical Center, Kansas City—BLOOD BANK SETS

#25577
University of Kansas, Lawrence—BED LINEN, TOWEL AND LAUNDRY SERVICE, for Kansas Law Enforcement Training Center, Hutchinson

#53358
University of Kansas, Lawrence—LABOR MATERIAL TO INSTALL TEMPERATURE RECORDING SYSTEM

#53243A
Kansas State University, Manhattan—MICROCOMPUTER SYSTEM

#53695
Kansas School for the Deaf, Olathe—CLINICAL AUDIOMETER

#53696
Kansas State University, Manhattan—SUPER HAUL BOX

#53697
Wichita State University, Wichita—LAWN-TRACTOR REPAIR PARTS

#53698
Department of Transportation, Topeka—AIR COMPRESSOR, for Hutchinson

#53699
Kansas State University, Manhattan—PLOT PLANTER

#53700
Department of Transportation, Topeka—TRAFFIC COUNTER

#53701
Department of Transportation, Topeka—GASOLINE DRILL BREAKER

#53703
Wichita State University, Wichita—MATERIAL FOR GALVANIZED CONDUIT SYSTEMS

#53712
Wichita State University, Wichita—VACUUM LEAK DETECTOR

#53721
University of Kansas Medical Center, Kansas City—REFRIGERANT SEMI-HERMATIC COMPRESSOR

#53722
University of Kansas Medical Center, Kansas City—JANITORIAL EQUIPMENT

#53744
Wichita State University, Wichita—MICROCOMPUTER AND PRINTER

#53756
University of Kansas Medical Center, Kansas City—FETAL MONITOR

#53757
University of Kansas Medical Center, Kansas City—BIO CONDITIONER SYSTEM

#53758
Wichita State University, Wichita—WHEEL CHAIR LIFT

#53781
University of Kansas Medical Center, Kansas City—NEONATAL MONITORS

#53782
Kansas Correctional Industries, Lansing—WHITE BROADCLOTH SHIRTING, for Kansas Correctional Industries, Hutchinson

#53803
Kansas State University, Manhattan—MICRO-COMPUTER SYSTEM

#A-4103(f)
Fort Hays State University, Hays—NEW ALUMINUM AND SIDING AND FASCIA, University Farm Cottage

#A-4657
Wichita State University, Wichita—EXPANSION OF PARKING LOT #20

#A-4660 through #A-4662
Department of Transportation—ROOF REPLACEMENT, three building locations—Turkey Creek, Leavenworth and Lawrence

WEDNESDAY, MAY 25, 1983

#53714
Department of Transportation, Topeka—ARTICULATED WHEEL LOADERS, for various locations

#53715
Department of Transportation, Topeka—WHEEL TRACTORS, for Norton

#53716
Department of Transportation, Topeka—TRACTOR

#53717
Department of Transportation, Topeka—MOTOR GRADERS, for Salina and Chanute

#53723
Department of Transportation, Topeka—VIBRATORY PLATE COMPACTOR

#53724
Kansas State School For The Deaf, Olathe—WORD PROCESSING SYSTEM

#53725
University of Kansas Medical Center, Kansas City—AUTOCLAVE MODIFICATION

#53726
Department of Transportation, Topeka—HYDRAULIC SYSTEM, for Chanute

#53737
Emporia State University, Emporia—ROTARY MOWER

#53742
University of Kansas, Lawrence—ELECTRONIC TEST EQUIPMENT

#53791
Kansas Corporation Commission, Topeka—MICRO-COMPUTER SYSTEM

(continued)

#53797

University of Kansas, Lawrence—SOLVENT DELIVERY SYSTEM

#53798

University of Kansas, Lawrence—REPORTING INTEGRATOR

#53804

Kansas State University, Manhattan—MICRO PROCESSOR SYSTEM

THURSDAY, MAY 26, 1983

#25574

Department of Transportation, Topeka—REMOVAL OF WASTE AND REFUSE FROM SAFETY REST AREAS—DIVISION 3

#25575

Department of Transportation, Topeka—REMOVAL OF WASTE AND REFUSE FROM SAFETY REST AREAS—DIVISION 1

#25576

Department of Transportation, Topeka—REMOVAL OF WASTE AND REFUSE FROM SAFETY REST AREAS—DIVISION 6

#53743

Wichita State University, Wichita—DISK STORAGE

#53745

University of Kansas Medical Center, Kansas City—WORD PROCESSING SYSTEM

#53747

Department of Transportation, Garden City—SNOW PLOWS

#53759

Department of Health and Environment, Topeka—OZONE CALIBRATION SYSTEM/AIR SUPPLY

#53760

Department of Transportation, Norton—INDUSTRIAL HYDRAULIC JACK

#53766

University of Kansas, Lawrence—CONDENSATE TANKS

#53767

University of Kansas Medical Center, Kansas City—LAB CENTRIFUGES

#53768

Department of Health and Environment, Topeka—PORTABLE INFRARED SPECTROMETER

#53769

Department of Health and Environment, Topeka—ORGANIC VAPOR ANALYZER

#53770

Department of Health and Environment, Topeka—PHOTOIONIZATION ANALYZERS

#53771

Wichita State University, Wichita—TURBINE PUMPS AND TANKS

#53796

Department of Revenue, Topeka—CONTINUOUS FORMS-TR-19T-VEHICLE TITLES

#53799

University of Kansas Medical Center, Kansas City—RESURFACE DRIVE AND PARKING AREA

#53800

Kansas State Industrial Reformatory, Hutchinson—REPLACE INSULATION AND REFINISH WALLS AND CEILINGS OF THE ICE STORAGE ROOM

#53801

Pittsburg State University, Pittsburg—ASPHALT OVERLAY ON McPHERSON DRIVE

#53802

Kansas State Fair, Hutchinson—TICKETS FOR 1983 STATE FAIR

FRIDAY, MAY 27, 1983

#53761

Department of Administration (Division of Information Systems and Computing), Topeka—SOFTWARE

#53762

University of Kansas Medical Center, Kansas City—MULTIPLEXER SYSTEM

#53772

Department of Health and Environment, Topeka—AIR PARTICLE MONITORING EQUIPMENT

#53779

University of Kansas Medical Center, Kansas City—LINEN COATS

#53780

Department of Transportation, Norton—EPOXY RESIN FOR GROUTING

#53783

Kansas Technical Institute, Salina—ELECTRONIC DISTANCE MEASURING DEVICE, MOUNTABLE ON EXISTING UNIT WILD T-16

#53784

Kansas State University, Manhattan—CULTIVATOR

#53785

University of Kansas Medical Center, Kansas City—EXTERIOR PAINTING—VARIOUS BUILDINGS

#53786

Kansas State University, Manhattan—SEED TREATING MATERIALS

#53787

University of Kansas, Lawrence—MICROWAVE FREQUENCY SYNCHRONIZER

#53788

Department of Transportation, Hutchinson—PLANT MIX, BITUMINOUS MIXTURE, COMMERCIAL GRADE, for various locations

#53789

University of Kansas, Lawrence—ULTRAMICROTOME

#53790

Department of Transportation, Hutchinson—READY MIX CLASS A CONCRETE, for Wichita and Chanute areas

#53793

University of Kansas, Lawrence—HPLC DETECTOR

#53794

University of Kansas, Lawrence—AUTOMATIC SAMPLE INJECTOR

#53795

Emporia State University, Emporia—IRRIGATION SYSTEM

FRIDAY, JUNE 17, 1983

#53792

Kansas Fish and Game Commission, Pratt—NON-DRILLING OIL AND GAS LEASE

NICHOLAS B. ROACH
Director of Purchases

Doc. No. 001215

State of Kansas

OFFICE OF JUDICIAL ADMINISTRATION**COURT OF APPEALS DOCKET**

(NOTE: Dates and times of arguments are subject to change.)

KANSAS COURT OF APPEALS**ELLIS DISTRICT COURTROOM, 3rd FLOOR,
ELLIS COUNTY COURTHOUSE, HAYS, KANSAS****Before FOTH, C.J., REES and SPENCER, JJ.****Tuesday, May 31, 1983**

Case No.	Case Name	Attorney	County
		9:00 a.m.	
54,551 S.C.	Shari Shepard, Appellee, v. Debbie L. Bieberle, Appellant.	Jerry Ward. Richard S. Boeckman.	Barton
54,522	In the Matter of the Estate of Katie Jacobs, Late of Ellis County, Kansas, Deceased.	Jerome Jacobs; Gregory J. Herrman.	Ellis
54,478	Edmund Herl and Louise Herl, Appellees, v. Julius A. Legleiter, et al., Appellants.	Michael S. Holland. Stan Basgall; Gregory J. Herrman; Donald L. Gottschalk.	Ellis
54,706	Norman Mears, Appellant, v. Hartford Fire Insurance Co., a Corporation; The Estate of Robert Lewis Pedigo, Deceased; and Marvin D. Osborn d/b/a Cheyenne County Farm Bureau Insurance Co., Appellees.	Scott R. Condray. Jerry D. Fairbanks; Michael J. Day.	Cheyenne
54,897	Darral Craft as Conservator for Charles L. Wiggins; and Hazel A. Wiggins, Wife of Charles L. Wiggins, Appellants, v. John R. Hendrich and John R. Hendrich, Jr., and the Goodland State Bank and Trust Co., Appellees.	Jerry D. Fairbanks. Selby S. Soward.	Sherman
54,937	Lincoln Farm Supply Inc., Appellee, v. Dean Pahls, Appellant.	Sheldon E. Morton. Richard E. Dietz.	Lincoln
		1:00 p.m.	
54,724 S.C.	Linda Yvonne Culbertson, Appellee, v. Ronald Lee Culbertson, Appellant.	Darrell Miller. Daniel C. Walter.	Jewell
54,832	First Security Bank & Trust Co., Trustees of the William C. Horning Trust No. 1, Appellant, v. John McKinley, Appellee.	R. Douglas Sebelius. Daniel C. Walter.	Norton
54,748	State of Kansas, Appellee, v. Gina Waufle, Appellant.	Atty. Gen.; R. Douglas Sebelius, Co. Atty. Harold T. McCubbin.	Norton
54,379	William E. Miller & Rose Miller, Appellants, v. The Estate of Catherine Polzin, Appellee.	Greg L. Bauer. Don Foss; Kenneth L. Kerns.	Barton

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|----------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------|
| 54,519
S.C. | St. John Welding & Manufacturing, Inc.,
Appellee,
v.
K. J. Cosson, d/b/a K-J Sales, Appellant. | Emerson H. Shields; Don J.
Knappenberger.
Robert J. Gilliland. | Stafford |
| 54,955 | State of Kansas, Appellee,
v.
Carlyle Dean Paramore, Appellant. | Atty. Gen.; Leonard J. Dix, Co.
Atty.
Stan Krysl. | Rooks |

**KANSAS COURT OF APPEALS
COURTROOM, FINNEY COUNTY LAW ENFORCEMENT CENTER
GARDEN CITY, KANSAS**

Before FOTH, C.J., REES and SPENCER, JJ.

*Wednesday, June 1, 1983
9:00 a.m.*

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|----------------|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|--------|
| 54,742
S.C. | K & L Tank Truck Service, Inc., a
corporation, Appellant,
v.
State Corporation Commission of the
State of Kansas, Appellee. | Lelyn J. Braun.
John Jay Rosacker. | Finney |
| 54,206 | Edna Nelson, Appellee,
v.
Louis E. Nusser, Appellant. | John D. Osborn.
Duane E. West. | Finney |
| 54,616 | Scott City Grain Co., Inc., Appellant,
v.
James W. Wallace, Appellee. | Tim Degginger.
Keen K. Brantley; Byron G.
Larson. | Scott |
| 54,508 | J. & D. Farms, Inc., et al., Appellees,
v.
Williams & Sons, Inc., et al., Appellants. | Phillip Ridenhour.
Curtis E. Campbell. | Gray |
| 54,183 | F. Calvin Bowman, Appellant,
v.
Lloyd Eitel & Curtis Eitel, d/b/a Eitel
Harvesters, Appellees. | Tom R. Smith.
J. D. Muench; Terry Malone. | Lane |
| 54,445 | Dorothy Ann Schaller, Appellee,
v.
Ronald Joseph Schaller, Appellant. | David L. Patton.
Terry J. Malone. | Ford |

1:00 p.m.

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|----------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------|
| 55,129
S.C. | J. C. Lee, Appellant,
v.
City of Liberal, United States Fidelity &
Guaranty and Workers' Compensation
Fund, Appellees. | Harold K. Greenleaf.
Kerry E. McQueen; Thomas F.
Richardson. | Seward |
| 54,703 | State of Kansas, Appellee,
v.
George C. Winkler, Appellant. | Atty. Gen.; Robert M. Miles, Co.
Atty.
Keith Wilson. | Seward |
| 54,218 | James O. Ellington and Steven Wright,
Appellants,
v.
Robert L. Denney, Appellee. | Frank J. Schwartz.
Gene Smith. | Seward |
| 54,698 | State of Kansas, Appellee,
v.
Raymond Medina, Appellant. | Atty. Gen.; Richard G. Smith, Co.
Atty.
Jake W. Brooks. | Wichita |
| 55,108 | Roger Dale Foy, Appellant,
v.
State of Kansas, Appellee. | Linda L. Eckelman.
Daniel L. Love, Co. Atty. | Ford |

(continued)

KANSAS COURT OF APPEALS

COURT OF APPEALS COURTROOM, 2nd FLOOR, KANSAS JUDICIAL CENTER
301 WEST TENTH, TOPEKA, KANSAS

Before MEYER, P.J., PARKS and SWINEHART, JJ.

Tuesday, May 31, 1983

9:00 a.m.

54,687	Sally A. Kay, Appellant, v. Morris A. Kay, Appellee.	Stephen W. Cavanaugh. Eugene W. Hiatt.	Shawnee
54,545	Bailey Moving & Storage Co., Inc., Appellee, v. Robert E. Cunningham & Virginia Cunningham, Appellants.	Eugene W. Hiatt. Gary E. Laughlin.	Osage
54,927	In the Matter of the Application of Union Cemeteries Association, Union Cemeteries Association, Inc., Roselawn Services Company, Inc., for Relief from a Tax Grievance in Saline County, Kansas.	Edwin P. Carpenter. Constance M. Achterberg, Asst. Co. Atty.	Shawnee
54,906	State of Kansas, ex rel., Harvey L. Ludwick, Secretary of Human Resources, Appellant, v. The Board of County Commissioners of Douglas Co., Ks., and Douglas County Ambulance Service, Appellee.	Reid Stacey, Asst. Atty. Gen. Daniel A. Young.	Douglas
54,396	Frederick L. Mattox, Appellant, v. Walter W. Widau, Appellee.	B. L. Pringle. J. H. Eschmann.	Shanee
1:30 p.m.			
55,017	State of Kansas, Appellee, v. Henry F. Holiday, Appellant.	Atty. Gen.; Steven L. Opat, Co. Atty. Ralph J. DeZago.	Geary
54,912	State of Kansas, Appellee, v. Hye Suk Iandola & Darlene E. Sleeth d/b/a Tiger Island, Inc., Appellant.	Atty. Gen.; Steven L. Opat, Co. Atty. Kenneth M. Carpenter.	Geary
54,996	State of Kansas, Appellee, v. Deloris White a/k/a Deloris Jackson, Appellant.	Atty. Gen.; David R. Platt, Asst. Co. Atty. John H. Taylor.	Geary
54,542	Lawrence D. Boyer, Appellant, v. Estate of Aldula A. Boyer & Charles C. Boyer, Appellee.	Lawrence D. Boyer.	Reno
54,153	Mary Sue Potter, Appellee, v. Board of Education, Unified School District #453, Leavenworth, Kansas, Appellant.	David M. Schauner. Robert D. Beall.	Leavenworth

Wednesday, June 1, 1983

9:00 a.m.

54,496 S.C.	State of Kansas, Appellee, v. Randall E. Elliott, Appellant.	Atty. Gen.; Gene Olander, D.A. Max Rowinsky.	Shawnee
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(continued)

54,770	State of Kansas, Appellee, v. Kim D. Roberts, Appellant.	Atty. Gen.; Gene Olander, D.A. Lawrence P. Ireland.	Shawnee
54,918	State of Kansas, Appellee, v. Carl E. Young, Appellant.	Atty. Gen.; Joan Hamilton, Asst. D.A. Ronald E. Wurtz.	Shawnee
54,876	Ron Henry Ford, Lincoln, Mercury, Inc., Appellant, v. National Union Fire Ins. Co., et al., Appellee.	Richard O. Skoog. Herbert A. Marshall.	Shawnee
54,679	Prince Enterprises, Inc., a Missouri Corporation, Appellant, v. Griffith Oil Company, Inc., A Kansas Corporation, Appellee.	Paul E. Miller. John C. Fay.	Riley
54,949	Richard N. Anderson, Appellee, v. Lynette Jo Anderson, Appellant.	Robert C. Johnson; Daryl E. Hawkins. Doug Thompson.	Dickinson

**KANSAS COURT OF APPEALS
JOHNSON COUNTY COURTHOUSE, DIV. #6, COURTROOM 300
OLATHE, KANSAS**

Before SWINEHART, P.J., ABBOTT and PARKS, JJ.

*Thursday, June 2, 1983
9:00 a.m.*

54,990	David Earl Smith, Appellant, v. State of Kansas, Appellee.	Jerome S. Koehler, Jr.; Atty. Gen. Larry McClain, Asst. D.A.	Johnson
54,040	State of Kansas, Appellee, v. Gregory Blaine Rose, Appellant.	Atty. Gen.; Larry McLain, Asst. D.A. J. Steven Schweiker	Johnson
54,842	State of Kansas, Appellee, v. Mary Connie Stevens, Appellant.	Atty. Gen.; Paul Morrison, Asst. D.A. Carl E. Cornwell.	Johnson
53,816	In the interest of Gretchen Mae Marous.	Elmer Hoge; Dennis W. Moore, D.A.; Bryson R. Cloon.	Johnson
54,568	Gwendolyn Anderson & Sherry Hill, Appellants, v. United Cab Company, Inc., Appellee.	Richard W. Niederhauser. John Fields.	Wyandotte
54,572	Donald Eugene McGinnis, Appellant, v. Doris May McGinnis, Appellee.	Louis A. Silks, Jr. Gregory A. Dean.	Johnson
<i>1:30 p.m.</i>			
55,103	Jo Ann Rowe, Appellee, v. General Motors Corporation, Appellant, & Kansas Workmens' Comp. Fund.	Samuel J. Wells; Thomas M. Van Cleave, Jr. Bruce B. Waugh; John C. Whitaker.	Wyandotte
54,655	Kathryn R. Ismert, Appellee, v. Standard Plastics, Inc., Appellant.	Michael D. Strohhahn; Thomas M. Mullinix. R. H. Foerschler.	Wyandotte

(continued)

54,769	City of Wellsville, Appellee, v. Floyd Moldenhauer, Appellant.	R. Michael Latimer. Thomas E. Gleason.	Franklin
54,544	Larry L. Childers, Claimant/Appellant, v. The Law Company, Inc., Respondent/Appellee, & United States Fidelity & Guaranty Co., Insurance Carrier/Appellee.	Gary L. Jordan. James E. Martin.	Wyandotte
55,003	Gene Allen Mitchell, Appellant, v. Gary Rayl, Appellee.	Lisa Nathanson. Atty. Gen.; Daniel L. Doyle, Special Asst. Atty. Gen.	Leavenworth

Friday, June 3, 1983

9:00 a.m.

54,853 S.C.	Christopher Brown, Appellant, v. Larry C. Williams, Appellee.	Marion C. Miller. Hal Pierce.	Wyandotte
54,149	City of Kansas City, Kansas, Appellee, v. Gaylord Pearson, Appellant.	Robert Jenkins; John Bukaty, Jr. J. R. Russell.	Wyandotte
54,494	Stuart S. Young & Susan H. Young, Appellants. v. Donald E. Foley & Evelyn A. Foley, Appellees.	Joe L. Norton. James M. Sheeley; Kevin E. Glynn.	Johnson
54,602	(Laurence M. Jarvis & Billy Ray Pine, Involuntary Interveners), Appellants, Gerald Hawks, Plaintiff/Appellee, v. Avaron M. Hawks, Defendant/Appellee.	Joe L. Norton. Vernon Lewis, Asst. U.S. Atty.	Wyandotte
54,755	Goppert Bank & Trust Co., a Corporation, Appellee, v. Raymond L. Barney, et al., Appellants.	Arthur W. Douville. Eldon J. Shields; Frank J. Murphy; Joel K. Goldman.	Wyandotte

LEWIS C. CARTER
Clerk of the Appellate Courts

(Published in the KANSAS REGISTER, May 12, 1983.)

SENATE BILL NO. 394

AN ACT relating to state capital improvement projects; exempting the projects from certain fees, building permit requirements and building codes of political subdivisions of the state.

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

Section 1. (a) No state capital improvement project for the construction, reconstruction, remodeling, improvement, repair or maintenance of any building or facility for use by one or more state agencies, shall be subject to any building permit requirement or building code of any county, township, district, city or other political subdivision of this state or fees charged therefor. No project shall be subject to any inspection requirement or any requirement to obtain any permit, license or other instrument of approval for the project which is imposed by any city, township, district, city or other political subdivision of this state, except that such project shall be subject to reasonable inspections for the sole purpose of allowing members of the police and fire departments and other public emergency services personnel to become familiar with the project. As used in this section "building code" means any building code and includes any plumbing code, electrical wiring code, gas piping code or similar code. This act shall apply to all capital improvement projects in existence prior to the effective date of this act and to those commenced on or after the effective date.

(b) State capital improvement projects shall be exempt from the payment of fees relating to local zoning ordinances and resolutions, but the state shall reimburse a political subdivision for any related publication expenses incurred by the political subdivision.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 16, 1983.

SENATE concurred in HOUSE amendments April 23, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 23, 1983.

Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 6, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 12, 1983.)

SENATE BILL No. 303

AN ACT concerning cities and counties; relating to the powers and duties of the governing bodies thereof; amending K.S.A. 12-2908 and repealing the existing section.

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

Section 1. K.S.A. 12-2908 is hereby amended to read as follows: 12-2908. (a) Any one or more public agencies, as defined in K.S.A. 12-2903, may contract with any one or more other such

public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform. Such contract shall be authorized by the governing body of each party to the contract and shall set forth the purpose, powers, rights, objectives and responsibilities of the contracting parties.

(b) Every contract entered into hereunder for the purpose of enforcement of municipal ordinances by a county sheriff shall, as a condition precedent to its entry into force, (a) Any city or county may contract with any other city or county to perform any governmental service, activity or undertaking which each contracting city or county is authorized by law to perform. The contract shall be authorized by the governing body of the city and county and shall state the purpose of the contract and the powers and duties of the parties thereunder.

(b) A contract entered into pursuant to this section shall not be regarded as an interlocal agreement under the provisions of K.S.A. 12-2901 et seq., and amendments thereto.

be submitted to and approved by the county sheriff. Failure to approve a contract within 30 days of submission shall constitute disapproval thereof. All monetary consideration paid by a city to a county as part of a municipal law enforcement contract shall be expended by the county solely for law enforcement purposes. The sheriff and all sheriff department employees assigned responsibility for enforcing municipal ordinances under such a contract shall be designated therein and shall have all the powers of any municipal police officer by virtue of the existence of such contract.

New Sec. 2. (a) The board of county commissioners of any county and the governing body of any city located within the county may enter into a contract providing for the enforcement of the city's ordinances by the sheriff of the county or other officers of the sheriff's department. Any contract entered into pursuant to this section shall be submitted to and approved by the county sheriff. Failure of the sheriff to approve a contract within 30 days of its submission shall constitute disapproval thereof. All monetary consideration paid by a city to a county as part of the contract shall be expended by the county solely for law enforcement purposes. The sheriff and any officers of the sheriff's department assigned responsibility for enforcing a city's ordinances under the contract shall be designated therein and shall have all the powers of any other police officer of the city by virtue of the existence of the contract.

(b) A contract entered into pursuant to this section shall not be regarded as an interlocal agreement under the provisions of K.S.A. 12-2901 et seq., and amendments thereto.

Sec. 3. K.S.A. 12-2908 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 9, 1983.

Senate adopted Conference Committee report April 23, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 22, 1983.

House adopted Conference Committee report April 23, 1983.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 6, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

(continued)

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 12, 1983.)

HOUSE BILL No. 2575

AN ACT relating to water; concerning public water supply systems; amending K.S.A. 65-163 and repealing the existing section.

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

Section 1. K.S.A. 65-163 is hereby amended to read as follows: 65-163. (a) No person shall operate a public water supply system within the state without a public water supply system permit from the secretary. An application for a public water supply system permit shall be submitted for review and approval prior to construction and shall include: (1) A copy of the plans and specifications for the construction of the public water supply system or the extension thereof; (2) a description of the source from which the water supply is to be derived; (3) the proposed manner of storage, purification or treatment for the supply; and (4) such other data and information as may be required by the secretary of health and environment. No source of water supply in substitution for or in addition to the source described in the application or in any subsequent application for which a public water supply system permit is issued shall be used by a public water supply system, nor shall any change be made in the manner of storage, purification or treatment of the water supply without an additional public water supply system permit obtained in a manner similar to that prescribed by this section from the secretary.

(b) Whenever application shall be made to the secretary for a public water supply system permit under the provisions of this section, it shall be the duty of the secretary to examine the application without delay and, as soon as possible thereafter, to grant or deny the public water supply system permit subject to any conditions which may be imposed by the secretary to protect the public health and welfare. If the applicant considers the denial of a permit or the conditions of the permit as issued to be illegal, unjust or unreasonable, the applicant may appeal within ~~thirty (30)~~ 30 days after the issuance or denial of the permit to the district court of the county in which the proposed public water supply system is or will be located or, if the public water supply system is or will be located in more than one county, to the district court of any such county. The court shall hear the case without delay and shall approve, set aside or modify the action of the secretary or fix the terms upon which the permit shall be granted.

(c) Whenever a complaint is made to the secretary by any city of the state, by a local health officer, or by a county or joint board of health concerning the sanitary quality of any water supplied to the public within the county in which the city, local health officer or county or joint board of health is located, the secretary shall investigate the public water supply system about which the complaint is made. Whenever the secretary has reason to believe that a public water supply system within the state is being operated in violation of an applicable state law or an applicable rule and regulation of the secretary, the secretary may investigate the public water supply system.

(d) Whenever an investigation of any public water supply system is undertaken by the secretary, it shall be the duty of the supplier of water under investigation to furnish to the secretary information to determine the sanitary quality of the water supplied to the public and to determine compliance with applicable state laws and rules and regulations. The secretary may issue an order requiring changes in the source or sources of the public water supply system or in the manner of storage, purification or treatment utilized by the public water supply system before delivery to consumers, or distribution facilities, collectively or individually, as may in the secretary's judgment be necessary to safeguard the sanitary quality of the water and bring about

compliance with applicable state law and rules and regulations. The supplier of water shall comply with the order of the secretary.

(e) If a supplier of water considers the requirements of the order to be illegal, unjust or unreasonable, the supplier of water may appeal within ~~thirty (30)~~ 30 days after the issuance of the order to the district court of the county in which the public water supply system is located or, if the public water supply system is located in more than one county, to the district court of any such county. The court shall hear the case without delay and shall render a decision approving, setting aside or, modifying the order or modify the terms upon which the permit was granted.

(f) The secretary, as a condition for obtaining a public water supply system permit, may not require the bottom of the Lyons Creek watershed structure reservoir used for the impoundment of water for public consumption to be cleared of trees, brush or similar vegetation unless the secretary finds, based upon standards established by rules and regulations adopted by the secretary, that such trees, brush or similar vegetation must be cleared in order to insure water quality of water entering the public drinking water supply system.

The provisions of this subsection shall expire on December 31, 1983.

Sec. 2. K.S.A. 65-163 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body April 23, 1983.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

Passed the SENATE April 23, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED May 6, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 12, 1983.)

HOUSE Substitute for SENATE BILL No. 62

AN ACT concerning water; relating to the approval of certain water transfers.

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

Section 1. As used in this act:

- (a) "Water transfer" means the diversion and transportation of water in a quantity of 1,000 acre feet or more per year for beneficial use outside a ten-mile radius from the point of diversion of such water.
- (b) "Point of diversion" means:
- (1) The point where the longitudinal axis of the dam crosses the center line of the stream in the case of a reservoir;
 - (2) the location of the headgate or intake in the case of a direct diversion from a river, stream or other watercourse;
 - (3) the location of a well in the case of groundwater diversion;
 - (4) the geographical center of the points of diversion in the case of multiple diversion points.
- (c) "Chief engineer" means the chief engineer of the division of water resources of the state board of agriculture.
- (d) "Secretary" means the secretary of the department of health and environment.
- (e) "Director" means the director of the Kansas water office.
- (f) "Authority" means the Kansas water authority.
- (g) "Panel" means the water transfer hearing panel.
- (h) "Party" means any person who intervened at the public hearing held pursuant to section 3, and who presented testimony of witnesses under oath, conducted cross examination, presented oral arguments and filed written briefs. "Party" does not mean a person who made a limited appearance for the purpose of presenting a statement for or against the water transfer.
- (i) "District court" means the district court of Shawnee county.

Sec. 2. (a) No person shall make a water transfer in this state unless and until the transfer is approved pursuant to the provisions of this act. No water transfer shall be approved which would reduce the amount of water required to meet the present or any reasonably foreseeable future beneficial use of water by present or future users in the area from which the water is to be taken for transfer, unless (1) the panel determines that the benefits to the state for approving the transfer outweigh the benefits to the state for not approving the transfer; (2) the chief engineer recommends to the authority and the authority concurs that an emergency exists which affects the public health, safety or welfare; or (3) the governor has declared that an emergency exists which affects the public health, safety or welfare. Whenever an emergency exists, a water transfer may be approved on a temporary basis for a period of time not to exceed one year under rules and regulations adopted by the chief engineer. The emergency approval shall be subject to the terms, conditions and limitations specified by the chief engineer.

(b) No water transfer shall be approved under the provisions of this act if such transfer would impair water reservation rights, vested rights, appropriation rights or prior applications for permit to appropriate water.

Sec. 3. (a) Any person desiring to make a water transfer shall file, with the chief engineer, an application in the form required by rules and regulations adopted by the chief engineer. If the application is found to be insufficient to enable the panel to determine the source, nature and amount of the proposed transfer, it shall be returned for correction or completion or for any other necessary information. This act shall not be construed as to exempt the applicant from complying with the provisions of the Kansas water appropriation act or the state water plan storage act, whichever is applicable.

(b) Within 60 days of receipt of a sufficient application for a water transfer pursuant to this act, the chief engineer shall convene and conduct a hearing thereon. At such hearing, the panel shall consider the application and shall take testimony, hear oral arguments and accept all other evidence offered to determine whether to approve the proposed water transfer.

If it is determined to be in the best interest of the state, the

chief engineer may convene and conduct such a hearing within 60 days of receipt of (1) an application to appropriate water pursuant to the Kansas water appropriation act or (2) a proposed contract for the sale of water from the state's conservation storage water supply capacity even though such diversion and transportation of water is not a water transfer as defined by section 1.

(c) The panel shall consist of the chief engineer, the director and the secretary or the director of the division of environment of the department of health and environment if designated by the secretary. The chief engineer shall serve as the chairperson of the panel. All actions of the panel shall be taken by a majority of the members thereof. The panel shall have all powers necessary to conduct the hearings, make its findings and effectuate the provisions of this act. The hearing shall be conducted in a prudent and timely manner.

(d) To determine whether the benefits to the state for approving the transfer outweigh the benefits to the state for not approving the transfer, the panel shall consider all matters pertaining thereto, including specifically:

- (1) Any current beneficial use being made of the water proposed to be diverted, including minimum desirable streamflow requirements;
- (2) any reasonably foreseeable future beneficial use of the water;
- (3) the economic, environmental, public health and welfare and other impacts of approving or denying the transfer of the water;
- (4) alternative sources of water available to the applicant and present or future users for any beneficial use;
- (5) the proposed plan of design, construction and operation of any works or facilities used in conjunction with carrying the water from the point of diversion. The plan shall be in sufficient detail to enable all parties to understand the impacts of the proposed water transfer;
- (6) conservation practice implementation plans for the use of water currently available to and being used by the applicant and for the use of the water proposed to be transferred; and
- (7) conservation plans and practices or the need for such plans and practices of persons protesting or potentially affected by the proposed transfer.

(e) Any person shall be permitted to appear and testify at any such hearing upon the terms and conditions determined by the chief engineer.

(f) Notice of any such hearing shall be published in the Kansas register. Such notice shall be published at least 15 days prior to the date of the hearing.

(g) The record of the hearing and findings of fact shall be public records and open for inspection at the office of the chief engineer. The panel shall assess to the applicant all costs of obtaining a court reporter for the hearing and transcribing the transcript of the hearing. Certified transcripts of the hearing shall be provided at the expense of those requesting same. A transcript shall be provided to the chairperson of the authority.

Sec. 4. (a) Within 90 days following the conclusion of the hearing, the panel shall either recommend approval or disapprove the proposed water transfer and shall send a copy of its decision and any dissent thereto to the authority and to all other parties. The panel's decision shall specify the reasons for such decision, including findings of fact relating to each of the factors set forth in subsection (d) of section 3. The findings shall be documented by reference to specific portions of the hearing record and to any other sources used in making the decision. The panel may recommend approval of a transfer of a smaller amount of water than requested upon such terms, conditions and limitations as it deems necessary for the protection of the public interest of the state as a whole. If the panel disapproves the transfer, any party aggrieved thereby may appeal the decision in the manner provided by section 5. A recommendation of approval shall not be an appealable decision.

(b) The chief engineer shall send the panel's decision to recommend approval of a proposed water transfer to the authority for its approval. Within 90 days of receipt of the panel's decision, the authority shall meet and review the panel's deci-

(continued)

sion. To determine whether to approve or disapprove the transfer, the authority shall consider the record of the hearing and the panel's decision. The authority shall send written notice of its determination to the chief engineer and to all other parties. If the authority disapproves the transfer, it shall cite the specific reasons therefor and shall remand to the panel the panel's original decision and the authority's reasons for disapproval for further consideration thereby. Any decision to remand for further consideration shall not be an appealable decision. Upon receipt of the authority's decision to disapprove the transfer, the chief engineer shall reconvene the panel for a hearing thereon. Any hearing held on remand shall be convened and conducted in the manner provided by section 3, except that the panel shall consider only the authority's reasons for disapproval at such hearing. After considering the authority's reasons for disapproval, the panel may modify its original decision and findings of fact. After the rehearing if the panel recommends approval, the chief engineer shall send the panel's decision to the authority for its final review. Within 45 days of receipt of such decision, the authority shall approve or disapprove the transfer. Any party aggrieved by the authority's decision may appeal the decision in the manner provided by section 5.

(c) Any time prior to the authority's final decision, if new evidence becomes available to the panel which the panel determines is material to the panel's decision, the chief engineer shall reconvene the panel to consider the evidence and its decision. Such hearing shall be convened and conducted in the manner provided by section 3.

(d) If the authority approves the water transfer and if there is no appeal pending therefrom, the chief engineer shall submit the same to the legislature for review as provided for in K.S.A. 82a-1301 *et seq.*, and amendments thereto. Absent legislative disapproval, the chief engineer shall issue the order approving the transfer.

Sec. 5. (a) From and after the effective date of this act, the provisions of this section shall govern exclusively the manner in which any appeal from the decision of the panel or the authority is made.

(b) All appeals from the decision of the panel or the authority shall be filed with the district court. The attorney general of the state of Kansas shall represent the panel or the authority in any appellate procedure.

(c) Not later than 30 days after the date of the decision of the panel or the authority, any party may apply to the district court for a review thereof. The application for review shall state the specific facts upon which the appeal for review is based. Upon application for review, the clerk of the district court shall serve a copy of such application upon the chief engineer. The chief engineer shall notify, by prepaid first class mail, all parties that an application for review has been filed. The chief engineer shall transmit to the clerk a certified transcript of the proceedings before the panel and the panel's findings of fact and the decision of the authority.

(d) The district court shall review the decision of the authority and the record of the hearing and the panel's findings for the sole purpose of determining whether:

- (1) The decision of the panel or the authority was based upon sufficient evidence, or
- (2) the decision of the panel or the authority was arbitrary or capricious or fraudulent.

(e) The review proceedings shall have precedence in the district court and shall be heard by the court without a jury. Except as provided by this section, the procedure for review shall be the same as in other civil actions.

(f) The decision of the district court may be appealed in the same manner as other civil actions. Appellate proceedings shall have precedence in the court of appeals and in the state supreme court. Except as provided by this section, the procedure upon appeal shall be the same as in other civil actions.

(g) Any findings of fact made by the panel shall be deemed conclusive unless it is clearly shown to the court that the findings are not supported by substantial evidence.

Sec. 6. The chief engineer shall adopt all rules and regula-

tions necessary to effectuate and administer the provisions of this act.

Sec. 7. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 8, 1983.

Senate adopted Conference Committee report April 23, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended March 29, 1983.
House adopted Conference Committee report April 22, 1983.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 9, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS

Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

JACK H. BRIER
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER, May 12, 1983.)

HOUSE BILL No. 2140

AN ACT making and concerning appropriations for the fiscal years ending June 30, 1983, and June 30, 1984, for the commission on civil rights, attorney general, attorney general—Kansas bureau of investigation, department of social and rehabilitation services, Kansas public disclosure commission, governor's department, department of human resources, department of economic development, insurance department, Kansas arts commission, lieutenant governor, state board of tax appeals, secretary of state, Kansas soldiers' home, state treasurer, grant—veterans of world war I, and state corporation commission; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing; amending section 6 of 1983 Senate Bill No. 109 and repealing the existing section.

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

Section 1. For the fiscal years ending June 30, 1983, and June 30, 1984, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, fees, receipts, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

Sec. 2.

COMMISSION ON CIVIL RIGHTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages.....	\$723,981
Other operating expenditures.....	215,667
Total.....	\$939,648

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Federal fund.....	\$210,000
Conversion of materials and equipment fund.....	0
Annual banquet fund.....	4,000

Provided, That the commission on civil rights is hereby authorized to fix, charge and collect banquet admission fees for the annual banquet sponsored by the commission on civil rights:
Provided further, That such fees shall be deposited in the state

(continued)

treasury and credited to this fund: *And provided further*, That expenditures may be made from this fund to defray all or part of the costs of such banquet including official hospitality.

Sec. 3.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages \$1,204,780

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$772 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Other operating expenditures 262,801

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$500.

Litigation costs 58,667

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984.

Additional operating expenditures for investigation and litigation regarding architectural and construction contracts for capital improvement projects at the university of Kansas medical center (including services of special assistant attorney general) 72,500

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Additional operating expenditures for investigation and litigation regarding interstate water rights 101,592

Additional operating expenditures for investigation and litigation regarding adult care homes 25,000

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984.

Total \$1,725,340

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Court cost fund \$2,000
Conversion of materials and equipment fund 0
Attorney general's antitrust special revenue fund 130,207
Private gifts fund No limit
Attorney general's antitrust suspense fund No limit
Attorney general's antitrust shared costs fund No limit
Attorney general's consumer protection clearing fund No limit
Attorney general's distribution of court awarded counsel fees fund No limit
Tort claims fund No limit

Sec. 4.

ATTORNEY GENERAL — KANSAS BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages \$3,126,468

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Other operating expenditures 1,734,288

Provided, That expenditures from this account for official hospitality shall not exceed \$300.

Total \$4,860,750

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Attorney general's private detective fees suspense fund No limit
Conversion of materials and equipment fund \$35,500
Local law enforcement personnel education and training fees fund No limit

Provided, That expenditures may be made from this fund for operating expenditures directly or indirectly related to education and training classes conducted for special agents and other personnel, including official hospitality: *Provided further*, That the director of the Kansas bureau of investigation is hereby authorized to fix, charge and collect fees for education and training services made available to local law enforcement personnel in classes conducted for special agents and other personnel of the Kansas bureau of investigation: *And provided further*, That such fees shall be fixed in order to recover all or part of the direct and indirect operating expenses incurred for such classes, including official hospitality: *And provided further*, That all fees received for such classes shall be deposited in the state treasury and credited to this fund.

Evidence purchase and investigation fund No limit

Provided, That expenditures may be made from this fund for purchase of illegal drugs, to make contacts and acquire information leading to illegal drug outlets, contraband and stolen property, and for similar investigatory purposes: *Provided further*, That all moneys which are expended for any such purpose from whatever funding source and which are recovered shall be deposited in the state treasury and credited to this fund.

Sec. 5.

KANSAS PUBLIC DISCLOSURE COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Operating expenditures \$177,395

Sec. 6.

GOVERNOR'S DEPARTMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Administration \$948,448
Governor's residence 117,221
Contingencies to be used without limitation at the discretion of the governor 75,000
Total \$1,140,669

(b) Expenditures may be made by the above agency for traveling expenses of the governor's spouse when accompanying the governor or when representing the governor on official state business and for travel and subsistence expenditures for security personnel when traveling with the governor from the amount appropriated for the fiscal year ending June 30, 1984, by subsection (a) from the state general fund in the administration account.

(c) Expenditures may be made by the above agency for entertainment of officials and other persons as guests from the amount appropriated by subsection (a) from the state general fund in the administration account and from the amount appropriated for the fiscal year ending June 30, 1984, by subsection (a) from the state general fund in the governor's residence account.

(d) There is appropriated for the above agency from the following special revenue fund for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such fund, except that expenditures shall not exceed the following:

Conversion of materials and equipment fund No limit

Sec. 7.

DEPARTMENT OF HUMAN RESOURCES

(a) There is appropriated for the above agency from the state (continued)

general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages.....	\$1,861,628
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: <i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$32,511 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Other operating expenditures.....	216,665
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: <i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$10,000 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Contingency for fact-finding and mediation costs.....	15,000
<i>Provided</i> , That expenditures may be made from this account for the costs incurred for mediation under K.S.A. 72-5427 and for fact-finding under K.S.A. 72-5428, subject to full reimbursement therefor by the board of education and the professional employees' organization involved in such mediation and fact-finding procedures.	
For payment of educational claims.....	15,000
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: <i>Provided further</i> , That expenditures from this account shall be for payment of claims under K.S.A. 73-1217 and 73-1218: <i>And provided further</i> , That expenditures may be made from this account for such claims regardless of when the enrollments were provided for persons under such statutes.	
Total.....	\$2,108,293

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Workmen's compensation fee fund.....	\$1,255,379
Kansas veterans' commission fund.....	85,000
Publication and sale of labor laws fund.....	0
Conversion of materials and equipment fund.....	0
Occupational health and safety—federal fund.....	243,912
Boiler inspection fee fund.....	152,907
Special employment security fund.....	No limit
Employment security administration fund.....	No limit
<i>Provided</i> , That expenditures from this fund for the operating expenditures of the work incentive program shall not exceed \$997,718.	
Work incentive program fund.....	175,000
Employment security computer systems institute fund.....	No limit
Comprehensive employment and training act (CETA) programs—federal fund.....	No limit
Comprehensive employment and training act (CETA) special grants—federal fund.....	No limit
Job training partnership act—title II-A—disadvantaged training fund.....	0
Job training partnership act—title II-B—summer youth training fund.....	0
Job training partnership act—title III—dislocated workers fund.....	0
Mexican-American advisory committee—CETA—federal fund.....	No limit
Occupational information system—federal fund.....	116,267
<i>Provided</i> , That any transfers of moneys from this fund to state agencies or to any other special revenue fund of the above agency shall be in addition to any expenditure limitation imposed on this fund.	
Human resources special projects fund.....	No limit
Advisory committee on Mexican American affairs—donations fund.....	No limit
Advisory committee on Mexican American affairs—federal fund.....	No limit
Committee on employment of the handicapped—gifts, grants and donations fund.....	No limit
Dispute resolution fund.....	No limit
<i>Provided</i> , That all moneys received by the secretary of human resources for reimbursement of expenditures for the costs incurred for mediation under K.S.A. 72-5427 and for fact-finding under K.S.A. 72-5428 shall be deposited in the state treasury and credited to this fund: <i>Provided further</i> , That expenditures may be made from this fund to pay the costs incurred for mediation under K.S.A. 72-5427 and for fact-finding under K.S.A. 72-5428, subject to full reimbursement therefor by the board of education and the professional employees' organization involved in such mediation and fact-finding procedures.	

Employment security fund.....	No limit
<i>Provided</i> , That expenditures may be made from this fund from moneys made available to the state under section 903 of the social security act, as amended: <i>Provided, however</i> , That expenditures from this fund of moneys made available to the state under section 903 of the social security act, as amended, shall be made only for the following purposes: (1) For major maintenance of existing buildings used by the division of employment of the department of human resources for employment security purposes; (2) for acquiring land, for constructing new buildings and for additions to buildings to be used by such division for employment security purposes; (3) for paving, landscaping and acquiring fixed equipment as may be required for the use and operation of such buildings; or (4) for any combination of these purposes: <i>Provided further</i> , That expenditures from this fund of moneys made available to the state under section 903 of the social security act, as amended, shall not exceed \$391,969.	

Sec. 8.

DEPARTMENT OF ECONOMIC DEVELOPMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

General administration.....	\$527,508
<i>Provided</i> , That expenditures from this account for official hospitality shall not exceed \$3,000.	
Industrial development.....	596,464
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, in the industrial training program account and in the other operating expenditures account is hereby reappropriated to the industrial development account for fiscal year 1984: <i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$37,000 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed by subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Travel and tourism.....	413,441
Minority business.....	46,840
Planning and community development.....	408,143
Grants-in-aid—agricultural hall of fame.....	250,000
<i>Provided</i> , That expenditures from this account shall be made only when matching funds are provided by the agricultural hall of fame in an amount which is equal to or more than \$250,000.	
Kansas advanced technology commission—research projects grants.....	610,000
<i>Provided</i> , That the secretary, with the approval of the Kansas advanced technology commission, shall transfer funds from this account to the research projects grants funds at the university of Kansas, Kansas state university, Wichita state university and Pittsburg state university: <i>Provided, however</i> , That such transfers made during fiscal year 1984 shall not exceed \$220,000 for the university of Kansas, \$175,000 for Kansas state university, \$130,000 for Wichita state university, and \$85,000 for Pittsburg state university: <i>Provided further</i> , That any transfer from this account to any such institution shall be matched, prior to such transfer, by an amount in the research projects grants matching fund of such institution which is equal to or more than 150% of the amount transferred.	
Total.....	\$2,852,396

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Publication and other sales fund.....	No limit
Conversion of materials and equipment fund.....	\$0
Housing assistance program—federal fund.....	1,238,816
Kansas industrial training program—federal fund.....	150,000

Sec. 9.

INSURANCE DEPARTMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages.....	\$2,604,482
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984: <i>Provided, however</i> , That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines	

(continued)

prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Other operating expenditures	785,588
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984:	
<i>Provided, however</i> , That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Official hospitality	750
Total	\$3,390,820

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Insurance company examination fund	No limit
Insurance company annual statement examination fund	\$38,754
Insurance company examiner training fund	No limit
Conversion of materials and equipment fund	0
Commissioner's travel reimbursement fund	No limit
Health care stabilization fund	No limit
Workers' compensation fund	No limit
<i>Provided</i> , That expenditures from this fund for attorneys' fees and other costs and benefit payments may be made regardless of when services were rendered or when the initial award of benefits was made.	
Firemen's relief fund	No limit
Suspense fund	No limit
Insurance company tax and fee refund fund	No limit

(c) On July 1, 1983, the director of accounts and reports shall transfer \$4,000,000 from the state general fund to the workers' compensation fund in accordance with K.S.A. 44-566a and amendments thereto.

Sec. 10.

KANSAS ARTS COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Promotion of the arts	\$419,918
<i>Provided</i> , That expenditures from this account for arts programming grants or challenge grant program grants shall be made only for the purpose of matching an equal or greater amount of federal grant moneys or local grant moneys, or both, for arts programming: <i>Provided further</i> , That expenditures from this account shall be made in a manner to benefit the maximum number of Kansas communities in the development of Kansas talent and art: <i>And provided further</i> , That expenditures from this account for official hospitality shall not exceed \$750.	

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas arts commission gifts, grants and bequest fund	No limit
<i>Provided</i> , That expenditures from this fund for state operations shall not exceed \$57,708.	
Kansas arts commission special gifts fund	No limit
Arts programming grants fund	No limit

Provided, That moneys received by the Kansas arts commission from the remittance of the unexpended balance of arts programming grants to the commission shall be deposited in the state treasury and credited to this fund: *Provided further*, That expenditures from this fund shall be made only for the purpose of matching an equal or greater amount of federal grant moneys or local grant moneys, or both, for arts programming: *And provided further*, That expenditures from this fund shall be made in a manner to benefit the maximum number of Kansas communities in the development of Kansas talent and art.

Sec. 11.

LIEUTENANT GOVERNOR

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Operations	\$88,388
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(b) Expenditures may be made by the above agency for traveling expenses of the lieutenant governor's spouse when accompanying the lieutenant governor on official state business and for travel and subsistence expenditures for security personnel while traveling with the lieutenant governor on official state business from the amount appropriated for the fiscal year ending June 30, 1984, by subsection (a) from the state general fund in the operations account.

(c) Expenditures may be made by the above agency for official hospitality from the amount appropriated for the fiscal year ending June 30, 1984, by subsection (a) from the state general fund in the operations account, except that such expenditures shall not exceed \$1,000.

Sec. 12.

STATE BOARD OF TAX APPEALS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Operating expenditures	\$510,483
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984:	
<i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$14,261 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	

Sec. 13.

SECRETARY OF STATE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages	\$813,861
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984:	
<i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$33,170 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Other operating expenditures	484,817
<i>Provided</i> , That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984:	
<i>Provided, however</i> , That expenditures from such reappropriated balance shall not exceed \$965 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.	
Official hospitality	1,000
Any unencumbered balance in excess of \$100 as of June 30, 1983, in the operating expenditures—contingency for recall procedure account is hereby reappropriated for fiscal year 1984.	
Total	\$1,299,678

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures shall not exceed the following:

State flag and banner fund	No limit
Suspense fund	No limit
Secretary of state fee refund fund	No limit
Conversion of materials and equipment fund	No limit
Kansas-Missouri boundary survey in Doniphan county operating fund	No limit
Information and copy service fee fund	\$36,740
State register fee fund	107,488
Land survey fee fund	24,261
Prepaid services fund	No limit

Sec. 14.

KANSAS SOLDIERS' HOME

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

(continued)

Operating expenditures \$1,200,136
 Any unencumbered balance in excess of \$100 as of June 30, 1983, in the replace and repair roofs on Custer house, Pershing, Eisenhower and headquarters buildings account is hereby reappropriated for fiscal year 1984.

(b) There is appropriated for the above agency from the following special revenue fund for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such fund, except that expenditures other than refunds authorized by law shall not exceed the following:

Soldiers' home fee fund \$1,504,772
Provided, That all reimbursements from the U.S. veterans administration for care of residents shall be deposited in the state treasury and credited to this fund.

(c) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 1984, the following:

Reroof Halsey hall \$95,450
 Sec. 15.

STATE TREASURER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Salaries and wages \$808,244
Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984. *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$8,132 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.
 Other operating expenditures 327,677
Provided, That any unencumbered balance in excess of \$100 as of June 30, 1983, is hereby reappropriated for fiscal year 1984. *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed by subsection (c) of K.S.A. 75-3711c and amendments thereto.
 Official hospitality 250
 Total \$1,136,171

(b) There is appropriated for the above agency from the following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures shall not exceed the following:

Fiscal agency fund No limit
 Taylor grazing fees fund No limit
 Local ad valorem tax reduction fund No limit
 County and city revenue sharing fund No limit
 Stormont library permanent fund No limit
 Suspense fund No limit
 County and city retailers' sales tax fund No limit
 Local alcoholic liquor fund No limit
 Local alcoholic liquor equalization fund No limit
 Unclaimed properties suspense fund No limit
 Unclaimed property expense recovery fund \$98,215

Sec. 16.

GRANT—VETERANS OF WORLD WAR I

(a) There is appropriated for the following veterans' organization from the state general fund for the fiscal year ending June 30, 1984, the following:

Grant for fiscal year 1984 to be paid by the director of accounts and reports upon presentation of a claim by the Veterans of World War I, Department of Kansas \$2,000

Sec. 17. On July 1, 1983, section 6 of 1983 Senate Bill No. 109 is hereby amended to read as follows: Sec. 6.

STATE CORPORATION COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1984, the following:

Energy conservation management \$45,821

(b) There is appropriated for the above agency from the

following special revenue funds for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Public service regulation fund \$3,114,840
Provided, That expenditures from this fund for salaries and wages shall not exceed \$2,037,711.
 Motor carrier license fees fund 1,206,927
Provided, That expenditures from this fund for salaries and wages shall not exceed \$790,545.
 Conservation fee fund 2,792,502
Provided, That expenditures from this fund for salaries and wages shall not exceed \$2,002,470: *Provided further*, That any expenditures made from this fund for plugging abandoned wells and testing of wells shall be in addition to any expenditure limitation imposed on this fund.
 Gas pipeline inspection fee fund 9,200
Provided, That expenditures from this fund for salaries and wages shall not exceed \$7,912.
 Mined-land conservation and reclamation fee fund 127,299
Provided, That expenditures from this fund for salaries and wages shall not exceed \$94,570.
 National surface mining control and reclamation act—federal fund 105,094
Provided, That expenditures from this fund for salaries and wages shall not exceed \$78,095.
 Abandoned mined-land reclamation act—federal fund No limit
Provided, That expenditures from this fund for salaries and wages shall not exceed \$35,856.
 Gas pipeline safety program—federal fund 86,185
Provided, That expenditures from this fund for salaries and wages shall not exceed \$52,896.
 Railroad safety program—federal fund 24,488
Provided, That expenditures from this fund for salaries and wages shall not exceed \$13,564.
 Rural abandoned mined-land—federal fund No limit
Provided, That no expenditures shall be made from this fund for salaries and wages.
 Energy grants management fund 878,278
Provided, That expenditures may be made from this fund for capital improvement grants under the institutional buildings conservation program: *Provided, however*, That expenditures from this fund for the institutional buildings conservation program shall not exceed \$400,000.
 Energy conservation bank fund 400,000

(c) On July 1, 1983, the director of accounts and reports shall transfer all moneys in the energy special projects fund of the Kansas energy office to the energy grants management fund of the state corporation commission. On July 1, 1983, all liabilities of the energy special projects fund of the Kansas energy office are hereby imposed on the energy grants management fund of the state corporation commission and the energy special projects fund of the Kansas energy office is hereby abolished.

(d) On July 1, 1983, the director of accounts and reports shall transfer all moneys in the energy conservation for institutional buildings fund of the department of administration to the energy grants management fund of the state corporation commission. On July 1, 1983, all liabilities of the energy conservation for institutional buildings fund of the department of administration are hereby imposed on the energy grants management fund of the state corporation commission and the energy conservation for institutional buildings fund of the department of administration is hereby abolished.

(e) On July 1, 1983, the director of accounts and reports shall transfer all moneys in the conversion of materials and equipment fund of the Kansas energy office to the state general fund and the conversion of materials and equipment fund of the Kansas energy office is hereby abolished.

(f) On July 1, 1983, the director of accounts and reports shall transfer all moneys in the publications fee fund of the Kansas energy office to the state general fund and the publications fee fund of the Kansas energy office is hereby abolished.

(g) On July 1, 1983, the position limitation established by section 8 of 1983 Senate Bill No. 109 for the state corporation commission is hereby increased from 230.5 to 236.0.

(continued)

Sec. 18.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

(a) There is appropriated for the above agency from the following special revenue fund for the fiscal year ending June 30, 1984, all moneys now or hereafter lawfully credited to and available in such fund, except that expenditures shall not exceed the following:

Low income weatherization assistance program fund No limit

(b) On July 1, 1983, the director of accounts and reports shall transfer an amount specified by the chairperson of the state corporation commission of not to exceed \$206,578 from the energy grants management fund of the state corporation commission to the low income weatherization assistance program fund of the department of social and rehabilitation services for low income weatherization assistance grants.

(c) On July 1, 1983, the director of accounts and reports shall transfer \$1,703,600 from the federal petroleum violation escrow funds account of the energy grants management fund of the state corporation commission to the low income weatherization assistance program fund of the department of social and rehabilitation services for low income weatherization assistance grants.

Sec. 19. *Position limitations.* The number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations made in this act for the fiscal year ending June 30, 1984, for the following agencies shall not exceed the following, except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Agency	Number of Positions Equated To Full-Time
Commission on Civil Rights	41.7
Attorney General	54.5
Attorney General—Kansas Bureau of Investigation	128.0
Capitol Area Plaza Authority	0.0
Kansas Public Disclosure Commission	5.0
Department of Human Resources	
CETA personnel	56.25
All other personnel	953.5
Department of Economic Development	47.0
Insurance Department	136.0
Kansas Arts Commission	8.0
Lieutenant Governor	3.0
State Board of Tax Appeals	14.0
Secretary of State	45.0
Kansas Soldiers' Home	132.8
State Treasurer	47.0

Sec. 20.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 1983, the following:

Additional operating expenditures for investigation and litigation regarding adult care homes \$25,000

Sec. 21. On July 1, 1983, section 6 of 1983 Senate Bill No. 109 is hereby repealed.

Sec. 22. *Appeals to exceed limitations.* Upon written application to the governor and approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, expenditures from special revenue funds may exceed the amounts specified in this act for the fiscal year ending June 30, 1984.

Sec. 23. *Savings.* Any unencumbered balance in any special revenue fund, or account thereof, which is not otherwise specifically appropriated or limited by this or other appropriation act of the 1983 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 1984, for the same use and purpose as the same was heretofore appropriated.

Sec. 24. *Federal grants.* Each federal grant or other federal receipt which is received by a state agency named in this act and which is not otherwise appropriated to that state agency by this

or other appropriation act of the 1983 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 1984, for that state agency for the purpose set forth in such federal grant or receipt.

Sec. 25. Any transfers of money during the fiscal year ending June 30, 1984, from any special revenue fund of any state agency named in this act to the federal audit services fund of the division of post audit under K.S.A. 46-1121 shall be in addition to any expenditure limitation imposed on any such fund for the fiscal year ending June 30, 1984.

Sec. 26. *Effective date.* This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body March 3, 1983.

House adopted Conference Committee report April 24, 1983.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

Passed the SENATE as amended April 5, 1983.

Senate adopted Conference Committee report April 24, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED May 9, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

JACK H. BRIER
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER, May 12, 1983.)

SENATE BILL No. 421

AN ACT relating to the community corrections act; concerning charges for certain juveniles and felons; amending K.S.A. 1982 Supp. 75-52,104 and repealing the existing section; also repealing K.S.A. 1982 Supp. 75-52,104, as amended by 1983 Senate Bill No. 105.

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

Section 1. K.S.A. 1982 Supp. 75-52,104 is hereby amended to read as follows: 75-52,104. (a) Each county receiving grants under this act shall be charged a sum determined by the secretary of corrections which shall be equal to the total of the per diem costs to the state general fund of confinement and rehabilitation of those persons who are committed to the secretary of corrections on and after the first day of the calendar quarter for which the county first receives grant payments under K.S.A. 1982 Supp. 75-52,105 and amendments thereto, except that no charge shall be made for those persons: (A) (1) Convicted of a class A, B or C felony; (B) (2) convicted of a class D or E felony who had more than one prior felony conviction; (C) (3) convicted of aggravated assault under K.S.A. 21-3410 and amendments thereto; (D) (4) convicted of a sex offense under article 35 of chapter 21 of the Kansas Statutes Annotated and amendments and supplements acts amendatory of the provisions thereof or supplemental thereto; or (E) (5) sentenced under K.S.A. 21-4618 and amendments thereto.

(b) In addition to amounts charged under subsection (a) to each county receiving grants under the community corrections act, on and after the first day of the calendar quarter for which the county first receives grant payments under K.S.A. 1982 Supp. 75-52,105 and amendments thereto, a charge shall be assessed against the county for each juvenile committed to or placed in a state youth center, as defined by K.S.A. 38-1602 and amendments thereto in the amount of \$3,000 for the first calendar year the county receives the grants and \$6,000 during the second calendar year and each calendar year thereafter that the county receives the grants for each juvenile committed to or placed in a state youth center, as defined by K.S.A. 1982 Supp. 38-1602, except that no charge shall be assessed when the commitment or placement in any such facility involves a juvenile adjudged a delinquent to be a delinquent or a juvenile offender as a result of conduct which if committed by an adult would constitute a class A, B or C felony, an aggravated assault under K.S.A. 21-3410 and amendments thereto or a felony sex offense under article 35 of chapter 21 of the Kansas Statutes Annotated and amendments and supplements acts amendatory of the provisions thereof or supplemental thereto. A charge assessed against a county under this subsection shall be assessed at the time of commitment of the juvenile except that after January 1, 1983, if the commitment of a juvenile is modified within 60 days to remove the facility placement as provided in subsection (c) of K.S.A. 1982 Supp. 38-1665 and amendments thereto, the charge assessed against the county shall be \$500 for the first calendar year the county receives a grant and \$1,000 the second and each subsequent calendar year the county receives a grant.

(c) In no case shall the amount charged exceed the amount of the grant which the county is eligible to receive under this act. The secretary of corrections shall determine the charges under subsections (a) and (b) and shall deduct the appropriate charges from the amount of the grant payable to each such county. All such charges shall be a charge against the county of commitment except that the secretary of corrections may waive a charge against a county in a case involving a commitment arising from an escape or charge of aggravated juvenile delinquency.

Sec. 2. K.S.A. 1982 Supp. 75-52,104 is hereby repealed.

Sec. 3. On and after July 1, 1983, K.S.A. 1982 Supp. 75-52,104, as amended by 1983 Senate Bill No. 105, is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 30, 1983.

SENATE concurred in HOUSE amendments April 23, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 23, 1983.

Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 6, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS
 Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

JACK H. BRIER
Secretary of State.

(SEAL)

(Published in the KANSAS REGISTER, May 12, 1983.)

HOUSE BILL No. 2566

AN ACT relating to the financing of highways; concerning the taxation of motor-vehicle fuels, special fuels and LP-gas fuels and the fixing of fees for certain trip permits for such purpose; prescribing certain transfers; funding highway patrol from state general fund; amending K.S.A. 79-3408, 79-3408c, 79-3475a, 79-3492, 79-34,118 and 79-34,126 and K.S.A. 1982 Supp. 79-3408, 79-3425, 79-3425c, 79-3475, 79-3487 and 79-34,104 and repealing the existing sections; also repealing K.S.A. 1982 Supp. 79-3425h.

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

Section 1. K.S.A. 1982 Supp. 79-3408 is hereby amended to read as follows: 79-3408. (a) *Until 12:01 a.m. July 1, 1983, a tax of \$.08 per gallon, or fraction thereof, and from and after 12:01 a.m. July 1, 1983, a tax of \$.08 per gallon, or fraction thereof, at the rate computed as prescribed in section 11* is hereby imposed on the use, sale, or delivery of all motor-vehicle fuels containing less than 10% agricultural ethyl alcohol by weight which is used, sold, or delivered in this state for any purpose whatsoever.

(b) A tax is hereby imposed on the use, sale or delivery of all motor-vehicle fuels containing 10% or more of agricultural ethyl alcohol by weight, which is used, sold, or delivered in this state for any purpose whatsoever at a rate as follows: From and after 12:01 a.m. July 1, 1982, and before July 1, 1983, ~~\$.06 per gallon, or fraction thereof, from and after July 1, 1983, and before July 1, 1984, \$.07 per gallon, or fraction thereof, and from and after July 1, 1984, \$.08~~ \$.06 per gallon, or fraction thereof. Whenever the gross tax revenue generated under the motor-fuels tax law from the sale in Kansas of motor-fuels containing ethyl alcohol equals \$5,000,000 less than the amount of revenue which would have been derived from the taxation of such motor fuel at ~~\$.08 the rate per gallon, or fraction thereof, prescribed for motor-vehicle fuels under subsection (a),~~ commencing on the first day of the month next following 30 days thereafter, there shall be imposed a tax at the rate of ~~\$.08 of~~ \$.05 per gallon ~~sold, or fraction thereof, less than that prescribed for motor-vehicle fuels under subsection (a).~~

(c) Such taxes shall be paid but once. Such tax shall be computed on all motor-vehicle fuels received by each distributor, manufacturer or importer in this state and paid in the manner provided for herein, except that an allowance of 2.5% of the first 1,000,000 gallons received during each calendar year and 2% of the total gallonage in excess of 1,000,000 gallons received during each calendar year shall be made and deducted by the distributor to cover all ordinary losses in handling such motor-vehicle fuels. No such allowance shall be made on any motor-vehicle fuel exported from the state or sold to the United States of America or any of its agencies or instrumentalities as are now or hereinafter exempt by law from liability to state taxation. A distributor shall not be entitled to such allowance unless the principal business in which he or she is engaged is the business of marketing motor-vehicle fuels or petroleum products. No such allowance shall be made for any motor-vehicle fuel sold or disposed of to a consumer in tank car, transport, or pipeline lots.

(d) No tax is hereby imposed upon or with respect to the following transactions:

(1) The sale or delivery of motor-vehicle fuel by a duly licensed distributor, manufacturer or importer to another duly licensed distributor, manufacturer or importer.

(2) The sale or delivery of motor-vehicle fuel for export from the state of Kansas to any other state or territory or to any foreign country.

(3) The sale or delivery of motor-vehicle fuel to the United States of America and such of its agencies as are now or hereafter exempt by law from liability to state taxation.

(4) The sale or delivery of motor-vehicle fuel to a contractor for use in performing work for the United States or those agencies of the United States above mentioned, provided, such contractor has in effect with the United States or any such agency a cost-plus-a-fixed-fee contract covering the work.

(5) The sale or delivery of motor-vehicle fuel which is aviation fuel.

(e) Each distributor, manufacturer or importer shall make full reports and furnish such further information as the director may require with reference to all transactions upon which no tax is to be paid.

Sec. 2. K.S.A. 79-3408c is hereby amended to read as follows: 79-3408c. (a) A tax of ~~one cent (1¢) per gallon, or fraction thereof,~~ is hereby imposed on the use, sale or delivery of all motor-vehicle fuel owned at ~~twelve o one (12:01) a.m. July 1, 1976 12:01 a.m. July 1, 1983, and at 12:01 a.m. on January 1, 1984, and on July 1 of each year thereafter,~~ by any licensed distributor or unlicensed retail dealer ~~as to which the motor-fuel taxes not exceeding seven cents (7¢) per gallon, or fraction thereof, has been imposed as provided in~~ at a rate per gallon, or fraction thereof, equal to the amount, if any, by which the tax per gallon, or fraction thereof, in effect on such date as prescribed by K.S.A. 79-3408, and amendments thereto, exceeds the rate of tax upon such motor-vehicle fuel which was in effect on the preceding day. Such tax shall be paid by the licensed distributor or unlicensed retail dealer owning ~~said~~ such motor-vehicle fuel at ~~said~~ such time and date. On or before ~~July 25, 1976 the 25th day of the month in which a tax is imposed under this section,~~ every such distributor and retail dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons, or fraction thereof, of such motor-vehicle fuel ~~so owned by him or her at twelve o one (12:01) a.m. on July 1, 1976, owned at the time the tax is imposed under this section and said such report shall be accompanied by a remittance of the tax due.~~

Any licensed distributor or unlicensed retail dealer who shall fail to make such report or pay such tax, within the time hereinbefore prescribed, shall be subject to the same penalties and interest charges prescribed by the motor-vehicle fuel tax law for failure of a licensed distributor to make monthly reports and payments of motor-vehicle fuel tax. The provisions of the motor-fuel tax law relating to remedies for the collection of delinquent motor-fuel taxes from distributors shall apply to the collection of taxes imposed by this section which have become delinquent from licensed distributors and unlicensed retail dealers. All taxes, penalties and interest collected by the director under the tax imposed by this section shall be paid by ~~him or her~~ the director into the state treasury and the state treasurer shall credit the same to the ~~state highway fund funds and in the amounts specified in section 14.~~

(b) Whenever the rate of tax upon motor-vehicle fuels fixed pursuant to K.S.A. 79-3408, and amendments thereto, which become effective on July 1, 1984, or on July 1 in any year thereafter is less than the rate of tax upon such fuel in effect on the preceding day, the licensed distributor or unlicensed retail dealer owning such fuel at 12:01 a.m. on the date such reduction in taxes becomes effective shall be entitled to a refund of taxes paid upon such fuel in an amount equal to the amount by which taxes were reduced from the amount of motor-vehicle fuels taxes per gallon, or fraction thereof, actually paid upon each gallon, or fraction thereof, of motor-vehicle fuels multiplied by the number of gallons of motor-vehicle fuels owned by the distributor or dealer on such date. On or before the 25th day of the month in which such tax is reduced, every such distributor and retail dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons of such motor-vehicle fuel owned by such distributor or dealer at 12:01 a.m. on the date upon which such tax was reduced. It shall be the duty of the director of taxation to examine all such claims and determine the amount to which each claimant is entitled. In the event any distributor or dealer entitled to such refund shall owe the state any motor-vehicle fuel tax, penalties, or interest, the refund authorized by this section shall upon being determined by the director be credited upon the amount of such taxes, penalties and interest. Whenever the director shall determine that any distributor or dealer shall be entitled to a refund under any of the provisions of this section, and such refund cannot be effected by giving credit therefor, as hereinbefore provided, or against the future motor-vehicle fuel tax liability of such taxpayer the director shall certify the amount of the refund to the state director of accounts and reports, who shall draw a warrant for the amount so certified on the state treasurer in favor of the distributor or dealer entitled to such refund, and mail, or otherwise deliver, the same to the distributor entitled thereto. Such warrant shall

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be paid by the state treasurer to such distributor or dealer from the motor-vehicle fuel tax refund fund.

Sec. 3. K.S.A. 1982 Supp. 79-3425 is hereby amended to read as follows: 79-3425. (a) All of the tax amounts collected under the provisions of this act motor-fuel tax law and amendments thereto, except amounts collected pursuant to K.S.A. 79-3408c, and amendments thereto, shall be paid into remitted by the director to the state treasurer daily, and the state treasurer shall deposit all such amounts in the state treasury by the director, and. The state treasurer shall credit one and seventy-five hundredths percent (1.75%) of all taxes so collected in the state freeway fund and shall credit such amount thereof as the director shall order in the motor-vehicle fuel tax refund fund to be used for the purpose of paying motor-vehicle fuel tax refunds as provided by law. On July 1, October 1, January 1 and April 1 of each year, beginning in the year 1970, or as soon thereafter as the money is available, the state treasurer shall credit six hundred twenty-five thousand dollars (\$625,000) of the remaining tax moneys collected under the provisions of this act to the county equalization and adjustment fund, which fund is hereby created, to be apportioned and distributed in the manner provided in K.S.A. 1970 Supp. 79-3425c, and amendments thereto. Eighty-seven and fifty hundredths percent (87.50%) of the remainder of said tax moneys so collected shall be credited. The state treasurer shall credit the remainder of such amounts as follows: On and after July 1, 1974, sixty-five percent (65%) thereof 1983, to the state freeway fund which fund is hereby created, amounts specified in section 14, to be expended in the manner provided in K.S.A. 68-2301, and amendments thereto, and thirty-five percent (35%) thereof to a special city and county highway fund which is hereby created, amounts specified in section 14, to be apportioned and distributed in the manner provided in K.S.A. 1970 Supp. 79-3425c, and amendments thereto. The remaining twelve and fifty hundredths percent (12.50%) of the tax moneys so collected shall be credited to the state highway fund.

(b) On July 2, 1974 1983, and on each day thereafter, after the state treasurer has received certification from the secretary of transportation that provisions have been made for the payment of the pro rata share of the amount required to be paid on the next ensuing payment date of either the principal of or the interest on the outstanding highway bonds issued pursuant to K.S.A. 68-2304 and amendments thereto, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount equal to sixty-nine and twenty-three hundredths percent (69.23%) of the moneys credited to the state freeway fund on the preceding day specified in section 15.

Sec. 4. K.S.A. 1982 Supp. 79-3425c is hereby amended to read as follows: 79-3425c. (a) On January 15, April 15, July 15 and October 15 of each year, the director of accounts and reports shall transfer \$625,000 to the county equalization and adjustment fund from the special city and county highway fund and on such dates the state treasurer shall apportion and pay to the several counties of the state 57% of the moneys in the special city and county highway fund, created by K.S.A. 1982 Supp. 79-3425 and amendments thereto, and shall apportion and pay to the several cities of the state the remaining 43% of such moneys.

(b) The allocation and payment to each county under the provisions of this section shall be made in the following manner:

First, Each county of the state shall receive a payment of \$5,000;

Second, Of the balance remaining, 50% thereof shall be apportioned and paid to each county on January 15 and April 15 of each year in the proportion that the total amount of money collected in such county from motor vehicle registration fees for the second preceding calendar year bears to the total amount of money collected in all counties from motor vehicle registration fees for the second preceding calendar year, and on July 15 and October 15 of each year in the proportion that the total amount of money collected in such county from motor vehicle registration fees for the preceding calendar year bears to the total amount of money collected in all counties from motor vehicle registration fees for the preceding calendar year;

Third, The remaining 50% of such balance shall be apportioned and paid to each county on January 15 and April 15 of

each year in the proportion that the average daily vehicle miles traveled in such county for the second preceding calendar year bears to the average daily vehicle miles traveled in all counties of the state for the second preceding calendar year, and on July 15 and October 15 of each year in the proportion that the average daily vehicle miles traveled in such county for the preceding calendar year bears to the average daily vehicle miles traveled in all counties of the state for the preceding calendar year.

If the total amount of money received by any county pursuant to the foregoing distribution formula and by all cities located within such county pursuant to subsection (c) of this section during the period from July 15 of any year to April 15 of the next succeeding year is less than the total amount received by such county and all cities located within such county from the county road and city street fund, the special city and county highway fund, the county and township road fund and the special motor carrier fee county road fund during the period from July 1, 1969, to June 30, 1970, plus the total amount such county and all cities located within such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing such fund in effect on June 30, 1970, then on April 15 of each year, the state treasurer shall apportion and pay to each such county from the county equalization and adjustment fund an amount which together with the amount received pursuant to the foregoing distribution formula will equal the total amount received from the four aforementioned funds during such period of time plus the total amount such county and all cities located within such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing such fund in effect on June 30, 1970. In the event that there is insufficient funds in the county equalization and adjustment fund to pay each county the amount to which it is entitled, each county shall receive a payment in the proportion that the amount to which such county is entitled bears to the amount to which all such counties are entitled. If there is money remaining in such fund after such distribution, the state treasurer shall distribute the balance to the several counties in the manner provided in the second and third clauses of the foregoing formula for distributing moneys to counties from the special city and county highway fund.

All payments shall be made to the county treasurers of the respective counties, and upon receipt of the same:

(1) The county treasurers of Sedgwick and Shawnee counties shall credit 50% of the moneys received to the road and bridge fund of such counties and apportion and pay the remainder of such moneys to the several cities located in such counties;

(2) The county treasurer of Wyandotte county shall credit 10% of the moneys received to the road and bridge fund of such county and apportion and pay the remainder of such moneys to the several cities located in such county;

(3) The county treasurers of Lyon, Cowley, Crawford, Montgomery, Butler, Saline, Leavenworth, Riley, Reno and Douglas counties shall credit 90% of the moneys so received to the road and bridge fund of such counties and apportion and pay the remainder of such moneys to the several cities located in such counties except that no persons residing within the Fort Riley military reservation shall be included or considered in determining the population of any city located within Geary or Riley county; and

(4) The county treasurers of Johnson county and all other counties not listed in paragraphs (1), (2) or (3) shall credit all of the moneys received to the road and bridge fund of such counties.

Not less than 25% of the amount received by each county and credited to the county road and bridge fund under the provisions of this section shall be expended by the county on mail and school bus routes on county roads as defined in K.S.A. 68-101. Payments to the cities under the provisions of this subsection shall be in the proportion that the population of each city bears to the total population of all cities located in the same county as such city.

In counties which have not adopted the county-unit road system, the amount of money retained by such counties after

(continued)

distribution to the cities within such county pursuant to this subsection shall be distributed to each township within such county in not less than the proportion that the amount of money received by each township from the county and township road fund during the period from July 1, 1969, to June 30, 1970, bears to the total amount of money received by such county from the county and township road fund, the county road and city street funds, the special motor carrier fee county road fund and the special city and county highway fund during the period from July 1, 1969, to June 30, 1970, plus the amount such county would have received on July 15, 1970, from the special city and county highway fund based on the formula for distributing such fund in effect on June 30, 1970. All payments to townships hereunder shall be made to the treasurers thereof, and all moneys so received shall be deposited in the general road fund of such township.

(c) The allocation and payment of moneys to the several cities of the state from the special city and county highway fund shall be in the proportion that the population of each city bears to the total population of all cities in the state *except that the population of any military reservation which has been annexed to a city after the date of December 31, 1981, shall not be included in the population of such city for the purpose of this allocation.* All such payments shall be to the city treasurers of the respective cities, and upon receipt of same the city treasurer of each city shall credit the same to a separate fund to be used for the construction, reconstruction, alteration, repair and maintenance of the streets and highways of such city and for the payment of bonds, and interest thereon, issued pursuant to K.S.A. 1982 Supp. 79-3425g. In order to reduce vehicular traffic and congestion on its streets and highways any city located within Johnson county may use not to exceed 10% of the moneys credited to such fund for the purpose of constructing, repairing and maintaining footpaths and bicycle trails within such city.

(d) For the purposes of this section, the average daily vehicle miles traveled in each county shall be determined by the secretary of transportation, but it shall not include miles traveled on interstate highways, and the population of each city shall be reported in the annual enumeration by the state board of agriculture for the preceding calendar year.

Sec. 5. K.S.A. 1982 Supp. 79-3475 is hereby amended to read as follows: 79-3475. (a) *Until 12:01 a.m. July 1, 1983, a tax of \$.10 per gallon, or fraction thereof, and from and after 12:01 a.m. July 1, 1976 1983, a tax of \$.10 per gallon, or fraction thereof, at the rate computed as prescribed in section 11 is hereby levied and imposed upon the use of special fuels in any motor vehicle.*

This tax, with respect to all special fuel delivered by a special fuel dealer into supply tanks of a motor vehicle or into bulk storage tanks on the property of a special fuel user having a permit issued under K.S.A. 1982 Supp. 79-3479b, shall attach at the time of such delivery and shall be collected by such dealer from the special fuel user and shall be paid to the director. Such tax, with respect to special fuel acquired by any special fuel user in any manner other than by delivery by a special fuel dealer into a fuel supply tank of a motor vehicle or into bulk storage tanks on the property of a special fuel user having a permit issued under K.S.A. 1982 Supp. 79-3479b shall attach at the time of the use of such fuel and shall be paid to the director by the user.

(b) No city, town, county or other political subdivision of this state shall levy or collect any excise tax on the use of special fuels.

(c) Special fuel used by the government of the United States, its agencies or instrumentalities or by the national guard of Kansas or any other state shall be exempt from the tax herein imposed.

(d) Any special fuel dealer or user licensed under this division may upon application in writing to the director, and at the discretion of the director, be authorized, subject to regulations prescribed by the director, to purchase on a tax-paid basis from any special fuel dealer, who is also a wholesale distributor, all special fuel acquired by the dealer or user for subsequent delivery into the fuel supply tanks of motor vehicles. Except as provided in subsection (e) every dealer so licensed who sells or delivers special fuel on a tax-paid basis to special fuel users or

special fuel dealers authorized as aforesaid shall make a return of these tax-paid sales to the director accompanied by payment of the special fuel tax on the tax-paid gallonage so sold or delivered. The return and payment shall be made at the same time as the dealer's special fuel tax return for the month in which the covered sales or deliveries were made.

(e) Any special fuel dealer may deliver special fuels into bulk storage of any special fuel user, who has a permit under K.S.A. 1982 Supp. 79-3479b, and collect the tax imposed by this section on all such special fuels that are to be used to propel motor vehicles on the public highways.

Sec. 6. K.S.A. 79-3475a is hereby amended to read as follows: 79-3475a. (a) *A tax of two cents (2¢) per gallon, or fraction thereof, is hereby imposed on all special fuels owned at twelve o'clock (12:01) a.m. July 1, 1976 12:01 a.m. July 1, 1983, and at 12:01 a.m. on January 1, 1984, and on July 1 of each year thereafter, by any special fuel user or special fuel dealer as to which the special fuel taxes not exceeding eight cents (8¢) per gallon, or fraction thereof, has been imposed as provided in at a rate per gallon, or fraction thereof, equal to the amount, if any, by which the tax per gallon, or fraction thereof, in effect on such date as prescribed by K.S.A. 1976 Supp. 79-3475, and amendments thereto, exceeds the rate of tax upon such special fuels which was in effect on the preceding day.* Such tax shall be paid by the special fuel user or special fuel dealer owning said special fuels at said such time and date. On or before July 25, 1976 the 25th day of the month in which a tax is imposed under this section, every such special fuel user and special fuel dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons, or fraction thereof, of such special fuels so owned by him or her at *twelve o'clock (12:01) a.m. on July 1, 1976 such user or dealer at the time the tax is imposed under this section, and said such report shall be accompanied by a remittance of the tax due.*

Any special fuel user or special fuel dealer who shall fail to make such report or pay such tax, within the time hereinbefore prescribed, shall be subject to the same penalties and interest charges prescribed by the motor-vehicle fuel tax law for failure of a licensed distributor to make monthly reports and payments of motor-vehicle fuel tax. The provisions of the motor-fuel tax law relating to remedies for the collection of delinquent motor-fuel taxes from distributors shall apply to the collection of taxes imposed by this section which have become delinquent from special fuel users and special fuel dealers. All taxes, penalties and interest collected by the director under the tax imposed by this section shall be paid to him or her by the director into the state treasury and the state treasurer shall credit the same to the *state highway fund funds and in the amounts specified in section 14.*

The words and phrases used in this section shall have the meanings ascribed to them in K.S.A. 79-3474 and amendments thereto.

(b) *Whenever the rate of tax upon special fuels fixed pursuant to K.S.A. 79-3475, and amendments thereto, which becomes effective on July 1, 1984, or on July 1 in any year thereafter, is less than the rate of tax upon such fuel in effect on the preceding day, the user or dealer owning such fuel at 12:01 a.m. on the date such reduction in taxes becomes effective shall be entitled to a refund of taxes paid upon such fuel in an amount equal to the amount by which taxes were reduced from the amount of taxes per gallon, or fraction thereof, actually paid upon each gallon, or fraction thereof, of special fuels multiplied by the number of gallons of fuel owned by the user or dealer on such date. On or before the 25th day of the month in which such tax is reduced, every such user or dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons of such special fuels owned by such user or dealer at 12:01 a.m. on the date upon which such tax was reduced. It shall be the duty of the director of taxation to examine all such claims and determine the amount to which any claimant is entitled. In the event any user or dealer entitled to such refund shall owe the state any special fuel tax, penalties, or interest, the refund authorized by this section shall upon being determined by the director be credited upon the amount*

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of such taxes, penalties and interest. Whenever the director shall determine that any user or dealer shall be entitled to a refund under any of the provisions of this section, and such refund cannot be effected by giving credit therefor, as hereinbefore provided, or against the future special fuels tax liability of such taxpayer the director shall certify the amount of the refund to the state director of accounts and reports, who shall draw a warrant for the amount so certified on the state treasurer in favor of the user or dealer entitled to such refund, and mail, or otherwise deliver, the same to the user or dealer entitled thereto. Such warrant shall be paid by the state treasurer to such user or dealer from the special fuels tax refund fund, which fund is hereby established in the state treasury.

(c) A fund designated as the special fuels tax refund fund not to exceed \$1,000,000 shall be set apart and maintained by the director of taxation from the special fuels tax collected under the provisions of article 34 of chapter 79 of Kansas Statutes Annotated, and amendments thereto, and held by the state treasurer for the payment of all refunds authorized by this section.

Sec. 7. K.S.A. 1982 Supp. 79-3487 is hereby amended to read as follows: 79-3487. (a) All of the tax amounts collected under the provisions of this act special fuels tax law, except amounts collected pursuant to K.S.A. 79-3475a, and amendments thereto, shall be deposited remitted by the director to the state treasurer daily, and the state treasurer shall deposit the same in the state treasury daily by the director. One and sixty hundredths percent (1.60%) of all such tax moneys so collected shall be credited to the state freeway fund. Eighty percent (80%) of the remainder of such tax moneys so collected shall be credited as follows: On and after July 1, 1970, fifty-one percent (51%) thereof to the state highway fund, fourteen percent (14%) thereof to the state freeway fund, created by K.S.A. 1970 Supp. 70-3425, and amendments thereto, to be expended in the manner provided by K.S.A. 1970 Supp. 68-2301, and amendments thereto; and thirty-five percent (35%) thereof to the special city and county highway fund, created by K.S.A. 1970 Supp. 70-3425, and amendments thereto, to be apportioned in the manner provided by K.S.A. 1970 Supp. 70-3425c, and amendments thereto. The remaining twenty percent (20%) of such tax moneys so collected shall be credited to the state highway fund. The state treasurer shall credit such amounts as follows: On and after July 1, 1983, to the state freeway fund amounts specified in section 14, to be expended in the manner provided in K.S.A. 68-2301 and amendments thereto, and amounts specified in section 14 to a special city and county highway fund to be apportioned and distributed in the manner provided in K.S.A. 79-3425c, and amendments thereto.

(b) On July 2, 1983, and on each day thereafter, after the state treasurer has received certification from the secretary of transportation that provisions have been made for the payment of the pro rata share of the amount required to be paid on the next ensuing payment date of either principal and interest or interest on the outstanding highway bonds issued pursuant to K.S.A. 68-2304 and amendments thereto, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount specified in section 15.

Sec. 8. K.S.A. 79-3492 is hereby amended to read as follows: 79-3492. Except as otherwise provided in this act, until 12:01 a.m. July 1, 1983, a tax of \$.07 per gallon, or fraction thereof, and from and after twelve o one (12:01) 12:01 a.m. July 1, 1976 1983, a tax of seven cents (7¢) per gallon, or fraction thereof, at the rate computed as prescribed in section 11 is hereby imposed on the LP-gas user or LP-gas dealer who places such LP-gas fuel into the fuel supply tank or tanks of any motor vehicle while such vehicle is within this state. ~~Provided, however, except that in those instances in which LP-gas is withdrawn from the cargo tank of a motor vehicle for the operation thereof upon the public highways of the state, the tax shall be imposed upon and measured only by that volume of LP-gas so withdrawn and used multiplied by the tax rate per gallon provided in this act.~~

New Sec. 9. (a) A tax is hereby imposed on all LP-gas motor fuels owned at 12:01 a.m. July 1, 1983, and at 12:01 a.m. on January 1, 1984, and on July 1 of each year thereafter, by any

LP-gas motor fuels user or LP-gas motor fuels dealer at a rate per gallon, or fraction thereof, equal to the amount, if any, by which the tax per gallon, or fraction thereof, in effect on such date as prescribed by K.S.A. 79-3492, and amendments thereto, exceeds the rate of tax per gallon actually paid upon such fuel. Such tax shall be paid by the LP-gas motor fuel user or LP-gas motor fuel dealer owning said LP-gas motor fuels at such time and date. On or before the 25th day of the month in which such tax is imposed under this section, every such LP-gas motor fuel user and LP-gas motor fuel dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons, or fraction thereof, of such LP-gas motor fuels owned by the user or dealer at the time the tax is imposed under this section, and such report shall be accompanied by a remittance of the tax due.

Any LP-gas motor fuels user or LP-gas motor fuels dealer who shall fail to make such report or pay such tax, within the time hereinbefore prescribed, shall be subject to the same penalties and interest charges prescribed by the liquefied petroleum motor fuel tax law for failure of a licensed distributor to make monthly reports and payments of LP-gas motor fuel tax. The provisions of the liquefied petroleum motor fuel tax law relating to remedies for the collection of delinquent LP-motor fuel taxes from distributors shall apply to the collection of taxes imposed by this section which have become delinquent from LP-gas motor fuels users and LP-gas motor fuels dealers. All taxes, penalties and interest collected by the director under the tax imposed by this section shall be paid by the director into the state treasury and the state treasurer shall credit the same to the funds and in the amounts specified in section 14.

The words and phrases used in this section shall have the meanings ascribed to them in K.S.A. 79-3490, and amendments thereto.

(b) Whenever the rate of tax upon LP-gas motor fuels fixed pursuant to K.S.A. 79-3492, and amendments thereto, which becomes effective on July 1, 1984, or on July 1 in any year thereafter, is less than the rate of tax upon such fuels in effect on the preceding day, the user or dealer owning such fuels at 12:01 a.m. on the date such reduction in taxes becomes effective shall be entitled to a refund of taxes paid upon such fuels in an amount equal to the amount by which taxes were reduced from the amount of tax per gallon, or fraction thereof, actually paid upon each gallon, or fraction thereof, of LP-gas motor fuels multiplied by the number of gallons of fuel owned by the user or dealer on such date. On or before the 25th day of the month in which such tax is reduced, every such user or dealer shall make a report to the director on a form prescribed and furnished by the director showing the total number of gallons of such LP-gas motor fuels owned by such user or dealer at 12:01 a.m. on the date upon which such tax was reduced. It shall be the duty of the director of taxation to examine all such claims and determine the amount to which any claimant is entitled. In the event any user or dealer entitled to such refund shall owe the state any LP-gas motor fuels tax, penalties or interest, the refund authorized by this section shall upon being determined by the director be credited upon the amount of such taxes, penalties and interest. Whenever the director shall determine that any user or dealer shall be entitled to a refund under any of the provisions of this section, and such refund cannot be effected by giving credit therefor, as hereinbefore provided, or against the future LP-gas motor fuel tax liability of such taxpayer the director shall certify the amount of the refund to the state director of accounts and reports, who shall draw a warrant for the amount so certified on the state treasurer in favor of the user or dealer entitled to such refund, and mail, or otherwise deliver, the same to the user or dealer entitled thereto. Such warrant shall be paid by the state treasurer to such user or dealer from the LP-gas motor fuels refund fund which is hereby established in the state treasury.

(c) A fund designated as the LP-gas motor fuels tax refund fund not to exceed \$1,000,000 shall be set apart and maintained by the director of taxation from the LP-gas motor fuels tax collected under the provisions of article 34 of chapter 79 of Kansas Statutes Annotated, and amendments thereto, and held by the state treasurer for the payment of all refunds authorized by this section.

(continued)

Sec. 10. K.S.A. 1982 Supp. 79-34,104 is hereby amended to read as follows: 79-34,104. (a) All of the tax amounts collected under the provisions of this act liquefied petroleum motor-fuel tax law, except amounts collected pursuant to section 9 of this act, shall be deposited remitted by the director to the state treasurer daily, and the state treasurer shall deposit the same in the state treasury daily by the secretary of revenue. One and forty hundredths percent (1.40%) of all such tax moneys so collected shall be credited to the state freeway fund. Seventy percent (70%) of the remainder of such tax moneys so collected shall be credited as follows: On and after July 1, 1970, fifty-one percent (51%) thereof to the state highway fund; fourteen percent (14%) thereof to the state freeway fund created in K.S.A. 1970 Supp. 79-3425, and amendments thereto, to be expended in the manner provided by K.S.A. 1979 Supp. 68-2301, and amendments thereto; and thirty-five percent (35%) thereof to the special city and county highway fund created in K.S.A. 1970 Supp. 79-3425, and amendments thereto, to be apportioned in the manner provided by K.S.A. 1979 Supp. 79-3425, and amendments thereto. The remaining thirty percent (30%) of such tax moneys so collected shall be credited to the state highway fund. The state treasurer shall credit such amounts as follows: On and after July 1, 1983, to the state freeway fund amounts specified in section 14, to be expended in the manner provided in K.S.A. 68-2301 and amendments thereto, and amounts specified in section 14 to a special city and county highway fund to be apportioned and distributed in the manner provided in K.S.A. 79-3425c, and amendments thereto.

(b) On July 2, 1983, and on each day thereafter, after the state treasurer has received certification from the secretary of transportation that provisions have been made for the payment of the pro rata share of the amount required to be paid on the next ensuing payment date of either principal and interest or interest on the outstanding highway bonds issued pursuant to K.S.A. 68-2304 and amendments thereto, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount specified in section 15.

New Sec. 11. (a) The director of taxation shall compute tax rates to the nearest cent per gallon on motor-vehicle fuels as provided in this section. For the six-month period which begins at 12:01 a.m. on July 1, 1983, such rates shall be \$.01 less than each of the rates specified in subsection (d). For the eighteen-month period which begins at 12:01 a.m. on January 1, 1984, such rates shall be the rates specified in subsection (d). For the twelve-month periods commencing at 12:01 a.m. on July 1, 1985, and at 12:01 a.m. on July 1 of each year thereafter, the director shall compute such rate by multiplying 10% times the unweighted average retail price per gallon of premium, regular and unleaded motor-vehicle fuels sold during the month of November of the calendar year preceding the July 1 that such period commences as reported in the monthly petroleum products price report as published by the energy information administration of the United States department of energy.

(b) The tax rate per gallon on special fuels shall be an amount equal to the then current tax rate per gallon computed for motor-vehicle fuels under the provisions of subsection (a) plus \$.02 per gallon.

(c) The tax rate per gallon on LP-gas motor fuels shall be an amount equal to the then current tax rate per gallon computed for motor-vehicle fuels under the provisions of subsection (a) minus \$.01 per gallon.

(d) Notwithstanding the provisions of subsections (a) and (e), on and after January 1, 1984, the tax rates imposed under this act shall be not less than:

- (1) On motor-vehicle fuels, \$.11 per gallon, or fraction thereof;
- (2) on special fuels, \$.13 per gallon, or fraction thereof; and
- (3) on LP-gas, \$.10 per gallon, or fraction thereof.

(e) The tax rate per gallon on motor-vehicle fuels for the twelve-month periods which begin on July 1, 1985, and on each July 1 thereafter shall not be more than \$.01 above nor less than \$.01 below the tax rate computed for the immediately preceding twelve-month period.

Sec. 12. K.S.A. 79-34,118 is hereby amended to read as fol-

lows: 79-34,118. Upon application to the director of taxation and payment of the fee therefor prescribed under this section any interstate motor fuel user may obtain a trip permit which will authorize one commercial motor vehicle to be operated within this state without compliance with the other provisions of the interstate motor fuel use act and in lieu of the tax imposed by K.S.A. 79-34,109 and amendments thereto. The fee for each trip permit issued under this section shall be five dollars (\$5) \$5, except that on and after July 1, 1983, the fee for such trip permit shall be \$6 until January 1, 1984, and from January 1, 1984, to July 1, 1985, the fee for such trip permit shall be \$6.50, and shall be further increased or decreased on July 1, 1985, and on July 1 of each succeeding year by an amount equal to \$.50 for each \$.01 of increase or decrease in the rate of tax upon motor-vehicle fuels computed under subsection (a) of section 11. After January 1, 1984, the fee for a trip permit shall be not less than \$6.50. The secretary of revenue shall adopt rules and regulations specifying the conditions under which trip permits will be issued and providing for the issuance thereof. The secretary may designate agents or contract with private individuals, firms or corporations to issue such trip permits so that such permits will be obtainable at convenient locations. No contract with a private individual, firm or corporation shall take effect prior to July 1, 1978.

Sec. 13. K.S.A. 79-34,126 is hereby amended to read as follows: 79-34,126. (a) All tax amounts collected under the provisions of this interstate motor fuel use act shall be paid by the director into the state treasury and distributed as provided by K.S.A. 79-3425, remitted by the director to the state treasurer daily, and the state treasurer shall deposit the same in the state treasury. The state treasurer shall credit such amounts as follows: On and after July 1, 1983, to the state freeway fund amounts specified in section 14, to be expended in the manner provided in K.S.A. 68-2301 and amendments thereto, and amounts specified in section 14 to a special city and county highway fund to be apportioned and distributed in the manner provided in K.S.A. 79-3425c, and amendments thereto.

(b) On July 2, 1983, and on each day thereafter, after the state treasurer has received certification from the secretary of transportation that provisions have been made for the payment of the pro rata share of the amount required to be paid on the next ensuing payment date of either principal and interest or interest on the outstanding highway bonds issued pursuant to K.S.A. 68-2304 and amendments thereto, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount prescribed by section 15.

New Sec. 14. (a) From the effective date of this act until July 1, 1983, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3475, 79-3475a, 79-3492 and 79-34,118 and amendments thereto and section 9 in accordance with the allocation provided by law in effect on the day prior to the effective date of this act.

(b) Except as otherwise provided in subsection (c), on and after July 1, 1983, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3475, 79-3475a, 79-3492 and 79-34,118 and amendments thereto and section 9 as follows: To the state freeway fund 55.6% and to the special city and county highway fund 44.4%.

(c) Except as otherwise provided in subsection (d), on and after January 1, 1984, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3475, 79-3475a, 79-3492 and 79-34,118 and amendments thereto and section 9 as follows: To the state freeway fund 59.5% and to the special city and county highway fund 40.5%.

(d) On and after July 1, 1985, whenever the rate of tax upon motor vehicle fuels fixed pursuant to subsection (a) of section 11 is increased or decreased, the secretary of transportation shall adjust the percentages prescribed by subsection (c) in such a manner that the amount in excess of the amount of revenue produced by the rates of tax prescribed in subsection (d) of section 11 and the \$6.50 rate prescribed in section 12 shall be allocated in proportion of 65% thereof to the freeway fund and 35% thereof to the special city and county highway fund, adjusted to the nearest .10%.

(continued)

New Sec. 15. (a) Except as otherwise provided in subsection (a) of section 14, on and after July 2, 1983, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount equal to 78.4% of the moneys credited, on the preceding day, to the state freeway fund from taxes imposed pursuant to K.S.A. 79-3408, 79-3408c, 79-3475, 79-3475a, 79-3492 and 79-34,118 and amendments thereto and section 9.

(b) Except as otherwise provided in subsection (c), on and after January 2, 1984, the state treasurer shall transfer from the state freeway fund to the state highway fund an amount equal to 81.6% of the moneys credited, on the preceding day, to the state freeway fund from taxes imposed pursuant to K.S.A. 79-3408, 79-3408c, 79-3475, 79-3475a, 79-3492 and 79-34,118 and amendments thereto and section 9.

(c) On and after July 2, 1985, whenever the rate of tax upon motor vehicle fuels fixed pursuant to subsection (a) of section 11 is increased or decreased, the secretary of transportation shall adjust the percentage prescribed by subsection (a) in such a manner that the amount in excess of the amount of revenue produced by the rates of tax prescribed in subsection (d) of section 11 and the \$6.50 rate prescribed in section 12 shall be allocated entirely to the state highway fund, adjusted to the nearest .10%.

New Section 16. (a) On July 1, 1983, the director of accounts and reports shall transfer the sum of \$40,000,000 from the state freeway fund to the state highway fund.

(b) On July 1, 1984, the director of accounts and reports shall transfer the sum of \$20,000,000 from the state freeway fund to the state highway fund.

(c) On July 1, 1985, the director of accounts and reports shall transfer the sum of \$5,000,000 from the state freeway fund to the state highway fund.

New Sec. 17. On July 1, 1984, the director of accounts and reports shall transfer all moneys in the Kansas highway patrol fund to the state general fund. After such transfer, the Kansas highway patrol fund is hereby abolished. After June 30, 1984, all liabilities of the Kansas highway patrol fund are hereby imposed on the Kansas highway patrol and may be paid in the manner provided by law from moneys appropriated for the Kansas highway patrol from the state general fund and available therefor, subject to the provisions of appropriations acts.

Sec. 18. On and after July 1, 1984, K.S.A. 74-2114 is hereby amended to read as follows: 74-2114. (a) The personnel of the Kansas highway patrol shall be paid compensation for their services as determined by the superintendent in accordance with provisions of applicable laws, rules, and regulations. ~~Provided, That personnel whose positions are by this act placed for the first time within the classified service of the Kansas civil service shall suffer no reduction in pay thereby, but in particular each one shall be paid on a step within the authorized salary range of the approved class of positions that either coincides with or is the next step above the payroll monthly gross amount of pay that would be payable had this statute not been enacted.~~ ~~Provided further, That Military service of any member of the Kansas highway patrol who leaves or has left said the patrol for the purpose of serving in any branch of the armed forces of the United States, during any war or national emergency and who returns to said the patrol within sixty (60) 60 days after his release therefrom, shall be considered as service with the patrol for the purpose of calculating any longevity pay increase and.~~ The governor shall ~~have the power to determine when a national emergency exists or has existed in applying this provision.~~

(b) The salary of each member of the Kansas highway patrol shall be fixed by the superintendent in accordance with the Kansas civil service act. All members of the patrol shall receive their actual and necessary traveling expenses and all salaries shall be paid monthly. The Kansas highway patrol superintendent shall hold office at the pleasure of the governor. The personnel of the Kansas highway patrol other than the superintendent shall serve upon first appointment for a probationary period of one (1) year. The superintendent is authorized to assign any major, captain, lieutenant, sergeant or trooper for duty other than the place to which he is presently assigned and shall pay his necessary moving expense from the state highway patrol fund

moneys appropriated for the Kansas highway patrol from the state general fund and available therefor.

Sec. 19. On and after July 1, 1984, K.S.A. 74-2116 is hereby amended to read as follows: 74-2116. All salaries and expenses of members of the state Kansas highway patrol and all expenditure for vehicles, equipment, uniforms, arms, ammunition supplies and clerical ~~force personnel~~ and all other expenses for the operation and maintenance of the patrol shall be paid monthly and shall be paid by the state treasurer out of the state highway patrol fund upon warrants drawn by the director of accounts and reports, based upon vouchers duly itemized and certified by the superintendent of the state highway patrol as provided by law from moneys appropriated for the Kansas highway patrol and available therefor upon vouchers approved by the superintendent of the Kansas highway patrol or a person designated by the superintendent.

New Sec. 20. (a) On July 1, 1983, the director of accounts and reports shall transfer the sum of \$5,000,000 from the state freeway fund to the special city and county highway fund.

(b) On October 1, 1983, January 1, 1984, April 1, 1984, July 1, 1984, October 1, 1984, January 1, 1985 and April 1, 1985, the director of accounts and reports shall transfer \$700,000 from the special city and county highway fund to the state freeway fund. On July 1, 1985, the director of accounts and reports shall transfer \$100,000 plus the amount of interest certified under subsection (c) from the special city and county highway fund to the state freeway fund.

(c) On or before July 1, 1985, the pooled money investment board shall certify to the director of accounts and reports the amount of interest required to be determined under subsection (b) which shall be computed as follows:

(1) Determine the average interest rate on time deposit, open accounts which would be applicable under K.S.A. 75-4212 and amendments thereto for each calendar quarter beginning in July, 1983, through June, 1985.

(2) Apply the applicable interest rate for each such calendar quarter to ^{91/365} of the outstanding balance, during such quarter, of the loan provided for in subsection (a).

(3) Sum the amounts computed for all such calendar quarters.

New Sec. 21. All moneys which are transferred to the special city and county highway fund under section 20 and are received by each county and city from such fund pursuant to the subsequent apportionment and payment under K.S.A. 79-3425c and amendments thereto shall be expended for roads and highways under the jurisdiction of such county or city for the purposes authorized under K.S.A. 79-3425c and amendments thereto. All moneys received during calendar year 1983 under this act in excess of the amounts budgeted may be expended by such county or city for such purposes during the calendar year 1983 even though such moneys were not included in the budget of expenditures for such year because the ensuing distribution, if any, could not be known when the budget is published. No moneys distributed under section 20 shall be used for computing the county entitlement from the county equalization and adjustment fund under K.S.A. 79-3425c and amendments thereto.

New Sec. 22. (a) The secretary of revenue shall certify daily to the director of accounts and reports the amount equal to 9.19% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited in the state treasury and credited to the state general fund on the next preceding day that such revenues were so received and deposited.

(b) Upon receipt of each certification under subsection (a), the director of accounts and reports shall transfer from the state general fund to the state highway fund the amount computed as follows:

(1) During the fiscal year ending June 30, 1984, the amount equal to $\frac{5}{42}$ of the amount so certified;

(2) during the fiscal year ending June 30, 1985, the amount equal to $\frac{10}{42}$ of the amount so certified;

(3) during the fiscal year ending June 30, 1986, the amount equal to $\frac{15}{42}$ of the amount so certified;

(4) during the fiscal year ending June 30, 1987, the amount equal to $\frac{20}{42}$ of the amount so certified;

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(5) during the fiscal year ending June 30, 1988, the amount equal to $\frac{25}{42}$ of the amount so certified; and

(6) during the fiscal year ending June 30, 1989, and each fiscal year thereafter, the amount equal to $\frac{30}{42}$ of the amount so certified.

New Sec. 23. On or before each December 1, the secretary of revenue shall determine the percentage of the total estimated revenues to be received under the Kansas retailers' sales tax act and credited to the state general fund during the fiscal year commencing on the ensuing July 1 which represents that portion of such estimated revenues which are attributable to the retail sale of new and used motor vehicles intended for use on the highways of this state. Upon making such determination, the secretary of revenue shall certify such percentage to the director of the budget and to the director of the legislative research department.

Sec. 24. On and after July 1, 1984, K.S.A. 74-2114 and 74-2116 are hereby repealed.

Sec. 25. K.S.A. 79-3408c, 79-3475a, 79-3492, 79-34,118, 79-34,126 and K.S.A. 1982 Supp. 79-3408, 79-3425, 79-3425c, 79-3425h, 79-3475, 79-3487 and 79-34,104 are hereby repealed.

Sec. 26. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body April 21, 1983.

House adopted Conference Committee Report April 24, 1983.

MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

Passed the SENATE April 22, 1983.

Senate adopted Conference Committee Report April 24, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

APPROVED May 9, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

(SEAL)

JACK H. BRIER
Secretary of State.

(Published in the KANSAS REGISTER, May 12, 1983.)

Substitute for SENATE BILL No. 265

AN ACT concerning bonds issued by a public entity; amending K.S.A. 3-150, 3-158, 3-315, 9-1402, 10-103, 10-104, 10-105, 10-107, 10-108, 10-110, 10-111, 10-124, 10-126, 10-127, 10-130, 10-130a, 10-501, 10-503, 10-601, 10-605, 10-606, 10-702, 10-704, 10-705, 10-802, 10-1207, 12-120, 12-615, 12-631w, 12-644, 12-865, 12-874, 12-878, 12-1665, 12-1666, 12-17103, 12-1814, 12-2709, 12-2806, 12-3417, 12-3710, 12-3715, 13-1018i, 13-1238, 13-1241, 13-1275, 13-1379, 13-1380, 13-1391, 13-13,100, 13-13c09, 13-2406, 13-2423, 15-1127, 19-2862a, 19-28,109, 19-3516, 19-3532, 24-486, 24-518, 24-643, 24-644, 27-323, 40-230, 42-388d, 42-388f, 42-714, 48-317, 52-1801, 58-1201, 68-709, 68-731, 68-735, 68-2007, 68-2035, 68-2056, 68-2075, 68-2098, 74-4521, 76-815, 79-2003 and K.S.A. 1982 Supp. 27-334, 68-2304, 75-4201 and 80-911 and K.S.A. 9-1402, as amended by 1983 House Bill No. 2439, and repealing the existing sections and also repealing K.S.A. 10-604 and K.S.A. 9-1402, as amended by section 17 of this act, and K.S.A. 10-130, as amended by 1983 House Bill No. 2333.

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

New Section 1. Sections 1 to 13, inclusive, of this act shall be known and may be cited as the Kansas bond registration law.

New Sec. 2. As used in this act:

(a) "Bond" means a certificated or an uncertificated bond, no-fund warrant, temporary note or other agreement to repay borrowed money and any interest thereon whether in the form of a contract, lease, installment purchase agreement or otherwise, including a share, participation or other interest in any such agreement.

(b) "Certificated bond" means a registered bond which is represented by an instrument.

(c) "Code" means the internal revenue code of 1954, as amended.

(d) "Financial intermediary" means a bank, broker or clearing corporation or the nominee of any of them or other person or nominee which in the ordinary course of its business maintains bond accounts for its customers, when so acting.

(e) "Issuer" means a public entity which issues a bond.

(f) "Obligation" means an agreement of an issuer to pay the principal and any interest on a bond.

(g) "Original issuance" means the first transfer of a bond by an issuer to a purchaser.

(h) "Public entity" means the state of Kansas, political subdivisions, cities, counties, state universities or colleges, school districts, all special districts, joint agreement entities, public authorities, public trusts, nonprofit corporations and other organizations which are authorized under the constitution or laws of the state of Kansas to issue bonds, the interest thereon which may be exempt from federal income tax.

(i) "Registered bond" means a bond issued by a public entity pursuant to a system of registration.

(j) "System of registration" means a plan which:

(1) Provides that (A) a certificated bond specify a person entitled to the bond and the rights it represents and (B) the transfer of a certificated bond may be registered upon books maintained for that purpose by or on behalf of the issuer; and

(2) provides that (A) the transfer of an uncertificated bond be registered upon books maintained for that purpose by or on behalf of the issuer and (B) such books specify the person entitled to the bond and the rights it represents.

(k) "Uncertificated bond" means a bond which is issued pursuant to a system of registration and is not represented by an instrument.

New Sec. 3. (a) The code provides that interest on certain bonds may not be exempt from federal income tax if they are not in registered form. It is therefore a matter of concern to Kansas that public entities be authorized to provide for the issuance of bonds in such form. It is a purpose of this act, subject to the approval of the attorney general, to authorize all public entities to establish and maintain a system by which bonds may be issued in registered form within the meaning of this act.

(b) Bonds have traditionally been issued in bearer rather than in registered form, and a change from bearer to registered form will significantly affect the relationships, rights and duties and costs of issuers of and persons who deal with bonds. Such effects will impact the various issuers and varieties of bonds differently depending on their legal and financial characteristics, their markets and their adaptability to recent and prospective technological and organizational developments. It is therefore a

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matter of concern to Kansas that public entities be provided flexibility in the development of such systems and control over system incidents, so as to accommodate such differing impacts. It is the purpose of this act to authorize the establishment and maintenance and amendment, from time to time, of differing systems of registration of bonds, including system incidents, so as to accommodate the differing impacts upon issuers and varieties of bonds.

New Sec. 4. (a) Each issuer is authorized to establish and regularly maintain a system of registration with respect to the bonds it issues. The system may either be a system pursuant to which only certificated bonds are issued or a system pursuant to which both certificated and uncertificated bonds are issued. The issuer, from time to time, may discontinue and reinstitute either system.

(b) The system shall be established and regularly maintained, amended, discontinued or reinstated for the issuer by its governing body.

(c) The system shall be described in the ordinance or resolution which authorizes the original issuance, and in subsequent ordinances or resolutions providing for amendments and other matters. Such description may be by reference to a program of the issuer which is established by its governing body.

(d) The system shall define the method or methods by which transfer of the bonds shall be effective with respect to the issuer, which method or methods shall be exclusive, substantial compliance being essential to a valid transfer, and by which payment of principal and any interest shall be made. The system may permit the issuance of bonds in any denomination to represent several bonds of smaller denominations. The system may also provide for the form of any certificated bonds, for differing record and payment dates, varying denominations, and for accounting, canceled certificate destruction and other incidental matters.

(e) Under a system pursuant to which both certificated and uncertificated bonds are issued, both types of bonds may be regularly issued, or one type may be regularly issued and the other type issued only under described circumstances or to particular described categories of owners. Under a system pursuant to which uncertificated bonds are regularly issued, provision may be made for registration of pledges and releases.

(f) The system may include covenants of the issuer as to amendments, discontinuances and reinstatements and the effect of such on the exemption of interest from federal income tax provided by the code.

(g) If the effect of a conversion from one of the forms of bonds hereunder provided for to a form not hereunder provided for is that interest shall continue to be exempt from federal income under the code, this act does not preclude such conversion.

(h) Each certificated bond may have placed upon it a certificate or certificates for the signature of the authenticating trustee, registrar, transfer agent or the like.

(i) No system of registration authorized herein shall be established without the approval of the attorney general. The attorney general may approve no more than two basic systems of registration for issuers. Variances from such systems may be approved when, in the opinion of the attorney general, it is in the public interest of the issuer or the state. The two approved basic systems of registration and any explanation, rules or regulations appertaining thereto which are determined to be necessary or desirable shall be published by the attorney general in the Kansas register prior to July 1, 1983.

New Sec. 5. The issuer shall attach to its uncertificated bonds, written statements which provide a record of certain rights as of the time of issuance of the statements. Such statements shall be provided to each person acquiring rights by registration in uncertificated bonds and such statements shall be signed by a person whose signature is required or permitted to be placed on a certificated bond of the same class or series. The statement shall confer no rights on the recipient and it shall be neither a negotiable instrument nor a security.

The written statements attached to uncertificated bonds may be signed with a facsimile of the signature of the person required to sign such statements. If such statements are signed with a

facsimile signature, the transfer agent shall sign such statements manually.

New Sec. 6. (a) Except as provided by K.S.A. 10-501, and amendments thereto, an issuer may appoint the state treasurer or other agents authorized under the authority by which the bonds are issued as an authenticating trustee, transfer agent, registrar, paying or other agents for a term agreed upon and specify their rights, compensation and duties, limit their liabilities and provide for the payment of liquidated damages in the event of breach of duty imposed. Such liquidated damages may be made payable to a financial intermediary. None of such need have an office or do business within this state.

(b) An issuer may enter into agreements with the state treasurer, custodian banks and financial intermediaries, and nominees of any of them, in connection with the establishment and maintenance by others of a central depository system for the transfer or pledge of bonds. Any custodian banks and financial intermediaries, and nominees, if qualified and acting as fiduciaries, may also serve as authenticating trustees, transfer agents, registrars, paying or other agents of the issuer for the same issue of bonds.

New Sec. 7. (a) An issuer, prior to or at original issuance, may provide as a part of a system of registration, that the transferor or transferee of the bonds pay all or a designated part of the costs of the system, that costs be paid out of proceeds of the bonds, or that both methods be used. The portion of the costs of the system not provided to be paid for by the transferor or transferee or out of proceeds shall be the liability of the issuer.

(b) The issuer may, as a part of the system, provide for reimbursement or for satisfaction of its liability by payment by others. The issuer may enter into agreements with others for such reimbursement or payment, establish fees and charges pursuant to such agreements or otherwise and authorize the amount or estimated amount of such fees and charges to be reimbursed or paid from the same sources and by means of the same collection and enforcement procedures and with the same priority as the bond.

New Sec. 8. The transfer agent may charge to the presenter of a bond a transfer fee in an amount not to exceed the amount fixed by the state treasurer. The state treasurer shall fix the amount of the fee on July 1, 1983, and may adjust the amount annually thereafter.

New Sec. 9. The state treasurer is hereby authorized to take any action necessary to comply with the appropriate municipal securities rulemaking board requirements for securities transfer or clearing agencies.

New Sec. 10. Whenever any bond is authorized to be pledged as a security under K.S.A. 9-1402 *et seq.* or 75-4201 *et seq.*, and amendments thereto, or under any other statute of this state, such bond shall be accepted as a security under such statute if (a) in the case of a certificated bond, it is assigned, delivered or pledged to the holder of the deposit for security in accordance with the provisions of such statutes; (b) in the case of an uncertificated bond, registration of a pledge of the bond is authorized by the system and the pledge of the uncertificated bond is registered; or (c) in a form approved by the attorney general, which assures the availability of the bond proceeds pledged as a security for public deposits.

New Sec. 11. (a) Registration records of the issuer may be maintained at such locations within or without the state as the issuer determines.

(b) Records of the ownership or pledge of bonds are not subject to inspection or copying under any law of this state relating to the right of the public to inspect or copy public records.

New Sec. 12. (a) At the election of the issuer, made at any time prior to or at original issuance of the bond, this act may be made applicable, notwithstanding any provision of law to the contrary. When this act is applicable, it is alternative to any provision of law to the contrary and no such provision to the contrary shall apply.

(b) The public entity that authorizes the original issuance of

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the bond may make the election of the issuer which shall be part of the ordinance or resolution authorizing such issuance.

(c) An issuer shall not rescind an election after original issuance of the bond.

(d) Nothing in this act shall limit or prevent the issuance of bonds in any other form or manner authorized by law.

(e) The provisions of this act may be made applicable to bonds which have heretofore been authorized and issued.

New Sec. 13. The provisions of the Kansas bond registration law shall be construed in conjunction with the uniform commercial code and the principles of contract law relative to the registration and transfer of bonds.

Sec. 14. K.S.A. 3-150 is hereby amended to read as follows: 3-150. ~~Such~~ Revenue bonds issued under the ~~terms provisions~~ of this act shall mature ~~serially beginning~~ not later than ~~five (5) years from the date of issuance; the date of maturity on said bonds shall not be fixed for a longer period of time than forty (40) 40 years after the date of issuance; said. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, payable semiannually and the amount of interest due each six (6) months shall be evidenced by coupons attached to each bond issued and amendments thereto.~~ In no case where revenue bonds are issued under and by virtue of this act, after the project has been completed, shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the project. In the case where bonds are issued prior to completion of the project and the total amount ~~thereof received therefrom~~ exceeds the actual costs of the project when completed, then the excess shall ~~forthwith~~ be deposited in a separate fund and shall not be used except for the purpose of paying the principal of and the interest upon the revenue bonds issued under this act. No board or municipality shall have any right or authority to levy taxes to pay any of the principal of or interest on any ~~such bond revenue bonds~~ or any judgment against the issuing board or municipality on account thereof; ~~and~~. The provisions of K.S.A. 10-113, ~~and amendments thereto~~, shall not apply to any bonds issued hereunder.

Sec. 15. K.S.A. 3-158 is hereby amended to read as follows: 3-158. Revenue bonds issued under the ~~terms provisions~~ of this act may be sold at public or private sale and shall mature ~~serially beginning~~ not later than ~~five (5) years from the date of issuance; the date of maturity on said bonds shall not be fixed for a longer period of time than forty (40) 40 years after the date of issuance; said. The bonds shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009, payable semiannually. Said and amendments thereto.~~ The bonds may be in coupon or registered form and interchangeable, and shall have such other terms and provisions as the issuing municipality, by ordinance, resolution or trust agreement ~~may provide provides~~. Such bonds and the ~~any~~ interest thereon shall be exempt from taxation under the laws of this state. In no case where revenue bonds are issued under and by virtue of this act, after the project has been completed, shall the total amount ~~thereof received therefrom~~ be in excess of the actual ~~costs cost~~ of the project. In the case where the bonds are issued prior to completion of the project and the total amount ~~thereof received therefrom~~ exceeds the actual costs of the project when completed, then the excess shall ~~forthwith~~ be deposited in ~~the a~~ separate fund and shall not be used except for the purpose of paying the principal of and the interest upon the revenue bonds issued under the act. No municipality shall have any right or authority to levy taxes to pay any of the principal of or interest on any ~~such bond revenue bonds~~ or any judgment against the issuing municipality on account thereof; ~~and~~. The provisions of K.S.A. 10-113, ~~and amendments thereto~~, shall not apply to any bonds issued hereunder.

Sec. 16. K.S.A. 3-315 is hereby amended to read as follows: 3-315. ~~Such~~ Revenue bonds issued under the ~~terms provisions~~ of this act shall mature ~~serially beginning~~ not later than ~~five (5) years from the date of issuance; the date of maturity on said bonds shall not be fixed for a longer period of time than forty (40) 40 years after the date of issuance; said. The bonds shall bear interest at a rate set by the county commissioners, payable semiannually and the amount of interest due each six (6) months~~

~~shall be evidenced by coupons attached to each bond issued not to exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments thereto.~~ In no case where revenue bonds are issued under and by virtue of this act, after the project has been completed, shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the project. In the case where bonds are issued prior to completion of the project and the total amount ~~thereof received therefrom~~ exceeds the actual ~~costs cost~~ of the project when completed, then the excess shall ~~forthwith~~ be deposited in a separate fund and shall not be used except for the purpose of paying the principal of and the interest upon the revenue bonds issued under this act. The board of county commissioners of such county shall not have any right or authority to levy taxes to pay any of the principal of or interest on any ~~such bond revenue bonds~~ or any judgment against ~~said the board on account thereof~~.

Sec. 17. K.S.A. 9-1402 is hereby amended to read as follows: 9-1402. (a) Before any deposit of public moneys or funds shall be made by any municipal corporation or quasi-municipal corporation of the state of Kansas with any state or national bank or trust company or state or federally chartered savings and loan association, such municipal or quasi-municipal corporation shall obtain security for such deposit in one of the following manners prescribed by this section.

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

(c) Such bank or trust company or savings and loan association may give a corporate surety bond of some surety corporation authorized to do business in this state, which bond shall be in an amount equal to the public moneys or funds on deposit at any given time and such bond shall be conditioned that such deposit shall be paid promptly on the order of the municipal corporation or quasi-municipal corporation making such deposits.

(d) Any state or national bank or trust company or state or federally chartered savings and loan association may deposit, maintain, pledge and assign for the benefit of the governing body of the municipal corporation or quasi-municipal corporation in the manner provided in this act, securities the market value of which is equal to no less than 70% of the total deposits at any given time, and such securities shall consist of:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof;

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

(3) bonds of the state of Kansas;

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

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

(6) negotiable promissory notes which are not in default together with first lien real estate mortgages on real estate located within the state of Kansas securing payment of such notes;

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

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

(9) bonds of either a Kansas not-for-profit corporation or of a

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local housing authority that are rated at least Aa by Moody's Investors Service or AA by Standard & Poor's Corp.;

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

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

(e) No state or national bank or trust company or state or federally chartered savings and loan association may deposit and maintain for the benefit of the governing body of a municipal or quasi-municipal corporation of the state of Kansas, any securities which consist of:

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

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

(f) *Whenever a bond is authorized to be pledged as a security under this section, such bond shall be accepted as a security if (1) in the case of a certificated bond, it is assigned, delivered or pledged to the holder of the deposit for security; (2) in the case of an uncertificated bond, registration of a pledge of the bond is authorized by the system and the pledge of the uncertificated bond is registered; or (3) in a form approved by the attorney general, which assures the availability of the bond proceeds pledged as a security for public deposits.*

(g) Any state or national bank or trust company or state or federally chartered savings and loan association which has agreed to pay a rate of interest upon moneys deposited pursuant to K.S.A. 12-1675, and any amendments thereto, greater than the average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks as fiscal agents of the United States at its most recent public offering of such bills prior to the inception of such deposit contract, and depositing, pledging and assigning securities to secure payment of such deposit, shall deposit and maintain for the benefit of the governing body of the municipal corporation or quasi-municipal corporation, in the manner as provided in this act, securities of a type described in this section market value of which is equal to no less than 100% of such deposit.

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

(i) All negotiable promissory notes secured by first lien mortgages on real estate pledged and assigned as security shall be valued pursuant to rules and regulations which have been adopted by both the state bank commissioner and the savings and loan commissioner after having first being submitted to and approved by both the state banking board under K.S.A. 9-1713 and amendments thereto and the savings and loan board. Such rules and regulations shall be published in only one place in the Kansas administrative regulations as directed by the state rules and regulations board. All such notes shall be approved by the governing body of such municipal corporation or quasi-municipal corporation before the same shall be accepted as security. Negotiable promissory notes secured by first lien mortgages on real estate shall be taken at their value for not more than 75% of the security required under the provisions of this act.

Sec. 18. On and after July 1, 1983, K.S.A. 9-1402, as amended by 1983 House Bill No. 2439, is hereby amended to read as follows: 9-1402. (a) Before any deposit of public moneys or funds shall be made by any municipal corporation or quasi-municipal corporation of the state of Kansas with any state or national bank, trust company, state or federally chartered savings and loan association or federally chartered savings bank, such municipal or quasi-municipal corporation shall obtain security for such deposit in one of the following manners prescribed by this section.

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

(c) Such bank, trust company, savings and loan association or federally chartered savings bank may give a corporate surety bond of some surety corporation authorized to do business in this state, which bond shall be in an amount equal to the public moneys or funds on deposit at any given time and such bond shall be conditioned that such deposit shall be paid promptly on the order of the municipal corporation or quasi-municipal corporation making such deposits.

(d) Any state or national bank, trust company, state or federally chartered savings and loan association or federally chartered savings bank may deposit, maintain, pledge and assign for the benefit of the governing body of the municipal corporation or quasi-municipal corporation in the manner provided in this act, securities the market value of which is equal to no less than 70% of the total deposits at any given time, and such securities shall consist of:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States sponsored corporations which under federal law may be accepted as security for public funds;

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

(3) bonds of the state of Kansas;

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

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

(6) negotiable promissory notes which are not in default together with first lien real estate mortgages on real estate located within the state of Kansas securing payment of such notes;

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

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

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

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

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

(e) No state or national bank, trust company, state or federally chartered savings and loan association or federally chartered savings bank may deposit and maintain for the benefit of the governing body of a municipal or quasi-municipal corporation of the state of Kansas, any securities which consist of:

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

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

(f) *Whenever a bond is authorized to be pledged as a security under this section, such bond shall be accepted as a security if (1) in the case of a certificated bond, it is assigned, delivered or pledged to the holder of the deposit for security; (2) in the case*

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of an uncertificated bond, registration of a pledge of the bond is authorized by the system and the pledge of the uncertificated bond is registered; or (3) in a form approved by the attorney general, which assures the availability of the bond proceeds pledged as a security for public deposits.

(g) Any state or national bank, trust company, state or federally chartered savings and loan association or federally chartered savings bank which has agreed to pay a rate of interest upon moneys deposited pursuant to K.S.A. 12-1675, and any amendments thereto, greater than the average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks as fiscal agents of the United States at its most recent public offering of such bills prior to the inception of such deposit contract, and depositing, pledging and assigning securities to secure payment of such deposit, shall deposit and maintain for the benefit of the governing body of the municipal corporation or quasi-municipal corporation, in the manner as provided in this act, securities of a type described in this section market value of which is equal to no less than 100% of such deposit.

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

(h) (i) All negotiable promissory notes secured by first lien mortgages on real estate pledged and assigned as security shall be valued pursuant to rules and regulations which have been adopted by both the state bank commissioner and the savings and loan commissioner after having first being submitted to and approved by both the state banking board under K.S.A. 9-1713 and amendments thereto and the savings and loan board. Such rules and regulations shall be published in only one place in the Kansas administrative regulations as directed by the state rules and regulations board. All such notes shall be approved by the governing body of such municipal corporation or quasi-municipal corporation before the same shall be accepted as security. Negotiable promissory notes secured by first lien mortgages on real estate shall be taken at their value for not more than 75% of the security required under the provisions of this act.

Sec. 19. K.S.A. 10-103 is hereby amended to read as follows: 10-103. (a) Except as provided in subsection (b), all municipal bonds payable from special assessments against the property benefited, shall be issued to mature in not more than 20 installments of approximately equal amounts, unless unequal installments are approved by the attorney general. The last installment shall mature not more than 22 years after the date of issuance. All other municipal bonds shall be issued to mature in not more than 30 installments of approximately equal amounts each year, unless unequal installments are approved by the attorney general. The first installment shall mature not more than two years after the date of issuance and the last installment shall mature not more than 31-32 years after the date of issuance. Such bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, payable semi-annually or at such times as may be fixed by the municipalities municipality issuing the same. Each bond shall specify the date of its separate maturity, and shall be in such denomination as the authority municipality issuing the same shall direct determines.

(b) Municipal bonds sold, pursuant to written agreement, to the government of the United States of America or any bureau, department, instrumentality or agency thereof shall be issued to mature in not more than 40 years, may have serial or term maturities and shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments thereto, payable semi-annually or at such times as may be fixed by the municipalities municipality issuing the same. The bonds may be in coupon or registered form and interchangeable, and shall have such other terms and provisions as the municipality, provides by ordinance, resolution or trust agreement may provide.

Sec. 20. K.S.A. 10-104 is hereby amended to read as follows: 10-104. No Bonds shall not be issued in payment for any public improvement if the amount received therefrom is in excess of the actual cost and expense of such improvement, but the in-

stallment coupons shall include the interest on such installment to the maturity thereof. Nothing herein shall prevent the partial issuance of bonds to the extent of the then determined actual costs and expenses of a public improvement and thereafter issuing bonds for the balance of the actual costs and expenses; but the total of such issues shall not exceed the total amount authorized.

Sec. 21. K.S.A. 10-105 is hereby amended to read as follows: 10-105. Such Bonds issued by any county shall be signed by the chairman chairperson of the board of county commissioners and attested by the county clerk, under the seal of the county. Bonds issued by any city shall be signed by the mayor and attested by the city clerk, under the seal of the city. Bonds issued by any township shall be signed by the trustee, attested by the township clerk, and countersigned by the township treasurer. Bonds issued by any school district shall be signed by the president of the board of education, attested by the clerk and countersigned by the treasurer of the board. Bonds issued by any community junior college shall be signed by the chairman chairperson of the board of trustees, attested by the secretary and countersigned by the treasurer of the board. Bonds issued by any drainage district shall be signed by the chairman chairperson of the board of directors or supervisors and attested by the secretary of the board under the seal of such board.

The bonds issued by any other municipality, not herein named, shall be signed by the chairman chairperson or other presiding officer of the governing board body and attested by the secretary or clerk of such board under the seal of the board municipality, if it have has a seal, but if such board is not authorized by law to use a seal, then the bonds shall be countersigned by the treasurer of such board. Any interest coupons shall be signed by the chairman chairperson of the board of county commissioners, the mayor of the city, the township trustee, the president of the board of education or the chairman chairperson or other presiding officer of the governing board body of any other municipality, and the clerks or secretaries respectively. The Any interest coupons attached to any bond may be signed with a facsimile of the signature of any officer required to sign such interest coupons.

Sec. 22. K.S.A. 10-107 is hereby amended to read as follows: 10-107. The clerk, secretary or other recording officer of every municipality shall register all bonds issued by the municipality in his or her such officer's office. Such All bonds shall also in every case, except city bonds and bonds issued by a school district or a community junior college, also shall be registered by the county clerk and such registration shall show the date, number, amount thereof, rate of interest, the number of any coupons, and the amount of each, to whom payable, where payable and date of maturity. The board of education of any school district or the board of trustees of any community junior college may elect to register such bonds with the county clerk in each county in which there is located any part of the school district.

Sec. 23. K.S.A. 10-108 is hereby amended to read as follows: 10-108. Before any bonds shall become a valid obligation, a full and complete transcript of the proceedings leading up to the issuance thereof, properly certified by the clerk, secretary or other recording officer of the municipality proposing to issue such bonds, shall be transmitted to the state treasurer, together with the bonds proposed to be issued and with the bond any coupons attached thereto. The state treasurer shall submit such transcript to the attorney general for the purpose of determining the sufficiency of the transcript. Upon receiving written approval of such sufficiency, the state treasurer shall register such bonds in the municipal bond register in his or her the state treasurer's office. Thereupon, the state treasurer shall, under seal of office, certify upon said the bonds the fact that they have been so registered. No fee shall be charged for registration or certification under this section. Bonds which have been registered under this section shall be returned to the municipality issuing the same. The state treasurer may make such return by personal delivery of the bonds to the purchaser or to an authorized officer or agent of the municipality at the office of the state treasurer. In

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lieu of return by such personal delivery, the state treasurer may return ~~such~~ the bonds by registered or certified mail, return receipt of addressee only, or by ~~such any~~ other method as the state treasurer may be instructed prescribed in writing by the municipality. All ~~such~~ returns shall be at the expense of the municipality and moneys received to reimburse the state treasurer for ~~such~~ return charges shall be deposited in the state treasury and the same shall be credited to the state treasurer's revolving fund. The attorney general shall appoint an additional assistant attorney general for the purpose of determining the sufficiency of transcripts submitted to the attorney general by the state treasurer who shall be assigned, except in unusual workload situations, exclusively to the examination of such transcripts.

Sec. 24. K.S.A. 10-110 is hereby amended to read as follows: 10-110. (a) The state treasurer shall update the bond register continually by showing therein the information specified in K.S.A. 10-111, and amendments thereto, and by showing payments made through fiscal agents other than the state treasurer as information thereof is received. In addition to the report specified in K.S.A. 10-1007a, and amendments thereto, the clerk, secretary or other recording officer of each municipality shall furnish a sworn statement of all outstanding bonded indebtedness in such form as and whenever the state treasurer shall require requires.

(b) If any municipality shall at any time take up, refund or pay off any bonds or coupons other than through a duly designated fiscal agency, the clerk, secretary or other recording officer of the municipality shall cancel the same and shall within ~~thirty~~ (30) 30 days thereafter present ~~said~~ the bonds or coupons to the state treasurer for cancellation and entry thereof on the bond register of the state treasurer. If the municipality has a fiscal agent other than the state treasurer, it shall, within ~~said~~ the period of ~~thirty~~ (30) 30 days, give written notice of such payment and cancellation to ~~said~~ the fiscal agent.

(c) Whenever a municipality has a fiscal agent other than the state treasurer, such fiscal agent shall cancel all bonds and any coupons paid by it and within ~~thirty~~ (30) 30 days thereafter shall notify the state treasurer and the municipality in the manner required by the state treasurer.

(d) Failure to furnish statement or make cancellation is the failure of a clerk, secretary or other recording officer of a municipality to furnish the sworn statement provided for in subsection (a) when required to do so by the state treasurer, or the failure of such an officer to present any bonds or coupons to the state treasurer for cancellation as provided in this section.

Failure to furnish statement or make cancellation is a class C misdemeanor.

Sec. 25. K.S.A. 10-111 is hereby amended to read as follows: 10-111. (a) Whenever a fiscal agent pays a bond or coupon, such fiscal agent shall cancel the same and return such canceled bond or coupon to the clerk of the municipality issuing the same.

(b) When a municipality has designated a fiscal agent other than the state treasurer, such fiscal agent shall, upon the payment of any bonds or coupons, cancel the same and shall, at the direction of the municipality, destroy the same or return them to the municipality. Such bonds and coupons shall be ~~so~~ returned or destroyed at any time after six (6) months from their payment date. The municipality shall direct the fiscal agent as to the method by which ~~said~~ the bonds or coupons shall be destroyed.

(c) Whenever a municipality has transmitted to the state treasurer, on forms provided by the state treasurer, a request to pay moneys from the fiscal agency fund, the state treasurer shall approve vouchers therefor in accordance with this section and the director of accounts and reports shall issue his or her warrants thereon. The state treasurer shall not approve vouchers for payment of any municipality's request in an amount greater than moneys on deposit in the fiscal agency fund to the credit of such municipality. Upon approval of any voucher under the provision provisions of this section, the state treasurer shall enter, on the bond register in the state treasurer's office, a detailed statement of the bonds or coupons and interest paid thereon. Each such entry shall specify the municipality issuing the bond and the number of each bond or any coupon which is paid and the

amount paid therefor. Thereupon, the state treasurer shall cancel all coupons and bonds ~~so~~ paid and detail such cancellation on ~~said~~ the bond register.

Sec. 26. K.S.A. 10-124 is hereby amended to read as follows: 10-124. Interest coupons shall, as fast as they become due, any interest coupons shall be receivable in payment of taxes due to the particular county, city, the board of education of any city, the township, or school district, which may have has issued such coupons, and shall be received by all collecting officers the same as cash, in payment of such taxes.

Sec. 27. K.S.A. 10-126 is hereby amended to read as follows: 10-126. All If any coupons are attached to bonds issued by the state of Kansas, or any political subdivision thereof, they shall be sized approximately two inches (2") in width and no smaller than three and one-quarter 3 1/4 inches (3 1/4") in length or larger than four and one-quarter 4 1/4 inches (4 1/4") in length but such dimensions may be varied as required by the state treasurer with the approval of the attorney general. The following information shall be shown upon the face of such coupons: (a) The name of the state of Kansas or the political subdivision thereof issuing said such bond and coupon; (b) the place at which the same are made payable; (c) the kind, series, issue date and number of the bond to which the coupon pertains appertains; (d) the facsimile signatures of the officials authorized to sign the coupon; (e) the date of maturity; (f) the amount of the coupon; (g) the number of the coupon; and (h) the state treasurer's registration number. The state treasurer, with the approval of the attorney general, shall prescribe the arrangement of the information on the bond coupon and may also prescribe the types of ink, type fonts and type sizes that will facilitate the reading of such coupons on optical character reading equipment.

Sec. 28. K.S.A. 10-127 is hereby amended to read as follows: 10-127. The state treasurer shall refuse to register any bonds, the coupons of which if any coupons attached thereto are not printed in accordance with K.S.A. 10-126, and amendments thereto. No municipality shall attach to any bond issued by such municipality interest coupons having different rates of interest, and the state treasurer shall refuse to register any bonds issued after the effective date of this act which do not comply with this requirement.

Sec. 29. K.S.A. 10-130 is hereby amended to read as follows: 10-130. (a) The treasurers of all municipalities treasurer of each municipality shall remit to the state fiscal agent at least twenty (20) 20 days before the day of maturity of any bonds or coupons the interest thereon, payable at the office of the state treasurer as fiscal agent; sufficient moneys for the redemption of such bonds and coupons to be paid by them respectively the payment of the interest thereon. The treasurer of any city municipality, in lieu of remitting such moneys to the state fiscal agent at such time, may provide the state fiscal agent with a certificate of a state or national bank that there are on deposit in said such bank, held in trust for such state fiscal agent, funds in the form of cash or securities of the United States government, sufficient for the redemption of such bonds or coupons the payment of the interest thereon, and that such funds will reach the office of the state fiscal agent on or before twelve o'clock noon 12:00 p.m. of the third working day before the day of maturity of such bonds or coupons the interest thereon. Upon receipt of such certificate, the state fiscal agent shall file the same in the office of the state fiscal agent.

(b) When a municipality needs moneys that are in the county treasury to redeem any bonds or coupons to pay the interest thereon, the treasurer of such municipality shall make a written request of the county treasurer for the amount needed not later than twenty-five (25) 25 days prior to the maturity date of the bonds or coupons the interest thereon. Not later than two (2) days following the receipt of such request the county treasurer shall forward to the treasurer of the municipality the amount requested, if he or she the county treasurer has collected the same for such purpose. If the full amount of such a request is not in the county treasury, the county treasurer shall forward that portion that is in his or her the county treasurer's possession for such purpose.

(continued)

(c) When a county treasurer is charged with the collection of tax moneys for a municipality, the territory of which is in more than one county, such treasurer shall forward any such funds when collected to the proper county treasurer as soon as practical, or not later than two (2) days following receipt of a request from the county treasurer to whom they are to be properly forwarded.

(d) Failure to pay bond moneys when due is any of the following:

(1) Failure of a county treasurer to forward moneys in the county treasury when requested as provided in this section, or

(2) failure of the treasurer of a municipality or any county treasurer to make timely request for moneys as provided in this section, or

(3) failure of the treasurer of a municipality to make timely remittance of moneys for redemption of bonds or coupons, to pay the interest thereon, when such moneys are available for such remittance.

Failure to pay bond or interest moneys when due is a class C misdemeanor.

Sec. 30. K.S.A. 10-130a is hereby amended to read as follows: 10-130a. Any state treasurer who ~~shall have in his or her possession or under his or her control~~ possesses or controls funds or moneys which are directed by law to be used for the payment of any bonds or coupons the interest thereon and who shall fail fails to pay the same at the time and in the manner provided by law shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed one hundred dollars (\$100) \$100.

Sec. 31. K.S.A. 10-501 is hereby amended to read as follows: 10-501. ~~Unless otherwise provided by this section or by section 6,~~ the treasurer of the state of Kansas is hereby made and designated the fiscal agent of the state of Kansas: ~~Provided,~~ The governing body of any municipality as defined by K.S.A. 10-101, and amendments thereto, authorizing one or more series of bonds aggregating not less than two hundred thousand dollars (\$200,000) \$200,000 principal amount for any one sale is hereby authorized to designate and appoint by ordinance in the case of a city, and by resolution for any other municipality, a fiscal agent of its choice to provide for payment of the bonds, coupons, and interest thereon and obligations so issued and made payable by their terms at the office of said such fiscal agent. Such fiscal agent to shall be a bank located in the state of Kansas having trust powers and operating a trust department acting in fiduciary capacities, including paying agency functions for stocks and bonds: ~~Provided further, That.~~ In addition to the bank in the state of Kansas so designated as a fiscal agent, the municipality may designate and appoint one or more trust companies or banks having trust powers and located in one or more federal reserve cities as co-paying agents with the designated Kansas bank so named in the state of Kansas. The trust companies or banks designated as co-paying agents shall have correspondent banking relations with the designated Kansas bank and shall be engaged in the service of paying agent for municipal bonds. Whenever any municipality shall so designate designates a fiscal agent other than the treasurer of the state of Kansas, all such bonds and any coupons issued under authority hereof shall show the same to be payable at the office of the designated fiscal agent or co-paying agent.

Sec. 32. K.S.A. 10-503 is hereby amended to read as follows: 10-503. ~~From and after the taking effect of this act:~~ All bonds issued by the state, or any municipality as defined by K.S.A. 10-101, and amendments thereto, and the interest coupons thereon, shall be made payable at the office of the state treasurer, in the city of Topeka, in the state of Kansas: ~~Provided, however,~~ That. Unless otherwise provided, the governing body of any municipality as defined by K.S.A. 10-101, and amendments thereto, authorizing one or more series of bonds aggregating not less than two hundred thousand dollars (\$200,000) \$200,000 principal amount is hereby authorized to designate and appoint by ordinance in the case of a city, and by resolution for any other municipality, a fiscal agent of its choice to provide for payment of its bonds, coupons, and interest thereon and obligations hereafter issued and made payable by their terms at the office of

said such fiscal agent. Such fiscal agent to shall be a bank located in the state of Kansas having trust powers and operating a trust department acting in fiduciary capacities, including paying agency functions for stocks and bonds: ~~Provided further, That.~~ In addition to the bank in the state of Kansas so designated as a fiscal agent, the municipality may designate and appoint one or more trust companies or banks having trust powers and located in one or more federal reserve cities as co-paying agents with the designated Kansas bank so named in the state of Kansas. The trust companies or banks designated as co-paying agents shall have correspondent banking relations with the designated Kansas bank and shall be engaged in the service of paying agent for municipal bonds.

Sec. 33. K.S.A. 10-601 is hereby amended to read as follows: 10-601. The state treasurer shall register any state bonds or bonds issued by a municipality as defined by K.S.A. 10-101, and amendments thereto, which the bondholder may present to the state treasurer, for recording in a book kept for that purpose, showing the municipality issuing the same, the series of the bond, the date, amount, number, maturity, and the purpose for which the bond was issued, together with and the name and post-office address of the bondholder. On registering any bond the state treasurer shall notify the municipality issuing the bond of its registration and the bond shall be payable on its maturity by the municipality to the state treasurer. When the state treasurer registers any bond, the registration shall be evidenced by notation to that effect on the reverse side of the bond, after which no transfer shall be valid unless made at the written request of the registered owner or a duly authorized agent in writing and similarly noted on the bond. The bond may be discharged from registration by being registered to bearer and thereupon transferability shall be restored. The bond may again be registered or be transferred to bearer as before. Registration shall not affect the negotiability of the any interest coupons, if any, appertaining to the any bond issued prior to the effective date of this act. This section shall not apply to any bond or bonds for which a fiscal agent other than the state treasurer has been designated.

Sec. 34. K.S.A. 10-605 is hereby amended to read as follows: 10-605. This act shall not affect the negotiability of the any coupons attached to any registered bond, said coupons to be negotiable without assignment or formal transfer.

Sec. 35. K.S.A. 10-606 is hereby amended to read as follows: 10-606. The Kansas bank designated as the fiscal agent by the governing body of a municipality shall register any bonds payable at the office of the fiscal agent which the bondholder may present, for recording in a book kept for that purpose, showing the municipality issuing the bond, the series of the bond, the date, amount, number, maturity, and the purpose for which the bond was issued together with and the name and post-office address of the bondholder. On registering any bond, the fiscal agent shall notify the municipality issuing the bond of its registration and the bond shall be payable on its maturity by the municipality through the fiscal agent. When the fiscal agent registers any bond, the registration shall be evidenced by notation to that effect on the reverse side of the bond, after which no transfer shall be valid unless made at the written request of the registered owner or a duly authorized agent in writing and similarly noted on the bond. The bond may be discharged from registration by being registered to bearer and thereupon transferability shall be restored. The bond may again be registered or be transferred to bearer as before. Registration shall not affect the negotiability of the any interest coupons, if any, appertaining to the any bond issued prior to the effective date of this act. The fiscal agent shall have printed forms as may be necessary for use in making such assignments which shall be delivered to persons desiring the same on request.

Sec. 36. K.S.A. 10-702 is hereby amended to read as follows: 10-702. (a) Each duplicate bond shall correspond, in number, date, amount and coupons, if any, with the original bond, and shall have endorsed on its face, and on the face of each any coupon, by the officer issuing the same, the word "duplicate," together with and the date of its issuance.

(b) Each duplicate warrant shall be reissued with a new
(continued)

warrant number. On the warrant register, each duplicate warrant shall make reference to the original warrant number and the date of issuance of the original warrant.

Sec. 37. K.S.A. 10-704 is hereby amended to read as follows: 10-704. A duplicate for a lost or destroyed bond shall not ~~issue be issued~~ until there ~~shall have been~~ is filed with the proper officer an affidavit of some person knowing the facts, setting forth the ownership of such bond, the description thereof, the number of any coupons thereto attached, and the manner of its loss or destruction, and until there ~~shall have been~~ is executed and filed with the same officer an indemnifying bond, with securities to be approved by such officer, in a sum equal to the amount of such bond and ~~the any~~ coupons attached if a corporate surety bond issued by a company authorized to do business in this state is filed or, in a sum equal to double the amount of such bond and ~~the any~~ coupons attached if any other type of bond is filed, conditioned that the parties thereto shall pay all damages which the state, county, city, township or school district, as the case may be may sustain if compelled to pay such lost or destroyed bonds or any coupons.

Sec. 38. K.S.A. 10-705 is hereby amended to read as follows: 10-705. Any officer issuing duplicates under this act shall keep a record, showing the numbers, dates and amounts of such mutilated, lost or destroyed bonds or warrants, and the number of coupons thereto attached, ~~together with if any,~~ the date of issuance of the duplicate therefor, and the names of the persons to whom issued.

Sec. 39. K.S.A. 10-802 is hereby amended to read as follows: 10-802. No warrants or warrant checks shall be issued except ~~under due authority~~ as provided by law; and no warrants or warrant checks shall be issued or authorized by any governing body except on claims as provided by K.S.A. 12-105b. ~~Provided, That, and amendments thereto.~~ Claims shall not be required for the payment of bonds ~~and interest thereon, bond coupons,~~ temporary notes, scrip or no-fund warrants issued by the municipality.

Sec. 40. K.S.A. 10-1207 is hereby amended to read as follows: 10-1207. ~~Such~~ Revenue bonds issued under the ~~terms~~ provisions of this act may be serial or term maturities, but the date of maturity on ~~said the~~ bonds shall not be fixed for a longer period of time than ~~forty (40)~~ 40 years after the date of issuance. ~~Said~~ The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto ~~payable semi-annually.~~ ~~Said.~~ The bonds may be in coupon or registered form and interchangeable, and shall have such other terms and provisions as the municipality, ~~provides~~ by ordinance, resolution or trust agreement; ~~may provide.~~

In no case where revenue bonds are issued under and by virtue of this act shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the project plus capitalized interest for up to six (6) months after completion of the plant or facility and reasonable reserves and issuance expenses. No municipality shall have any right or authority to levy taxes to pay any of the principal or interest on any ~~such~~ revenue bonds or any judgment against the issuing municipality on account thereof ~~and~~. The provisions of K.S.A. 10-113, ~~and amendments thereto,~~ shall not apply to any bonds issued hereunder.

Sec. 41. K.S.A. 12-120 is hereby amended to read as follows: 12-120. The officials, officers, and employees of any city charged with the custody or having in their custody the following records, documents, or other papers may destroy the same after they have been on file for the period stated:

(1) (a) Claims ~~(, and the purchase orders thereto attached) thereto,~~ presented and allowed by the governing body of the city or the board, commission, department, bureau or officer authorized to allow such claims, ~~fifteen (15)~~ 15 years.

(2) (b) Warrants or warrant checks, whether originals or duplicates, that have been stamped or marked paid as provided by law, five (5) years.

(3) (c) Duplicates of receipts or stubs of receipts issued, five (5) years.

(4) (d) Duplicates of utility bills sent to customers, five (5) years.

(5) (e) Bookkeeping or accounting records of utility customer's accounts, five (5) years, except that the period for the records of deposits to guarantee the payment of bills or the return of meters shall begin when the account is closed or the customer ceases to receive service.

(6) (f) Duplicates or stubs of licenses issued for license fees or occupation taxes, five (5) years.

(7) (g) Bonds of officials, officers, or employees, ~~fifteen (15)~~ 15 years, the period to begin at the date of the termination of the term or employment.

(8) (h) Insurance policies, five (5) years, the period beginning at expiration of the policy unless a rate case is pending.

(9) (i) Canceled checks, five (5) years.

(10) (j) Requisition and duplicate purchase orders, five (5) years.

(11) (k) Bonds and coupons, ~~if any,~~ stamped paid or canceled and returned by the state fiscal agent, five (5) years, the period beginning at the date of maturity of the bond or coupon.

Sec. 42. K.S.A. 12-615 is hereby amended to read as follows: 12-615. The bonds herein provided for shall not be issued in an amount in excess of the cost of such work or improvements. ~~Such bonds shall be issued to mature in installments of approximately equal amounts each year.~~ Each bond shall specify the date of its separate maturity and shall be in ~~such the~~ denominations ~~as determined by the authority issuing the same shall direct.~~ The governing body shall annually levy a general tax on all the property in the city to pay the interest and installments on such bonds.

Sec. 43. K.S.A. 12-631w is hereby amended to read as follows: 12-631w. All the costs and expenses occasioned by the construction of any such disposal works, including the purchase or condemnation of land therefor and including the purchase or condemnation of land for the construction of sewers, drains, pumps and other appurtenances within or without the city used in connection with such disposal works, shall be borne by the city as a whole and paid out of the general revenue fund or by the issuance of internal improvement bonds. Such bonds shall be issued as provided by law, and shall not be issued in excess of the amount of the improvement, except that ~~any~~ installment coupons shall include the interest on such installments to the maturity thereof. ~~Provided, That.~~ The bonds issued under this act shall not be included in fixing the limit of the bonded indebtedness of the city issuing such bonds.

Sec. 44. K.S.A. 12-644 is hereby amended to read as follows: 12-644. In order to provide for the payment of the costs of ~~said~~ flood control improvements and the damages occasioned by reason thereof, the governing body of ~~said the~~ city may issue internal improvement bonds of the city as provided by law. Such internal improvement bonds may be general obligation bonds of ~~said the~~ city if the city is proceeding under K.S.A. 12-635 to 12-646a, inclusive, and amendments thereto. Such bonds shall not be issued in an amount in excess of the contract price of the work improvement, plus the total amount of damage allowed for injury to property and the cost of the right-of-way as determined by article 2 of chapter 26 or K.S.A. 12-639 to 12-643, inclusive, and ~~any~~ amendments thereto, except that ~~the any~~ installment coupons shall include the interest of such installments to the maturity thereof.

Sec. 45. K.S.A. 12-865 is hereby amended to read as follows: 12-865. ~~Such~~ Revenue bonds issued under the ~~terms~~ provisions of this act shall mature ~~serially,~~ beginning not later than five (5) years ~~after the date of issuance;~~ the date of maturity on ~~said~~ bonds shall not be fixed for a longer period of time than ~~forty (40)~~ 40 years after the date of issuance; ~~said.~~ The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, ~~payable semiannually and the amount of interest due each six (6) months shall be evidenced by coupons attached to each bond issued and amendments thereto.~~ In no case where revenue bonds are issued under and by virtue of this act shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the project. No city shall have any right or authority to levy taxes to pay any of the principal or interest on any ~~such~~ revenue bonds or any judgment against the

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issuing city on account thereof and the provisions of K.S.A. 10-113, and amendments thereto, shall not apply to any bonds issued hereunder.

Sec. 46. K.S.A. 12-874 is hereby amended to read as follows: 12-874. The city or the authority shall have the continuing power to borrow money for the purpose of acquiring contract rights of the system and for acquiring necessary cash working funds. For the purpose of evidencing the obligation of the city or the authority to repay such money, the city or the authority may from time to time issue its interest-bearing revenue bonds and may also from time to time issue its interest-bearing revenue bonds to refund any such bonds in the manner prescribed by and subject to the provisions of this act and K.S.A. 10-116a, and amendments thereto. All bonds other than refunding bonds shall be payable solely from the revenues or income to be derived from the operation of the system. The ordinance authorizing the bonds may provide the date or dates that the bonds will bear; the time or times, not exceeding 40 years from their respective dates, when the bonds will mature; the rate or rates of interest, not exceeding the maximum rate prescribed by K.S.A. 10-1009, and amendments thereto and payable semiannually, that the bonds will bear; the form of the bonds; the registration privileges that the bonds carry; the manner in which the bonds will be executed; the place or places where the bonds are payable; the manner in which and the terms upon which the bonds are subject to redemption, with or without premium as stated on the face of the bonds; the manner in which the bonds will be authenticated; and other terms and covenants.

Notwithstanding the form or tenor thereof and in the absence of an express recital on the face thereof that it is nonnegotiable, all such bonds shall be negotiable instruments. Pending the preparation and execution of any such bonds, temporary bonds may be issued with or without interest coupons, as provided by ordinance. To secure the payment of any or all of such bonds and for the purpose of setting forth the covenants and undertakings of the city or the authority in connection with the issuance thereof and the issuance of any additional bonds payable from such revenue or income to be derived from the system, the city or the authority may execute and deliver a trust agreement or agreements. Under no circumstances shall any bonds issued by the city or the authority or any other obligation of the authority be or become an indebtedness or obligation of the state of Kansas or of any other political subdivision of or municipality within the state, and no such bond or obligation shall be or become an indebtedness of the city or the authority within the purview of any constitutional limitation or provision. It shall be plainly stated on the face of each bond that it does not constitute such an indebtedness or obligation but is payable solely from the revenues or income as provided in this section.

Before any such bonds (excepting, except refunding bonds), are sold, the entire authorized issue, or any part thereof, shall be offered for sale as a unit and bids thereon shall be taken. All bids shall be sealed, filed and opened as provided by ordinance and the bonds shall be awarded to the highest and best bidder or bidders therefor. The city or the authority shall have the right to reject all bids and take new bids. However, if no bids are received, such bonds may be sold at not less than par value within 60 days after the bids are required to be filed.

Sec. 47. K.S.A. 12-878 is hereby amended to read as follows: 12-878. In case any officer whose signature appears upon any check, draft, bond, or any interest coupon, issued pursuant to this act, ceases to hold office before the delivery thereof to the payee or the purchaser of any bond, his or her such officer's signature nevertheless shall be valid and sufficient for all purposes with the same effect as if such officer had remained in office until delivery thereof.

Sec. 48. K.S.A. 12-1665 is hereby amended to read as follows: 12-1665. Temporary notes shall be authorized by ordinance if by a city or by resolution if by other public agency, but if all are not issued at the same time, each issue consuming a part of the total amount authorized by the ordinance or resolution shall be authorized by subsidiary resolution. The ordinance or original resolution shall state the total amount that may be issued, which shall not exceed the amount of the federal aid to be

received according to the percentage or as fixed or estimated by the commitment of the federal agency. Subsidiary resolutions shall state the date, the amount of each note, and the interest rate. All notes shall state that they shall mature when the federal aid shall be is received and the rate of interest which shall not exceed the maximum rate of interest prescribed by K.S.A. 10-1009, payable semi-annually and amendments thereto. Such temporary notes shall be in the form usual for bonds except that any coupons evidencing the interest need not be attached, shall be executed and registered as bonds are registered both with the clerk or secretary of the public agency and the state treasurer, shall be payable at the office of the treasurer of the public agency or at such place as the federal aid shall be is paid, and shall be redeemed and canceled as soon as the federal aid is available, except that the interest shall be payable when due out of appropriate current funds or the general fund or bond or usual temporary note proceeds of the public agency, and the interest shall properly be included as a part of the public agency's share of the cost of the local program. The temporary notes may be issued from time to time as funds are needed during the progress of the local program. Such notes shall be negotiable and shall constitute a general obligation of the public agency, and if for any reason the federal aid or any part thereof is not received so that the notes or some of them cannot be paid, such notes may be refunded by new notes and a tax levied to pay such refunding notes. Such refunding notes shall be payable by not more than four (4) annual tax levies, except that if the funds used by the public agency are of a revenue producing facility or the bonds issued for the public agency's share are revenue bonds of a revenue producing facility, such temporary notes shall not be general obligations of the public agency and if for any reason the federal aid or any part thereof is not received and the notes or part of them cannot be paid from the aid, they shall be payable from revenue of the revenue producing facility and refunding notes may be issued to pay the notes and such refunding notes shall mature in not more than five (5) years. Such refunding notes, either tax payable or revenue payable, shall be issued and registered as the original notes. Such temporary or refunding notes may be sold in the manner provided for the sale of bonds or may be sold at private sale at not less than par and accrued interest determined by the public agency issuing the same. Refunding notes may be exchanged for the temporary notes or the proceeds of the sale shall be used to redeem the temporary notes.

Sec. 49. K.S.A. 12-1666 is hereby amended to read as follows: 12-1666. The governing body of a public agency shall authorize each issue of no-fund warrants by resolution which shall state states the amount to be covered by the warrants, the denomination of each warrant and rate of interest. No-fund warrants shall bear interest at a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009 payable semiannually, and amendments thereto, mature when the federal aid shall be is available, the total amount not to exceed in the aggregate the amount of money to be received as federal aid as shown by the commitment of the federal agency, shall be payable to the order of a payee, be payable at the office of the treasurer of the public agency, identify the commitment for federal aid and state that the no-fund warrant is payable therefrom and that, if the federal aid fails, payment will be made from tax funds available for the local program, and if none, a refunding no-fund warrant will be issued payable by not more than four (4) annual tax levies for the purpose, or in the case of revenue producing facilities, from revenue of the facility. Such no-fund warrants shall be in substantially the following form:

(NAME OF PUBLIC AGENCY)
No-fund Warrant Anticipating Federal Aid
Local Program Relating to _____
No. _____, 19____
To the _____ Treasurer, _____, Kansas
Pay to the order of _____, the sum of _____
dollars (\$) upon receipt of county, city or federal funds for
_____, with interest thereon at the rate of _____ percent (%) per
annum from the date hereof until paid but for not longer than thirty (30) 30 days
after notice of call for redemption is published in _____

This warrant is one of a series issued under authority of K.S.A. 12-1662 et seq.,
(continued)

and amendments thereto, and authorized by and issued under resolution, dated _____, in anticipation of federal aid according to (identify documents committing the federal agency to aid for the program).

If for any reason the anticipated federal aid or any part thereof fails, this warrant shall be paid from current tax funds available for the project, but if no tax funds are available, a refunding no-fund warrant will be issued, the principal and interest of which shall be paid by a tax levied for the purpose.

(If the no-fund warrant is for a revenue producing facility, the recital shall read: If for any reason the anticipated federal aid or any part thereof fails, this warrant and the interest thereon shall be paid from revenue of the facility.)

(Officer of public agency having authority to sign warrants)

Attest:

(Clerk or Secretary)

(Seal if public agency has seal)

Countersigned and recorded:

(Treasurer)

No-fund warrants issued hereunder may be issued to individual claimants for services rendered or materials furnished or may be sold at not less than par and accrued interest at private sale, be made payable to the order of the purchaser and the proceeds placed in the fund from which the local program is being financed. Such no-fund warrants and any refunding no-fund warrants shall be registered by the clerk or secretary and by the treasurer of the public agency. Interest shall be payable when due out of appropriate current funds or the general fund or bond or usual temporary note proceeds of the public agency and interest shall properly be included as a part of the public agency's share of the cost of the local program. When money is available to pay such warrants, the treasurer of the public agency shall publish in the official newspaper of the city, and of other public agencies in the official county newspaper, a call for redemption describing the warrant or warrants called and stating that money is available and that interest will cease ~~thirty (30)~~ 30 days after the publication of the call. The treasurer shall also by ~~mail~~ also shall notify by mail the payee of each warrant or the later owner if the treasurer has been notified of change of ownership and the name of the new owner.

Sec. 50. K.S.A. 12-17,103 is hereby amended to read as follows: 12-17,103. The governing body of the city may issue municipal improvement district bonds for the cost of improvements authorized by this act. The principal of and interest on the bonds shall be payable from a levy of ad valorem taxes on all of the taxable tangible property within the district. In cases of revenue producing improvements, the income and receipts derived may also may be pledged to pay the principal and interest on the bonds. The bonds may be issued to mature in not more than 20 annual installments of approximately equal amounts each year and the first such installment shall mature not more than two years after the date of issuance and the last such installment shall mature not more than 22 years after the date of the bonds. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009 payable semiannually or at such time as may be fixed by the terms of the ordinance authorizing the issuance of such bonds, and amendments thereto. In the event the district is dissolved, the property in the district shall remain liable for any special assessment levied to pay any principal and interest on any bonds authorized, issued and still outstanding.

Sec. 51. K.S.A. 12-1814 is hereby amended to read as follows: 12-1814. Any issue of sidewalk scrip or sidewalk bonds shall be serial and fall due in approximately equal amounts each year, but the first installment of the assessment should have been paid in full, and there issued to mature in not more than four installments. The last installment shall be not more than four more maturities one year apart years after the date of the scrip or bonds. Scrip and bonds shall bear interest of not more than the maximum rate of interest prescribed by K.S.A. 10-1009, payable semiannually, except that the first installment of interest shall be due six months prior to the first maturity and amendments thereto. Scrip and bonds shall be general obligations of the city, and the city shall take into account probable delinquencies in payment of assessments or installments of assessments and make a general tax levy therefor or include the amount in the city's general bond tax levy in order to pay the scrip on bonds and interest when due (, delinquent assessments notwithstanding),

but this levy by the city shall not affect the obligation of the property owner to pay the assessment.

Bonds shall be in the general form of other bonds, and shall be registered, sold and otherwise issued in the manner provided for other bonds by the general bond law. Scrip shall promise that the city will pay the bearer the stated amount on a stated date with interest at a stated rate (, or in stated amounts), payable on stated dates (interest coupons may be issued). The scrip also shall state that the payment of principal and interest to shall be made paid at the office of the city treasurer, shall state and that it is issued for sidewalk purposes, shall be dated, shall be signed by the mayor and attested by the city clerk, shall have the seal of the city attached thereto, shall be registered in the offices of the city clerk and city treasurer, shall be disposed of at not less than par and accrued interest by being turned over to the contractor or sold and the proceeds used for the payment of the costs of the sidewalks. The sale of scrip may be public or private, or without advertisement or bids. One issue of bonds or scrip may be for assessments against one or a few or many lots or more tracts of land and may include or be only for the cost of intersection sidewalks, sidewalks along city, state or federal property or in other cases where the city at large must pay the cost. The issuance of bonds and scrip shall be authorized by an ordinance for each issue.

Sec. 52. K.S.A. 12-2709 is hereby amended to read as follows: 12-2709. (a) All general obligation bonds issued under the authority conferred by pursuant to this act shall be issued, registered, sold, delivered and retired in accordance with the provisions of the general bond law except as in this act otherwise provided. Revenue bonds issued under this act are hereby made a lien on all reimbursements received by the issuing municipality from the revenues derived from the operation of the common water supply and waterworks system. The governing body of a municipality may pledge all or part of the revenues derived or to be derived from any other waterworks system or water line owned by it to retirement of revenue bonds issued by such municipality hereunder and may also use such revenues for the payment of debt service on general obligation bonds issued by such municipality hereunder. Revenue bonds issued under the terms provisions of this act shall mature serially, beginning not later than five (5) years after the date of issuance; the date of maturity on said revenue bonds shall not be fixed for a longer period of time than forty (40) 40 years after the date of issuance; said. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, payable semi-annually, and the amount of interest due each six (6) months shall be evidenced by coupons attached to each bond issued and amendments thereto. No other statute limiting the amount of bonded indebtedness of any municipality shall apply to bonds issued under the authority conferred by this act, and bonds issued under the authority of this act shall not be considered in determining the total bonded indebtedness of a municipality for the purpose of applying any statute limiting the amount of bonded indebtedness of such municipality.

(b) Any township which shall issue issues or which has issued revenue bonds pursuant to the provisions of this act for the purpose of providing a common supply of water or for extending or improving an existing common supply of water, may also issue general obligation bonds or revenue bonds for the purpose of constructing extensions and improvements to the water distribution system of said the township in the manner provided in this act.

In the event said the township has issued revenue bonds pursuant to article 16, chapter 80 of the Kansas Statutes Annotated, or any other law of this state, which are then outstanding and for the payment of which the revenues of the water system of said the township or any part thereof have been pledged, it may, if the governing body deems it necessary, refund said the outstanding bonds in the manner provided by and subject to the provisions of K.S.A. 10-116a, and amendments thereto. Any bonds authorized to be issued for any purpose or purposes for by under this act may be combined into one issue of bonds. Said The township may pledge all or any part of the revenues derived

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from its waterworks system, including its common water supply and its distribution system, to pay the interest on and principal of bonds issued as herein provided ~~and~~. The resolution authorizing the issuance of ~~said~~ such revenue bonds may contain such other covenants, agreements and restrictions as may be deemed necessary or advisable by the governing body of such township in order to insure the payment of the same.

Sec. 53. K.S.A. 12-2808 is hereby amended to read as follows: 12-2808. The authority shall have the continuing power to borrow money for the purpose of acquiring any transportation system (, including any cash funds of such system reserved to replace worn out or obsolete equipment and facilities), and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending or improving its transportation system or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement or operation of its transportation system or any part thereof.

For the purpose of evidencing the obligation of the authority to repay any money borrowed as aforesaid, the authority, pursuant to a duly adopted resolution by the board may issue and dispose of at one time or from time to time its interest-bearing revenue bonds or certificates and also from time to time may issue and dispose of its interest-bearing revenue bonds or certificates to refund any bonds or certificates at maturity, or pursuant to redemption provisions, or at any time before maturity with the consent of the holders thereof.

All such bonds and certificates shall be payable from the revenues or income to be derived from the transportation system, from the moneys derived from the tax levy authorized by K.S.A. 12-2814, ~~and amendments thereto~~, and from all other funds and moneys available to the authority, from whatever source derived, which revenues, income, funds and moneys, or such portion thereof as may be required, are hereby pledged for the payment of such bonds and certificates. Such bonds and certificates may bear such date ~~or dates~~, may mature at such time ~~or times~~ not exceeding ~~forty (40)~~ 40 years from their respective dates, may bear interest at such rate ~~or rates~~, not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, ~~payable semiannually and amendments thereto~~, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place ~~or places~~, may be made subject to redemption in such manner and upon such terms, with or without premium as is stated on the face thereof, may be authenticated in such manner and may contain such terms and covenants, all as may be provided in such resolution.

Notwithstanding the form or tenor thereof and in the absence of an express recital on the face thereof that it is nonnegotiable all such bonds and certificates shall be negotiable instruments. Pending the preparation and execution of any such bonds or certificates, temporary bonds or certificates may be issued with or without interest coupons as may be provided by a duly adopted resolution of the board. To secure the payment of any or all of such bonds or certificates and for the purpose of setting forth the covenants and undertakings of the authority in connection with the issuance thereof and the issuance of any additional bonds or certificates payable from such revenues, income, funds and moneys as provided herein, the authority may execute and deliver a trust agreement ~~or agreements~~: ~~Provided, That~~ but no lien upon any physical property of the authority shall be created thereby. A remedy for any breach or default of the terms of any such trust agreement by the authority may be by mandamus proceedings in any court of competent jurisdiction to compel performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted. Under no circumstances shall any bonds or certificates issued by the authority or any other obligation of the authority be or become an indebtedness or obligation of the state of Kansas or of any other political subdivision of or municipality within the state, nor shall any such bond, certificate, or obligation be or become an indebtedness of the authority within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond and certificate that it does not constitute such an indebtedness or obligation but is

payable solely from the revenues, income, funds and moneys as provided herein.

The sale of any bonds or certificates pursuant to this section shall be made in the manner designated by the board in the resolution authorizing the issuance thereof.

Sec. 54. K.S.A. 12-3417 is hereby amended to read as follows: 12-3417. In the event any issue or series of bonds is issued ~~under authority of~~ pursuant to this act pursuant to a loan agreement or bond purchase agreement with any agency of the United States government, then and in that event, notwithstanding any other provision of law, the board of directors of the port authority may in any resolution authorizing bonds hereunder provide for the initial issuance of one or more bonds (, in this section called "bond,") aggregating the amount of the entire issue; and may make such provision for installment payments of the principal amount of any such bond as it may consider desirable; and may provide for the making of any such bond payable to bearer or otherwise, registrable as to principal ~~or as to both~~ principal and interest, and where interest accruing thereon is not represented by interest coupons, for the endorsing of payments of interest on such bond. The board of directors of the port authority may further make provision in any such resolution for the manner and circumstances under which any such bond may in the future, at the request of the holder thereof, be converted into bonds of smaller denominations, which bonds of smaller denominations may in turn be either coupon bonds or bonds registrable as to principal or principal and interest.

Sec. 55. K.S.A. 12-3710 is hereby amended to read as follows: 12-3710. The secretary of health and environment is hereby authorized to issue not to exceed \$20,000,000 of revenue bonds payable solely from revenues arising from contracts between the secretary of health and environment and any city, county, township or other political subdivision of the state as authorized by this act and moneys held to the credit of any debt service reserve fund established by the resolution of the secretary of health and environment authorizing the bonds of any issue or the trust agreement securing such bonds. Revenue bonds issued under this act shall not be deemed to constitute a debt of the state or of any political subdivision thereof for which ad valorem taxes may be levied or a pledge of the full faith and credit of the state or of any political subdivision thereof, ~~and~~. All such revenue bonds shall be approved in form and content by bond counsel for the secretary of health and environment. The secretary of health and environment may provide by resolution for the issuance of revenue bonds under this act for the purpose of providing grants to any city, county, township or other political subdivision of the state of not less than 25% and not to exceed 30% of construction and costs associated therewith of any one or more sewage disposal facilities. The bonds of each issue shall be dated, shall bear interest at a rate not to exceed ~~12%~~ ~~per annum~~ the maximum rate prescribed by K.S.A. 10-1009, ~~and amendments thereto~~, shall mature at such time or times not exceeding 20 years from their date or dates as may be determined by the secretary of health and environment, and may be made redeemable before maturity, at the option of the secretary of health and environment at such price or prices and under such terms and conditions as may be fixed by the secretary of health and environment prior to the issuance of the bonds. The secretary of health and environment shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination ~~or denominations~~ of the bonds and the place ~~or places~~ of payment of principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the secretary of health and environment, and the official seal of the secretary of health and environment shall be impressed thereon and any coupons attached thereto shall bear the facsimile signature of the secretary of health and environment. In case any officer whose signature or a facsimile of whose signature ~~shall appear~~ ~~appears~~ on any bonds or coupons ~~shall cease~~ ~~ceases~~ to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and

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also any bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution of such bond shall be the proper officers to sign such bond although at the date of such bond such persons may not have been such officers. All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the uniform commercial code of the state. The bonds may be issued in coupon or in registered form, or both, as the secretary of health and environment ~~may determine~~ *determines*, and provision may be made for the registration of any coupon bonds ~~as to principal alone and also as to both principal and interest~~, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The secretary of health and environment shall sell such bonds after public advertisement and by competitive bidding on sealed proposals; ~~however~~. Any and all bids may be rejected. If no bid acceptable to the secretary of health and environment is received, the secretary of health and environment may sell the bonds without such competitive bidding at private sale in such manner and upon such terms and conditions as the secretary of health and environment ~~may determine~~ *determines* is in the public interest.

The proceeds of the bonds of each issue shall be used solely for the purpose for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the secretary of health and environment may provide in the resolution authorizing the issuance of such bonds or in the trust agreement herein authorized securing the same.

Prior to the preparation of definitive bonds, the secretary of health and environment may, under like restrictions, issue interim financing receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The secretary of health and environment may also provide for the replacement of any bonds which shall ~~become~~ *are* mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any officer, department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things, other than those proceedings, or conditions or things, which are specifically required by this act.

Sec. 56. K.S.A. 12-3715 is hereby amended to read as follows: 12-3715. Any holder of bonds issued under the provisions of this act or any of the coupons appertaining thereto, and the trustee under any trust agreement, ~~except to the extent the rights herein given may be as restricted by such trust agreement, may~~, either at law or in equity, by suit, action, mandamus or other proceeding, *may* protect and enforce any and all rights under the laws of the state or granted hereunder or under such trust agreement or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this act or by such trust agreement or resolution to be performed by the secretary of health and environment.

Sec. 57. K.S.A. 13-1018i is hereby amended to read as follows: 13-1018i. All the cost and expenses ~~occasioned by the of~~ construction of any such disposal works, including the purchase or condemnation of land therefor and including the purchase or condemnation of land for the construction of sewers, drains, pumps and other appurtenances within or without the city used in connection with such disposal works, including engineering expense prior to construction and costs of a special election, if held, for which bonds may be issued if the governing body ~~so determine~~ *determine*, as hereinafter provided, shall be borne by the city as a whole and paid out of the general revenue fund or by the issuance of internal improvement bonds. Such bonds shall be issued as provided by law, and shall not be issued in excess of the amount of the improvement; ~~except that installment coupons shall include the interest on such installment to the maturity thereof. Provided, That~~. The bonds issued under this act shall not be included in fixing the limit of the bonded indebtedness of the city issuing such bonds.

Sec. 58. K.S.A. 13-1238 is hereby amended to read as fol-

lows: 13-1238. The governing body of any city in this state having a population of *at least 115,000 or over*, is hereby ~~empowered and~~ authorized, without any election or vote of the people, to issue and sell ~~in the same manner as provided by law for the sale of general obligation bonds~~; revenue bonds of such city as hereinafter defined and described *in the manner provided by the general bond law*, to secure funds to provide the cost of improving, constructing, reconstructing or repairing public levees, docks, wharves, river terminals, grain elevator terminal docks, and such works, storage, structures, facilities and properties as in the judgment of ~~said~~ *the* governing body ~~will be~~ is necessary or convenient for the accommodation of shipping by highways, pipelines, rail or water, in connection with commerce or water transportation on the navigable river or rivers adjoining such public levees; ~~Provided, That~~. The governing body of any such city which ~~shall have~~ *has* issued and sold revenue bonds under the provisions of this act, is hereby ~~empowered and~~ authorized to issue additional revenue bonds in conformity with this act for the purpose aforesaid and to pledge for the payment of such additional revenue bonds the revenues of the public levee and the facilities connected therewith, together with the revenues from any improvements and extensions to the public levee; ~~Provided, however, That~~. No additional revenue bonds shall be issued and sold if there is an issue of revenue bonds outstanding for the payment of which the revenues of the public levee and the facilities connected therewith have been pledged unless the governing body of such city, the holder or holders of all such outstanding revenue bonds consenting, shall take up and pay for or make an exchange for such outstanding issue of revenue bonds at a price of not to exceed the par value thereof, plus interest accrued on such bonds at the ~~coupon interest rate of~~ *such bonds* from the interest payment date preceding the date of payment of the purchase price to the date of payment of the purchase price, plus a premium, if any, of not to exceed ~~one percent~~ *1%* of the par value of such outstanding revenue bonds or make an exchange for such issue of outstanding revenue bonds. Additional revenue bonds issued and sold under the authority of this act shall be in an amount necessary to take up and pay for the issue of outstanding revenue bonds or make an exchange for such issue of outstanding revenue bonds as aforesaid, plus an amount necessary to finance or aid in financing the cost of additional improvements, construction, reconstruction or repairs of the public levees, docks, wharves, river terminals, grain elevator terminal docks, and such works, storage, structures, facilities and properties as in the judgment of ~~said~~ *the* governing body will be necessary or convenient for the accommodation of shipping by highways, pipelines, rail or water, in connection with commerce or water transportation on the navigable river or rivers adjoining such public levee.

Sec. 59. K.S.A. 13-1241 is hereby amended to read as follows: 13-1241. ~~Such~~ Revenue bonds issued under the ~~terms~~ provisions of this act shall mature ~~serially or otherwise~~ to conform to the plan of liquidation and payment of ~~said~~ *the* bonds and interest thereon. The date of maturity of ~~any of said~~ *the* bonds shall not be fixed for a longer period of time than ~~forty (40) 40~~ years after the date of issuance; ~~and said~~. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and the amount of interest due ~~each year shall be evidenced by coupons attached to each bond issued amendments thereto~~. Such city shall have no right or authority to levy taxes to pay the principal or interest of revenue bonds as defined herein and the provisions of K.S.A. 10-113, ~~and amendments thereto~~, shall not apply to this act.

Sec. 60. K.S.A. 13-1275 is hereby amended to read as follows: 13-1275. Whenever ~~sixty-five percent (65%) 65%~~ or more of the customers of any publicly-owned township water system of any township located, in whole or in part, within three ~~(3) 3~~ miles of the limits of any city of the first class ~~situated~~ *located* in the same county as such township have been annexed and taken into such city and, at the time of such annexation, township water system revenue bonds have been issued and are outstanding and unpaid in a total principal amount of ~~seven hundred thousand dollars (\$700,000) \$700,000~~ or more, ~~said such~~ *such* bonds being a first

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and prior lien on the earnings and income derived from the operation of ~~said~~ the water system, the control and ownership of such system shall be transferred to and shall thereupon vest in such city of the first class and if ~~said~~ such city has a board of public utilities, such system shall be for the use and benefit of such board and for those persons now or hereafter being served by such system; ~~and said~~. The board of public utilities shall be responsible for the maintenance, operation, improvement and extension of such system. ~~Provided, That any~~. Such city of the ~~first class~~, or if ~~said~~ the city has a board of public utilities, then such board of public utilities shall by resolution obligate itself to pay and shall assume the entire revenue bonded indebtedness, together with interest charges and other debt service costs, and all other outstanding obligations, of any such township water system. ~~Said~~ Such city or ~~said~~ board of public utilities, as the case may be, shall by resolution further obligate and commit itself to pay off all such revenue water system bonds as the same mature and become payable, ~~to pay all interest coupons~~ and any interest due on such revenue bonds and to maintain at all times a sufficient revenue bond reserve fund; for the payment of both principal and interest on such bonds, all in strict conformity with the tenor of such revenue bonds and the resolution or resolutions of any such township board heretofore adopted and authorizing the issuance of a series or several series of water system revenue bonds by any such township board.

Any Such city or its board of public utilities shall be authorized to establish such rates for customers residing in any such township outside of the corporate limits of the city which are fair and equitable and sufficient to pay the percentage or pro rata amount of the annual revenue bond and debt service costs, including interest and principal, applicable to that portion of the utility system lying outside of the corporate limits of the city. ~~Annually, or semiannually and on dates~~ Prior to the date the interest shall ~~become~~ becomes due on such revenue bonds and prior to the date of the annual maturity of those revenue bonds which shall ~~become~~ becomes due each year, any such city of the ~~first class~~ or its board of public utilities, as the case may be, shall pay over to the state treasurer a sum equal to and sufficient to pay the total revenue bond and debt service cost, including interest and principal.

Sec. 61. K.S.A. 13-1379 is hereby amended to read as follows: 13-1379. The cost of acquisition and improvements of public parking stations may be levied and assessed in not to exceed 10 installments, with interest on the whole amount remaining due and unpaid each year at a rate of interest not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, ~~and amendments thereto~~. Any owner of land within the benefit district may, within 30 days after the assessment ordinance is passed, pay the entire amount assessed against the land. ~~Authority is given~~: The governing body of such city is hereby authorized to assess, levy and collect the cost of acquisition and improvement of such public parking stations as is assessed against the privately owned property in the benefit district and to levy a general tax on all the property in such city to pay such part of the cost thereof as is not assessed against the privately owned property in the benefit district and to pay a portion of the principal and interest on bonds issued by such city under the authority of K.S.A. 12-1774, and amendments thereto.

No suit shall be maintained in any court to enjoin or in any way contest the validity of any special assessment for the cost of acquiring or improving such parking stations unless the same be ~~is~~ instituted and summons served within 30 days from and after the date of the publications of the ordinance levying such assessment. Where a city has improved parking lots under the provisions of this act, such city shall have authority by resolution, which resolution shall be published once in the official city paper, and without the necessity of a petition therefor to improve such parking lots including the construction thereon of additional facilities and shall pay for such improvements by the issuance of revenue bonds. The governing body of the city is hereby authorized to lease such parking facilities or to provide any method of operation for such facilities which in their opinion will be of greatest benefit to the public. No suit shall be maintained in any court to enjoin or in any way contest the validity of

the proceedings of the governing body of the city for further improving already improved parking lots under the provisions of this act, unless the proceedings are instituted and summons served within 30 days from and after the date of the publication of the resolution authorizing the improvement.

"Revenue bonds" as used in this act means bonds issued by any municipality in this state, ~~to be~~ which are paid exclusively from the net revenue derived from the operation of off-street parking stations and from parking meters in the city. Such revenue bonds shall not constitute in any case, a general obligation of such city; and the bonds, if and when issued, shall not be taken into consideration or account as a limitation on the power of such city to issue bonds for any and all other purposes heretofore or hereafter authorized by law, with relation to a limitation upon the bonded indebtedness of the city. ~~Such~~ Revenue bonds issued under the ~~terms~~ provisions of this act shall mature serially or otherwise to conform to the plan of liquidation and payment of the bonds and interest thereon. The date of maturity of any of the bonds shall not be fixed for a longer period of time than 30 years after the date of issuance, and the bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and the amount of interest due each year shall be evidenced by coupons attached to each bond issued ~~amendments thereto~~. Such city shall have no right or authority to levy taxes to pay the principal or interest of revenue bonds as defined herein and the provisions of K.S.A. 10-113, ~~and amendments thereto~~; shall not apply to this act. Parking meters may be placed in off-street parking stations now or hereafter established.

The revenue derived from such off-street parking meters and the revenue derived from any other method of operation of such off-street parking facilities shall be maintained in a revolving operating fund which need not be budgeted except that there shall be shown in the annual published budget the total amount received from all street parking and off-street parking meters and facilities, and the amount spent during each budget year and the purposes, including payments on bonds and interest, for which spent. All sums necessary for the operation of off-street parking meters and facilities and on-street parking meters and facilities shall be a first claim on all revenue received from such parking meters and facilities. The net amount, after the deduction of the necessary operating expenses, may be pledged for the payment of any revenue bonds issued to pay for the improvement of off-street parking meters and facilities on any improved parking lots within such city.

Sec. 62. K.S.A. 13-1380 is hereby amended to read as follows: 13-1380. Bonds of such city may be issued and sold to pay the cost of the lands ~~so~~ acquired and the cost of such improvements. ~~The bonds so issued and sold shall be payable in ten (10) not to exceed 10 annual installments of equal amounts each year and. The last installment shall be not later than 12 years from the date of issuance of such bonds. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto.~~

Sec. 63. K.S.A. 13-1391 is hereby amended to read as follows: 13-1391. Whenever ~~any~~ the governing body of a city of the first or second class issues revenue bonds under this act, such revenue bonds shall ~~in no event~~ not be general obligations of such city but shall be paid exclusively from the revenues derived from the operation of off-street parking facilities and on-street parking meters, except as hereinafter provided. The governing body of such city may provide, however, if it finds it to be in the best interest of ~~said~~ the city, that revenue bonds issued hereunder shall be payable solely from the revenues derived from the operation of on-street parking meters and that no charge shall be imposed for the use of the off-street parking facilities acquired or improved out of the proceeds of ~~said~~ such bonds. Such revenue bonds shall not be taken into account or in any wise be a limitation upon the power of such a city to issue bonds for any other purpose. No city issuing revenue bonds under this act shall have any right or authority to levy taxes to pay any of the principal of, or interest on any such bonds or any judgment against the issuing city on account thereof, and the provisions of K.S.A. 10-113, ~~and amendments thereto~~, shall not apply to any

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bonds issued hereunder. All revenue bonds issued hereunder shall mature ~~serially or otherwise~~ to conform with the plan of liquidation and payment of ~~said such~~ bonds and the interest thereon as provided by the governing body. The maturity date of ~~any~~ such revenue bonds shall not exceed a longer period of time than ~~forty (40)~~ 40 years after the date of issuance and ~~said such~~ bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009 ~~payable semi-annually~~ and the amount of interest due each year shall be evidenced by ~~coupons attached to each bond issued, and amendments thereto.~~

Such revenue ~~bond~~ bonds shall not contain the recitals set forth in K.S.A. 10-112 ~~but shall contain the following recitals, viz., and amendments thereto.~~ Such bonds shall recite the authority under which ~~said such~~ revenue bonds are issued, and that they are issued in conformity with the provisions, restrictions and limitations thereof, and that such bonds and interest thereon are to be paid from the net revenues received from the operation of off-street parking facilities, and from on-street parking meters. ~~Said~~ The revenue bonds shall recite, also, that the same have been registered in the office of the city clerk of ~~said city,~~ and in the office of the treasurer of the state of Kansas, ~~and when said. Registration of the revenue bonds have been duly registered as herein provided,~~ shall import absolute verity, and shall be conclusive as to ~~said the~~ recitals, in favor of all persons purchasing ~~said such~~ bonds, and that all proceedings and conditions precedent have been had and performed to authorize the issuance of ~~said such~~ bonds, and ~~said such~~ bonds shall be negotiable.

Whenever revenue bonds are issued under this act to finance the cost of acquiring land and constructing or placing of improvements thereon, such revenue bonds shall be a specific lien on such land and improvements and on all the revenues derived from the operation thereon of off-street parking facilities. The governing body may provide in the ordinance authorizing any such revenue bonds that the additional bonds may be issued payable out of the revenues of the facilities then being acquired under such conditions and restrictions as may be specified in such ordinance.

All revenues derived from the operation of off-street parking facilities shall be placed in a special fund ~~and said fund which~~ shall be used for the payment of operational and maintenance costs of such off-street parking facilities, including the cost of installation, maintenance and repair of parking meters therein, for which such cities are hereby expressly empowered to contract, and all revenues over and above those necessary for the above stated purposes shall be used for the retirement of revenue bonds issued hereunder and for the payment of interest thereon. All sums necessary for the operation of off-street parking facilities and on-street parking meters shall have a first claim on all revenues received from such facilities and meters. The net amount, after the deduction of the necessary operating expenses, may be pledged for the payment of any revenue bonds issued for the purposes herein authorized.

Sec. 64. K.S.A. 13-13,100 is hereby amended to read as follows: 13-13,100. ~~Such~~ Revenue bonds issued under the ~~terms~~ provisions of this act shall mature ~~serially~~ beginning not later than ~~five (5) years from the date of issuance, the date of maturity on said bonds shall not be fixed for a longer period of time than~~ forty (40) 40 years after the date of issuance; ~~said. Such~~ bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, ~~payable semi-annually,~~ and the amount of interest which is due each ~~six (6) months shall be evidenced by coupons attached to each bond issued and amendments thereto.~~ In no case where revenue bonds are issued ~~under and by virtue of pursuant to this act,~~ after the project has been completed, shall the total amount ~~thereof received therefrom~~ be in excess of the actual costs of the project. In the case where the bonds are issued prior to completion of the project and the total amount ~~thereof received therefrom~~ exceeds the actual costs of the project when completed, then the excess shall forthwith be deposited in a separate fund and shall not be used except for the purpose of paying the principal of and the interest upon the revenue bonds issued under the act. No board or municipality shall have any right or authority to levy taxes to pay

any of the principal of or interest on any such bond or any judgment against the issuing board or municipality on account thereof, and the provisions of K.S.A. 10-113, ~~and amendments thereto,~~ shall not apply to any bonds issued hereunder.

Sec. 65. K.S.A. 13-13c09 is hereby amended to read as follows: 13-13c09. (a) The authority shall have the power ~~and is hereby authorized~~ from time to time to issue its negotiable bonds for any purpose mentioned in K.S.A. 13-13c05, ~~and amendments thereto,~~ including the acquisition, construction, reconstruction and repair of personal and real property of all kinds ~~deemed by which the board deems to be necessary or desirable to carry out such purpose, as well as to pay such expenses as may be deemed by which the board deems necessary or desirable to the financing thereof and placing the project or projects in operation in the aggregate principal amount of not exceeding twenty million dollars (\$20,000,000) \$20,000,000~~ outstanding at any one time. The authority shall have power from time to time and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose hereinabove described. Except as otherwise provided herein, refunding bonds issued under the authority of this section shall be issued in the manner prescribed by and subject to the provisions of K.S.A. 10-116a, ~~and amendments thereto.~~ In computing the total amount of bonds of the authority which may at any time be outstanding, the amount of the outstanding bonds to be refunded from the proceeds of the sale of new bonds or by exchange for new bonds shall be excluded. Except as ~~may otherwise be expressly~~ provided by the authority, the bonds of every issue shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues. Whether or not the bonds are of such form and character as to be negotiable instruments under the terms of the negotiable instruments law, the bonds shall be ~~and are hereby made~~ negotiable instruments within the meaning of and for all the purposes of the negotiable instruments law, subject only to provisions of the bonds for registration.

(b) The bonds shall be authorized by resolution of the board and shall bear such date ~~or dates,~~ mature at such time ~~or times,~~ not exceeding ~~thirty (30)~~ 30 years from their respective dates, bear interest at ~~such rate or rates, a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, payable annually or semiannually,~~ be in such denomination ~~and amendments thereto,~~ be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place ~~or places,~~ and be subject to such terms of redemption, as such resolution ~~or resolutions may provide provides.~~ The bonds may be sold at public or private sale for such price ~~or prices~~ as the authority ~~shall determine determines,~~ but which shall not at the time of sale yield more than the maximum rate of interest prescribed by K.S.A. 10-1009, ~~and amendments thereto.~~

(c) Any resolution ~~or resolutions~~ authorizing any bonds or any issue of bonds may contain provisions, which shall be a part of the contract with the holders of the bond thereby authorized, as to: (1) Pledging all or any part of the revenues of a project ~~or projects~~ to secure the payment of the bonds, subject to such agreements with bondholders as may then exist; (2) the rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues; (3) the setting aside of reserves or sinking funds, and the regulation and disposition thereof; (4) limitations on the right of the authority to restrict and regulate the use of a project; (5) limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or of any issue of the bonds; (6) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured; ~~and the refunding of outstanding or other bonds;~~ (7) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the

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amount of bonds the holders of which must consent thereto; and the manner in which such consent may be given; (8) limitations on the amount of moneys derived from a project to be expended for operating, administrative or other expenses of the authority; (9) vesting in a trustee or trustees such property, rights, powers and duties in trust as the authority may determine determines which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to K.S.A. 13-13c16, and amendments thereto, and limiting or abrogating the right of the bondholders to appoint a trustee under said such section or limiting the rights, duties and powers of such trustee; and (10) any other matters, of like or different character, which in any way affect the security or protection of the bonds.

(d) It is the intention hereof that any pledge of revenues or other moneys made by the authority shall be valid and binding from the time when the pledge is made; that the revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. ~~Neither the resolution nor any other instrument by which a pledge is created need be recorded.~~

(e) Neither the members of the authority nor any person executing the bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

(f) The authority shall have the power, out of any funds available therefor, to purchase bonds. The authority may hold, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

(g) In the discretion of the authority, the bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company in the state of Kansas. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the construction, maintenance, operation, repair and insurance of the project or projects, and the custody, safeguarding and application of all moneys, and may provide that the project or projects shall be constructed and paid for under the supervision and approval of consulting engineers. Notwithstanding the provisions of K.S.A. 13-13c08, and amendments thereto, the authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues of the project or projects to the trustees under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine determines. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation, and repairs of the project or projects. If the bonds shall be are secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them, and the trustee under such trust indenture shall have and possess all of the powers which are conferred by K.S.A. 13-13c16, and amendments thereto upon a trustee appointed by the bondholders.

Sec. 66. K.S.A. 13-2406 is hereby amended to read as follows: 13-2406. It shall be the duty of said the board of commissioners to create and maintain a sinking fund for the payment of the bonded indebtedness of such city arising from the purchase of said the waterworks, by laying aside from the revenues of said the department an amount equal to not less than ~~two percent (2%)~~ 2% per annum upon said the gross bonded debt. The said board of commissioners shall use such sinking fund in the purchase and cancellation from time to time of bonds issued to pay the purchase price of said the waterworks but shall not pay for any such bonds any greater sum than par, nor more than the actual market price thereof at the time of purchasing the same, if less than par. All bonds so purchased by the board shall be canceled and retired by said the board.

If the said board of commissioners shall be are unable to

purchase any of said the bonds on such terms, then it shall be the duty of said the board to invest the moneys of said the sinking fund in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in bonds of the state of Kansas, or general improvement bonds of cities of the first or second class, or bonds of any county in this state wherein a city of the first or second class is located; or bonds of unified school districts in this state. Any municipal bonds so purchased shall bear no less than ~~three percent (3%)~~ 3% interest per annum except that any municipality may purchase its own bonds for sinking fund investments which bear less than the maximum rate of interest prescribed by K.S.A. 10-1009. Said, and amendments thereto. The board shall not buy the bonds of any city, wherein the outstanding bonded city indebtedness, exclusive of the bonded debt created for the purchase or extension of any waterworks system of any bonds for the payment of which special assessments are levied exceeds ~~fifteen percent (15%)~~ 15% of its assessed valuation as fixed by such city. In making such investment said, the board shall not pay for any such bonds any greater sum than par, nor more than the actual market price thereof at the time of purchasing the same, if less than par, except by unanimous vote of said the board.

It shall be the duty of the city attorney to examine the validity of all such bonds and report thereon in writing to the board of commissioners, and no bonds shall be purchased by said the board until they have been approved and found valid by the city attorney. It shall be the duty of said the secretary to keep a permanent record of the amounts turned into said the sinking fund and a full description of all bonded indebtedness of said the waterworks department canceled and retired, and a full description of all bonds bought for said the sinking fund, the date of said the bonds, rate of interest, when payable, number of any coupons attached, when bought, for whom purchased, and the price or rate paid therefor.

Immediately upon the receipt of any such bonds purchased for said the sinking fund, the city auditor or city clerk, shall cause each bond and coupon any coupons appertaining thereto to be plainly stamped upon the back thereof, "Property of the waterworks sinking fund of the city of _____." Said The auditor or city clerk shall also keep a record of each of said the bonds and each any coupon thereto attached, which record shall show amount, date, rate of interest of such bond, when and where payable, the date, amount and the number of each coupon and when payable. Said The bonds shall be kept by the city treasurer.

The board of commissioners shall not sell any of such bonds for less than their par value. The city auditor or city clerk shall also keep a duplicate record of the payment of all such bonds or coupons, and all moneys received from the payment of any such bonds or coupons and interest thereon shall be reinvested as a part of said the sinking fund as hereinbefore provided. It shall be the duty of the said secretary to report on January 1 of each year the amount of outstanding indebtedness of said the waterworks department and an itemized statement of the moneys and bonds in said the sinking fund and the bonded indebtedness paid off during the preceding year.

Sec. 67. K.S.A. 13-2423 is hereby amended to read as follows: 13-2423. It shall be the duty of the waterworks board to use the sinking funds herein provided for in the purchase and cancellation from time to time of bonds issued to pay the purchase price of such waterworks plant but said the board shall not pay for any such bonds any greater sum than par, nor more than the actual market price thereof at the time of purchasing the same if less than par. All bonds so purchased by the board shall be canceled and retired by said the board. If the board shall be is unable to purchase any such bonds, then it shall be their duty to invest the moneys of said the sinking funds in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in bonds of the state of Kansas, or general improvement bonds of cities of the first and second class, or bonds of any county in this state wherein a city of the first or second class is located, or bonds of unified school districts of this state. Any municipal bonds so purchased by the board shall bear not less than ~~one percent~~ 1% per annum. Said The board shall

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not buy the bonds of any city, wherein the outstanding bonded city indebtedness, exclusive of the bonded debt created for the purchase or extension of waterworks plant, exceeds ~~fifteen percent~~ 15% of its assessed valuation for the preceding year. In making such investment ~~said the~~ waterworks board shall not, except by unanimous vote, pay for any such bonds any greater sum than par, nor more than the actual market price thereof at the time of purchasing the same if less than par. No such bonds shall be purchased until they have been approved in writing and found valid by a competent attorney.

It shall be the duty of the manager of collections and accounts of the waterworks board to keep a permanent record of the accounts turned into ~~said the~~ sinking fund, and a full description of all bonded indebtedness canceled and retired, and a full description of all bonds bought for ~~said the~~ sinking fund, the date of ~~said the~~ bonds, rate of interest, when payable, number of any coupons attached, when bought, from whom purchased, and the price or rate paid therefor; ~~and~~. The manager of collections and accounts shall cause to be stamped upon the back of each of ~~said the~~ bonds the words, "Property of the waterworks plant sinking fund of the city of _____." ~~Said The~~ bonds shall be kept by the city treasurer, and the board shall not sell any such bonds for less than their par value. The city auditor or city clerk shall also keep a duplicate record of the payment of all such bonds or coupons, and all money received from the payment of all such bonds ~~or coupons and interest thereon~~ shall be reinvested as a part of the sinking fund as hereinbefore provided. It shall be the duty of the manager of collections and accounts of the waterworks board to report on January ~~first~~ 1 of each year the amount of outstanding indebtedness of the waterworks plant, and to furnish an itemized statement of the moneys and the bonded indebtedness paid off during the preceding year.

Sec. 68. K.S.A. 15-1127 is hereby amended to read as follows: 15-1127. ~~Any such assessment or~~ All assessments shall be levied by ordinance of the city and each other taxing unit assessed shall be notified in writing of the amount assessed against it. Then, such taxing subdivision ~~so~~ assessed shall have ~~the power and authority~~ to issue its general obligation bonds in an amount not exceeding the amount of its assessment and shall pay such assessment to the city from the proceeds of the sale of such bonds within ~~ninety (90)~~ 90 days from the publication of the assessment ordinance.

Such bonds shall mature in ~~approximately equal annual installments over a period of not to exceed twenty (20) in not more than 20 years from the date of issuance~~ and shall bear interest at a rate not exceeding the maximum rate prescribed by K.S.A. 10-1009, ~~and amendments thereto~~, and shall be executed, issued, registered, sold and retired as provided by the general bond law. If deemed necessary or proper each such taxing subdivision may issue temporary improvement notes pursuant to K.S.A. 10-123, ~~and amendments thereto~~, to provide funds for paying its assessment prior to the issuance of its bonds.

Sec. 69. K.S.A. 19-2862a is hereby amended to read as follows: 19-2862a. The park board in the name of the district is hereby authorized to provide by resolution, at one time or from time to time, for the issuance of Johnson county park and recreation district revenue bonds for the purpose of paying all or any part of the cost of acquiring existing recreational facilities or for acquiring real estate and for the construction of recreational facilities thereon or for the construction of recreational facilities upon land already owned by the district. ~~Said The~~ park board is hereby authorized to enter into an agreement for the lease of all or part of any recreational facility so acquired or constructed, upon such terms and conditions as are satisfactory to the board and without the necessity of advertising for competitive bids therefor. The principal of and the interest on such bonds shall be payable solely from revenues derived from the recreational facilities acquired or constructed with the proceeds of such bonds and from any other funds provided by law therefor. The bonds of each issue shall be dated, shall bear interest, shall mature at such time ~~or times~~ not exceeding ~~forty (40)~~ 40 years from their date ~~or dates~~, as ~~may~~ be determined by the board, and may be redeemable before maturity at the option of the board, at such price ~~or prices~~ and at such times and under such conditions as may be

fixed by the board prior to the issuance of the bonds. The board shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination ~~or denominations~~ of the bonds and the place ~~or places~~ of payment of principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the ~~chairman~~ chairperson of the board or shall bear ~~his a~~ facsimile signature, and the official seal of the district shall be impressed thereon and attested by the secretary of the board, and any coupons attached thereto shall bear the facsimile signature of the ~~chairman~~ chairperson of the board. In case any officer whose signature or a facsimile of whose signature ~~shall appear~~ appears on any bonds or coupons ~~shall cease~~ ceases to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if ~~he~~ such officer had remained in office until such delivery. All bonds issued under the provisions of this act shall have ~~and are hereby declared to have~~ all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the board may determine, and provision may be made for the registration of any coupon bonds as to ~~principal alone and also as to~~ both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest and for the interchange of registered and coupon bonds. The board may sell such bonds in such manner and for such price as it ~~may determine~~ determines will best effect the purposes of this act.

Sec. 70. K.S.A. 19-28,109 is hereby amended to read as follows: 19-28,109. (a) Before the authority ~~shall issue~~ issues any bonds or notes, it shall adopt a comprehensive plan for the development of the sports complex for which bonds are to be issued. Such plan shall include a detailed and systematic projection of the construction of all access roads and parking facilities required to implement the operation and management of the complex, and the estimated cost of constructing ~~such~~ access roads and parking facilities shall be included in and be a part of the estimated costs of constructing the sports complex.

Prior to the issuance of any bonds under this act, the authority shall cause to be published once each week for two ~~(2)~~ consecutive weeks in a newspaper of general circulation in the county a notice of its intention to issue its bonds or notes, ~~which~~. The notice shall describe the proposed facility ~~or facilities~~ to be paid for out of the proceeds of the bonds or notes, and shall state the maximum amount of bonds or notes to be issued. If the authority has requested or will request the board of county commissioners to levy an entertainment tax pursuant to K.S.A. 19-28,111, ~~and amendments thereto~~, to provide funds to be used to pay the proposed bonds or notes, the published notice of intention shall state that such a request has been or will be made and shall specify the maximum rate of tax requested and to whom the tax will apply. If, within ~~sixty (60)~~ 60 days after the last publication of such notice, there ~~shall be~~ is filed with the county election officer a written protest against the proposed facility ~~or facilities~~ and the proposed bond issue, signed by not less than ~~five percent (5%)~~ 5% of the qualified electors of the county, the authority shall submit the proposed facility ~~or facilities~~ and the proposed bond issue to the electors of ~~said the~~ county at a bond election to be called for that purpose. The authority shall give notice of ~~said bond election in the manner prescribed in K.S.A. 10-120, and said~~ election shall be called and held in accordance with the provisions of the general bond law. If a majority of the votes cast and counted at such election ~~shall be~~ are in favor of the proposition, such bonds may be issued by the authority, and the board of county commissioners, upon receipt of a request from the authority, may levy an entertainment tax pursuant to K.S.A. 19-28,111, ~~and amendments thereto~~, in an amount not greater than the amount specified in the notice of election.

(b) Bonds or notes of the authority shall be issued pursuant to a resolution adopted by the authority, which shall set out the estimated cost to the authority of the proposed facility ~~or facilities~~, and shall further set out the amount of bonds or notes to be issued, their purposes, their date ~~or dates~~, denomination ~~or~~

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denominations, rate or rates of interest, time or times of payment, both of principal and of interest, place or places of payment and all other details in connection therewith. Any such bonds or notes may be subject to such provisions for redemption prior to maturity, with or without premium, and at such times and upon such conditions as may be provided by the resolution.

Such bonds or notes shall bear interest at a rate not exceeding that the maximum rate provided in subsection (b) of prescribed by K.S.A. 10-1009, and amendments thereto, shall mature within a period not exceeding ~~fifty (50) 50~~ years and shall be sold at a public sale for not less than ~~ninety five percent (95%) 95%~~ of the principal amount thereof. Bonds or notes issued by an authority shall possess all of the qualities of negotiable instruments under the laws of this state.

Such bonds or notes may be payable to bearer, may be registered or coupon bonds or notes and if payable to bearer, may contain such registration provisions as to either principal and interest; ~~or principal only; as may be as~~ provided in the resolution authorizing the same, which resolution also may provide for the exchange of registered and coupon bonds or notes. Such bonds or notes and any coupons attached thereto shall be signed in such manner and by such officers of the authority as may be provided for by the resolution authorizing the same. The authority may provide for the payment of any bond or note in the manner authorized in article 5, of chapter 10 of the Kansas Statutes Annotated.

(c) Bonds or notes issued by an authority shall be payable as to principal, interest and redemption premium, if any, out of the proceeds of an entertainment tax levied as provided in K.S.A. 19-28,111, and amendments thereto, and out of other general funds of the authority, including rents, revenues, receipts and income derived and to be derived for the use of any facility or combination of facilities, or any part or parts thereof, acquired, constructed, improved or extended in whole or in part from the proceeds of such bonds or notes, including but not limited to stadium rentals, concessions, revenues from parking facilities and from funds derived from any other facility, or any part thereof, owned or operated by the authority, all or any part of which rents, revenues, receipts and income the authority is authorized to pledge for the payment of ~~said~~ the principal, interest and redemption premium, if any.

(d) Bonds or notes of the authority may be further secured by a mortgage or deed of trust upon the rents, revenues, receipts and income herein referred to or any part thereof or upon any leasehold interest or other property owned by the authority, or any part thereof, whether then owned or thereafter acquired. The proceeds of such bonds or notes shall be disbursed in such manner and under such restrictions as the authority may provide provides in the resolution authorizing the issuance of such bonds or notes or in any such mortgage or deed of trust.

(e) It shall be the duty of the authority to fix and maintain rates and make and collect charges for the use and services of its interest in the facility or facilities or any part thereof operated by the authority which, when combined with the proceeds of any entertainment tax which may be levied and collected pursuant to K.S.A. 19-28,111, and amendments thereto, shall be sufficient to pay the cost of operation and maintenance thereof, to pay the principal of and interest on any such bonds or notes and to provide funds sufficient to meet all requirements of the resolution by which such bonds or notes have been issued.

(f) The resolution authorizing the issuance of any such bonds or notes may provide for the allocation of rents, revenues, receipts and income derived and to be derived by the authority from the use of any facility or part thereof and from the levy and collection of any entertainment tax pursuant to K.S.A. 19-28,111, and amendments thereto, in such separate accounts as shall be deemed to be advisable to assure the proper operation and maintenance of any facility or part thereof and the prompt payment of any bonds or notes issued to finance all or any part of the costs thereof. Such accounts may include reserve accounts necessary for the proper operation and maintenance of any such facility, or any part thereof, and for the payment of any such bonds or notes. Such resolution may include such other covenants and agreements by the authority as in its judgment are

advisable or necessary to secure properly the payment of such bonds or notes.

(g) The authority may issue refunding bonds for the purpose of refunding, extending or unifying the whole or any part of such bonds or notes then outstanding, which. Such refunding bonds shall be issued in the manner prescribed by and subject to the provisions of K.S.A. 1977 Supp. 10-116a, and amendments thereto.

Sec. 71. K.S.A. 19-3516 is hereby amended to read as follows: 19-3516. (a) Any water district board may issue and sell revenue bonds to finance the cost of acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of any such water supply and distribution system; and. The board shall fix by resolution such rates, fees and charges for the services furnished by such water supply and distribution system as may be reasonable and necessary and provide for the manner of collecting and disbursing such revenues subject to the limitations hereinafter contained.

Revenues derived from the operation of any such water supply and distribution system shall be deposited in a responsible bank within the county in which the greatest portion of such water district is located and the deposits shall be governed by article 14, of chapter 9 of the Kansas Statutes Annotated and shall not be used except for the purpose of: (1) Paying wages and salaries of all officers and employees, (2) paying the cost of operation, (3) paying the cost of maintenance, extension and improvement of such water supply and distribution system, (4) providing an adequate depreciation fund, and (5) creating reasonable reserves for such purposes. All revenues over and above those necessary for the above enumerated purposes shall be placed in a reserve fund which, together with any moneys not currently needed which have been set aside for the purposes described in clauses (4) and (5) above, may be invested in accordance with the provisions of K.S.A. 1977 Supp. 10-122, and amendments thereto, or K.S.A. 1977 Supp. 10-131, and amendments thereto. Such reserve fund shall be used solely for improving, extending or enlarging the district's water system or for the retirement of revenue bonds issued hereunder and the payment of interest thereon. Such revenue bonds are hereby made a lien on the water supply and distribution system and on the revenues produced from such water supply and distribution system but shall not be general obligations of the issuing water district. Such revenue bonds shall not be taken into account or in any way be a limitation upon the power of the water district to issue bonds for any other purpose. All revenue bonds issued under this act shall be signed by the chairman chairperson of the issuing water district board and attested by the secretary and shall contain recitals stating the authority under which such bonds are issued; that they are issued in conformity with the provisions, restrictions and limitations of that authority; that such bonds are to be paid by the issuing water district from the revenues derived from the rates, fees or charges herein mentioned and not from any other fund or source; that the same have been registered in the office of the county clerk of the various counties in which the issuing water district is located and in the office of the treasurer of the state of Kansas, respectively; and that such bonds are negotiable. All such bonds, when registered and issued, as herein provided, shall import absolute verity, and shall be conclusive in favor of all persons purchasing such bonds, that all proceedings and conditions precedent have been had and performed to authorize the issuance thereof. The provisions of K.S.A. 10-112 shall not apply to any bonds issued under this act.

(b) Revenue bonds issued under this act shall mature serially over a period beginning not later than five (5) years after the date of the bonds and ending not later than forty (40) years after such date 40 years after the date of the bonds; may be subject to redemption prior to maturity, with or without premium, at such times and upon such conditions as may be provided by the water district board; and shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, payable semi-annually, such interest to be evidenced by coupons attached to the bonds and amendments thereto. The board may sell such bonds in such manner and for such price as it may

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determine ~~determines~~ will best effect the purposes of this act. In no case where revenue bonds are issued under this act shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the plan or program which ~~shall include~~ includes, in addition to all expenses incurred in the acquiring of a water supply and distribution system, all expenses incurred prior to and including the bond election, the no-fund warrants outstanding under the provisions of K.S.A. 19-3505a, and ~~amendments thereto~~, and unpaid at the time such revenue bonds are issued and all costs of operation and maintenance of such water supply and distribution system estimated to be necessary for a period of two (2) years immediately following the acquisition of such system and the amount necessary to pay the salaries of the water district board due from the date the first member of the first board is elected. Whenever any such water district board has sufficient revenues to pay the operational and maintenance cost and the board members' salaries, then such expenses shall be paid out of such revenues and any surplus funds remaining from the sale of revenue bonds shall be transferred to the revenue bond sinking fund of the water district. No water district or county in which a portion of such water district lies shall have any right or authority to levy taxes to pay any of the principal of or interest on any such bonds or any judgment against the issuing water district on account thereof, and the provision of K.S.A. 10-113, and ~~amendments thereto~~, shall not apply to any bonds issued hereunder. All water district boards created by this act shall by appropriate resolution make provisions for the payment of such bonds by fixing rates, fees and charges, for the use of all services rendered by such water district, which rates, fees and charges shall be sufficient to pay the wages and salaries of all officers and employees and the costs of operation, improvement and maintenance of the water supply and distribution system; to provide an adequate depreciation fund and an adequate sinking fund to retire ~~said such~~ bonds and pay the interest thereon when due; and to create reasonable reserves for such purposes. Such fees, rates or charges shall be sufficient to allow for miscellaneous and emergency or unforeseen expenses. The resolution of the water district board authorizing the issuance of revenue bonds may establish limitations upon the issuance of additional revenue bonds payable from the revenues of the district's water supply and distribution system or upon the rights of the holders of such additional bonds and may provide that additional revenue bonds shall stand on a parity as to the revenues of the water district and in all other respects with revenue bonds previously issued on such conditions as ~~may be~~ specified by the board in such resolution. Such resolution may include other agreements, covenants or restrictions deemed necessary or advisable by the district board to effect the efficient operation of the district's system and to safeguard the interests of the holders of the revenue bonds and to secure the payment of the bonds and the interest thereon.

(c) The water district board shall cause an audit to be made annually by a licensed municipal public accountant of the operations of any water supply and distribution system created hereunder for which revenue bonds have been issued by any water district, and, if the audit ~~shall disclose~~ discloses that proper provision has not been made for all of the requirements of this section, the water district board shall promptly proceed to cause rates to be charged for the water supply and distribution services rendered which will adequately provide for the requirements set out herein. Within ~~thirty (30)~~ 30 days after the completion of such audit, a copy of the audit shall be filed with the county clerks of the various counties in which such water district is located, and such audit shall be open to public inspection.

(d) The water district board, by a majority vote of the members thereof, may contract for repairs, alterations, extensions or improvements of the water supply and distribution system and issue revenue bonds to pay the cost thereof without submitting to a vote of the electors of such water district the proposal to contract for the making of such repairs, alterations, extension and improvements and to issue revenue bonds to pay the costs thereof. All contracts for any construction of all or part of the water system, or for repairs, extensions, enlargements or improvements to any such water supply and distribution system

created under this act, the cost of which shall exceed five thousand dollars (~~\$5,000~~) exceeds \$5,000 shall be awarded on a public letting by the water district board to the lowest responsible bidder, and in the manner provided by K.S.A. 19-214, 19-215 and 19-216, and ~~amendments thereto~~, except that the required notice of letting contracts shall be seven (7) days if the cost shall ~~does not exceed twenty-five thousand dollars (\$25,000)~~ \$25,000 and thirty (30) 30 days if the cost shall exceed twenty-five thousand dollars (~~\$25,000~~) exceeds \$25,000.

Sec. 72: K.S.A. 19-3532 is hereby amended to read as follows: 19-3532. The water district may issue and sell revenue bonds without an election to finance the cost of acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of the water supply system. Such revenue bonds are hereby made a lien on the water supply system and on the revenues produced from such water supply system, but shall not be general obligations of the issuing water district. All revenue bonds issued under this act shall be signed by the president of the district and attested by the secretary of the district and shall contain recitals stating the authority under which such bonds are issued and that they are to be paid by the water district from the net revenue derived from the operation of the water supply system and not from any other fund or source and that ~~said the~~ bonds are negotiable. All such bonds shall be registered in the office of the county clerk and in the office of the state auditor and when so registered and issued shall import absolute verity, and shall be conclusive in favor of all persons purchasing such bonds, that all proceedings and conditions precedent have been had and performed to authorize the issuance thereof. The provisions of K.S.A. 10-112 shall not apply to any bonds issued under this act.

Revenue bonds issued under this act shall mature ~~serially over a period beginning not later than five (5) years after the date of the bonds and ending not later than forty (40) years after such date~~ 40 years after the date of the bonds, may be subject to redemption prior to maturity, with or without premium, at such times and upon such conditions as may be provided by the board, and shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, payable ~~semiannually, such interest to be evidenced by coupons attached to the bonds and amendments thereto~~. The board may sell such bonds in such manner and for such price as it ~~may determine~~ determines will best effect the purposes of this act. In no case shall the total amount ~~thereof received therefrom~~ be in excess of the actual cost of the plan or program which shall include, in addition to all expenses incurred in acquiring, constructing or improving the water supply system, all no-fund warrants issued under the provisions of K.S.A. 19-3533, and ~~amendments thereto~~, and unpaid at the time ~~said the~~ revenue bonds are issued and all costs of operation and maintenance of such water supply system estimated to be necessary for a period of two (2) years immediately following the acquisition, construction or improvement of such system to be financed out of the proceeds of ~~said the~~ reserve bonds. No water district or county in which the water district lies shall have any right or authority to levy taxes to pay any of the principal of or interest on any such bonds or any judgment against the issuing water district on account thereof, and the provision of K.S.A. 10-113, and ~~amendments thereto~~, shall not apply to any bonds issued hereunder.

The board shall by appropriate resolution make provisions for the payment of ~~said such~~ bonds by fixing rates, fees and charges, for the use of all services rendered by such water district, which rates, fees and charges shall be sufficient to pay the costs of operation, improvement and maintenance of the water supply system, to provide an adequate depreciation fund, provide an adequate sinking fund to retire ~~said such~~ bonds and pay interest thereon when due, and to create reasonable reserves for such purposes. ~~Said~~ The fees, rates or charges shall be sufficient to allow for miscellaneous and emergency or unforeseen expenses. The resolution of the board authorizing the issuance of revenue bonds may establish limitations upon the issuance of additional revenue bonds payable from the revenues of the district's water supply system or upon the rights of the holders of such additional

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bonds, and may provide that additional revenue bonds shall stand on a parity as to the revenues of the water district and in all other respects with revenue bonds previously issued on such conditions as may be specified by the board in such resolution. Such resolution may include other agreements, covenants or restrictions deemed necessary or advisable by the board to effect the efficient operation of the system and to safeguard the interests of the holders of the revenue bonds and to secure the payment of the bonds and the interest thereon.

Sec. 73. K.S.A. 24-486 is hereby amended to read as follows: 24-486. In addition to the powers hereby conferred upon any drainage district incorporated hereunder and set forth in ~~said~~ article 4, of chapter 24, of the Kansas Statutes Annotated, and notwithstanding any provisions therein contained to the contrary, ~~said~~ the drainage district, acting by and through its board of directors, shall have authority to cause suitable plans to be ~~perfected prepared~~ and drainage work to be executed, drains to be built, necessary lands and easements to be acquired, and all necessary drainage work to be constructed and assessments for benefits to be made, in accordance with law. ~~Provided, That~~ ~~said~~. Such work may be done, assessments levied and bonds issued without the submission of the same to a vote of the electors, and until and unless the total face value of the bonds issued by ~~said~~ the drainage district, exclusive of any interest coupons, shall equal or exceed ~~exceeds~~ the sum of five percent 5% of the assessed valuation of all of the taxable property ~~situate~~ in ~~said~~ located within the drainage district, as determined by the last assessment thereof as shown by the records in the office of the county assessor, appraiser. Bonds may be issued and special assessments may be levied and spread to redeem the same, with interest, without the submission of same to a vote of the electors of ~~said~~ the district. ~~Provided, That~~ ~~when~~. If the total amount of bonds issued by ~~said~~ the drainage district shall equal or exceed equals or exceeds the above-named sum, no bonds shall be issued or assessments made without the submission of ~~said~~ the proposition to a vote of the electors of ~~said~~ the district as otherwise provided by law. All assessments shall be made as provided by section 24-422 of article 4, chapter 24 of the Kansas Statutes Annotated may be made K.S.A. 24-422, and amendments thereto, by the three disinterested assessors appointed by the board of directors from the electors of the county or counties in which the district is located.

Sec. 74. K.S.A. 24-518 is hereby amended to read as follows: 24-518. A record shall be kept by the secretary of the board of directors of all bonds issued under this act, showing the date, number and amount thereof, and when the same become due, and it shall be the imperative duty of ~~said~~ the board of directors to annually levy and certify to each of the county clerks of the several counties within the ~~said~~ the clerk of each county in which the drainage district is located a tax upon all of the lands and other real property of his in the county and within ~~said~~ the drainage district sufficient in amount to pay the interest coupons on all bonds as they may become due, and after ten 10 years from the date of issue, and each year thereafter, to provide a levy sufficient for the redemption of maturing bonds. ~~Provided, That~~. All special assessments of taxes for the redemption of bonds shall be levied against the property aforesaid in proportion to the benefits derived from ~~said~~ the improvements, ~~said~~ benefits to be determined as hereinafter provided.

Sec. 75. K.S.A. 24-643 is hereby amended to read as follows: 24-643. ~~That any and~~ All acts of the officials of such districts in respect to the issuance of any and all unpaid bonds and interest coupons heretofore issued thereon by any such drainage district for which such districts received value are hereby legalized, approved and validated and such unpaid bonds and coupons interest thereon shall constitute the legal obligations of such drainage districts, if issued in substantial compliance with the laws relating thereto as printed in the statute book at the time of their issuance.

Sec. 76. K.S.A. 24-644 is hereby amended to read as follows: 24-644. ~~That any and~~ All acts of such officials and of all county and state officials relating to levying taxes and special assessments heretofore levied and assessed for the payment of the

principal and interest on ~~said~~ such bonds and for all other purposes necessary and incidental to the business of ~~said~~ the drainage district if done in substantial compliance with the laws as printed in the statute book, are hereby validated and legalized, ~~and that~~. Any taxes and special assessments in an amount sufficient to pay the principal and interest of ~~said~~ bonds now outstanding, shall be annually assessed and collected in each of ~~said~~ the drainage districts and applied to the payment of ~~said~~ the bonds and interest coupons thereon, and express authority so to do is hereby delegated to the proper drainage district officials and county officials in any county ~~wherein~~ ~~said~~ in which the drainage districts are located.

Sec. 77. K.S.A. 27-323 is hereby amended to read as follows: 27-323. The authority shall have power to issue its own general obligation bonds, revenue bonds, industrial revenue bonds, and no-fund warrants as hereinafter in this section provided: by this section:

(a) If the authority shall desire ~~desires~~ to issue its general obligation bonds, the board of directors of the authority shall adopt a resolution setting forth the principal amounts of bonds proposed to be issued and the purpose for which ~~said~~ the bonds are to be issued, and shall forward a copy of such resolution to the mayor of the city. The mayor shall present such resolution to the governing body of the city for its approval or disapproval. If the governing body of the city shall, by appropriate ordinance ~~disapprove~~ ~~said~~, disapproves the resolution of the authority, no further action shall be taken by the authority on the basis of ~~said~~ the resolution. If the governing body of the city shall, by appropriate ordinance, unconditionally approve ~~said~~ approves the resolution of the authority, the governing body of the authority may proceed to authorize and issue the general obligation bonds of the authority in the amount and for the purpose specified in the resolution of the authority. The governing body of the city, however, upon the presentation to it of the resolution of the authority, in lieu of disapproving or unconditionally approving ~~said~~ the resolution, may adopt a resolution giving its approval of the resolution of the authority but directing the publication once in the official city newspaper of a notice setting forth the intention of the authority to issue its general obligation bonds in the amount and for the purpose specified in the resolution of the authority, and if within fifteen (15) 15 days after the publication of ~~said~~ the notice there shall be is filed with the city clerk a written protest against the issuance of ~~said~~ the general obligation bonds of the authority signed by not less than twenty percent (20%) 20% of the qualified electors of such city, the governing body of the city shall submit the proposed improvement and the proposed general obligation bond issue of the authority to the electors of the city at a special election to be called for that purpose upon at least ten (10) 10 days' notice, to be held not later than sixty (60) 60 days after the filing of such protest, or at a regular city election or general election which will occur not sooner than thirty (30) 30 days nor later than sixty (60) 60 days after the filing of such protest. In the event that a majority of the voters voting on such proposition at such election shall vote in favor thereof, such improvement may be made and such general obligation bonds of the authority may be issued by the authority to pay the cost thereof. General obligation bonds of the authority shall not be issued in excess of three percent (3%) 3% of the assessed valuation of all the tangible taxable tangible property within the city as shown by the assessment books of the previous year. The general obligation bonds of the authority as to the term, maximum interest rate, and other details shall conform to the provisions of the general bond law. The full faith and credit of the authority shall be pledged to the payment of the general obligation bonds of the authority, including principal and interest, and the authority shall annually levy a tax on all tangible taxable tangible property within the city, in addition to all other levies authorized by law, in an amount sufficient to pay the interest on and principal of ~~said~~ the bonds as the same become due. Such general obligation bonds of the authority shall not constitute a debt or obligation of the city which established and created the authority.

(b) The authority may issue from time to time the revenue

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bonds of the authority for the purpose of purchasing, constructing, or otherwise acquiring, repairing, extending, or improving any property or facility of the authority and may pledge to the payment of such revenue bonds, both principal and interest, any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it. Such revenue bonds of the authority shall mature ~~serially beginning not later than five (5) years after the date of issuance, and the date of maturity of such bonds shall not be fixed for a longer period of time than forty (40) 40 years after the date of issuance.~~ ~~Said~~ The revenue bonds shall bear interest at a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, ~~payable semi-annually, such interest to be evidenced by coupons attached to said bonds. Said bonds and interest coupons shall be negotiable. Said and amendments thereto.~~ Such bonds shall contain recitals stating the authority under which such bonds are issued, that they are issued in conformity with the provisions, restrictions and limitations of such authority, and that such bonds and interest coupons ~~are thereon~~ is to be paid by the issuing authority from any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it and not from any other fund or source. The resolution authorizing the issuance of revenue bonds of the authority may establish limitations upon the issuance of additional revenue bonds of the authority and may provide that additional revenue bonds shall stand on a parity as to the revenues of the authority and in all other respects with revenue bonds previously issued by the authority on such conditions as may be specified in the resolution. ~~Said~~ The resolution may include other agreements, covenants or restrictions deemed advisable by the governing body of the authority to effect the efficient operation of the property and facilities of the authority, and to safeguard the interests of the holders of the revenue bonds of the authority, and to secure the payment of ~~said~~ the bonds and the interest thereon promptly when due. When an authority authorizes and issues its revenue bonds under the provisions of this section, an amount of the net revenues of the property and facilities of the authority sufficient for the purpose shall be pledged to the payment of the principal of and the interest on the bonds as the same become due, and it shall be the mandatory duty of any authority issuing revenue bonds under this act to fix and maintain rentals, rates, fees and charges for the use and services of the property and facilities of the authority sufficient to pay the cost of operation and maintenance of such property and facilities, pay the principal of and interest on all revenue bonds or other obligations issued by the authority and chargeable to the revenues of the authority as and when the same become due, provide an adequate depreciation and replacement fund, and create reasonable reserves therefor, and to provide funds ample to meet all valid and reasonable requirements of the resolution authorizing the revenue bonds. ~~Said~~ The bonds shall be registered in the office of the secretary or clerk of the authority issuing the same and in the office of the state auditor and shall not be offered for sale to the state school fund commission.

(c) The authority may issue the industrial revenue bonds of the authority, such bonds ~~to shall~~ be issued in the manner ~~and under and in accordance with the terms and provisions of provided by~~ K.S.A. 12-1740 to 12-1749, inclusive, and ~~any acts relating to the subjects of such act, and all amendments thereof amendments thereto.~~

(d) The authority may issue its no-fund warrants under the conditions and in the manner provided by law for the issuance of no-fund warrants by cities of the first class.

(e) The bonds, warrants, and other obligations and liabilities of the authority shall not constitute any debt or liability of the state of Kansas or of the city which established and created the authority, and neither the state nor the city shall be liable thereon.

Sec. 78. K.S.A. 1982 Supp. 27-334 is hereby amended to read as follows: 27-334. (a) The authority may issue its own general obligation bonds, revenue bonds and industrial revenue bonds as provided by this section.

(b) Prior to the issuance of general obligation bonds in an amount less than \$1,000,000, the board of directors of the au-

thority shall adopt a resolution setting forth the principal amounts of and the purpose for which the bonds are to be issued, and shall cause the same to be published once each week for two consecutive weeks in the official county newspaper. If, within 30 days after publication of the resolution, a petition in opposition to the issuance of the bonds, signed by not less than 5% of the qualified electors of the county is filed with the county election officer, the board of directors shall submit the proposed issuance of general obligation bonds to the electors of the county in the manner provided in the general bond law. If a majority of the voters voting on the proposition at the election shall vote in favor of the issuance, the bonds may be issued by the authority.

The board of directors shall submit any proposed issuance of general obligation bonds in an amount which is equal to or which exceeds \$1,000,000, ~~including the issuance of such bonds in an amount which is equal to or which exceeds \$1,000,000 for the construction of a new or the expansion of an existing commercial air terminal,~~ for approval at a primary or general election; ~~to by~~ the qualified electors of the county. The election shall be called and held in the manner provided by the general bond law. If a majority of the voters voting on the question vote in favor thereof, the bonds may be issued in the manner provided by the general bond law. Whenever an election has been called in which all of the qualified electors of the county are eligible to vote, the board also may submit the ~~question of issuing for approval at such election any proposed issuance of~~ general obligation bonds in an amount which is equal to or which exceeds \$1,000,000 ~~including the issuance of such bonds in an amount which is equal to or which exceeds \$1,000,000 for the construction of a new or the expansion of an existing air terminal for approval at such election.~~

General obligation bonds of the authority shall not be issued in an amount in excess of 1.85% of the assessed valuation of all the taxable tangible property within the county as shown by the assessment books of the previous year. The general obligation bonds of the authority shall be authorized, issued, registered and sold in the manner provided by the general bond law and shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009, ~~and amendments thereto.~~ The full faith and credit of the authority shall be pledged to the payment of the general obligation bonds of the authority. The general obligation bonds of the authority shall not constitute a debt or obligation of the city or county.

(c) The authority may issue revenue bonds from time to time for the purpose of purchasing, constructing or otherwise acquiring, repairing, extending or improving any property or facility of the authority and may pledge to the payment of the revenue bonds, both principal and interest, any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it. The revenue bonds of the authority shall mature ~~serially beginning not later than five years after the date of issuance, and the date of maturity of the bonds shall not be fixed for a longer period of time than 35 years after the date of issuance.~~ The revenue bonds shall bear interest at a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto; ~~payable semiannually, the interest to be evidenced by coupons attached to the bonds.~~ The bonds and ~~any~~ interest coupons shall be negotiable. The bonds shall contain recitals stating the authority under which the bonds are issued, that they are issued in conformity with the provisions, restrictions and limitations of the authority and that the bonds and interest ~~coupons are to thereon~~ shall be paid by the issuing authority from any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it and not from any other fund or source. The bonds shall be registered in the office of the secretary or clerk of the authority issuing the bonds.

(d) The authority may issue the industrial revenue bonds of the authority, ~~the bonds to be issued in accordance with in the manner provided by~~ K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, and any other applicable provisions of law.

(e) The board of directors may, on its own initiative, submit any proposed issuance of bonds for approval, by the qualified electors of the county at a primary or general election. Such

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election shall be otherwise called and held in the manner provided by the general bond law. Whenever an election has been called in which all the qualified electors of the county are eligible to vote, the board may also may submit the question of issuing such bonds for approval at such election.

Sec. 79. K.S.A. 40-230 is hereby amended to read as follows: 40-230. All securities deposited pursuant to the provisions of this code shall be deposited with the state treasurer and the commissioner of insurance, who with their sureties shall be jointly and severally responsible for the safekeeping thereof, and the said. The treasurer and commissioner of insurance shall give a joint receipt therefor in triplicate, showing the kind and amount of such securities so deposited, one copy of which shall be filed with the commissioner of insurance, one copy with the treasurer and one copy delivered to the depositor, and said. The treasurer and commissioner of insurance shall only deliver such securities or and any coupons attached thereto upon the written joint order of the treasurer and the commissioner of insurance. Such securities shall be audited by the commissioner of insurance and the state treasurer not less frequently than once each calendar year.

Sec. 80. K.S.A. 42-388d is hereby amended to read as follows: 42-388d. Any district issuing bonds under the provisions of this act shall maintain a proper system of accounts, showing the receipts and disbursements pertaining to such bonds, the amount of revenue received by the district and the application of the same, and shall, at least once a year, cause such accounts to be properly audited by a competent auditor, and the report of such audit shall be open for inspection at all proper times to any taxpayer in said the district, any user of water delivered by such district, any holder of such bonds, or any coupons on such bonds, appertaining thereto and any one acting on behalf of any of such persons.

The treasurer of the district shall be the custodian of the funds of the district and shall give proper bond for the faithful discharge of the duties of such custodian, which. Such bond shall be fixed and approved by the board of commissioners of the district, and he the treasurer shall keep proper accounts of its receipts and disbursements and of its funds on hand.

Sec. 81. K.S.A. 42-388f is hereby amended to read as follows: 42-388f. Any holder or holders of one-fifth $1/5$ of the amount of such outstanding bonds, or of the any coupons of such one-fifth $1/5$, if there shall be a default in the payment thereof, may, by an appropriate suit in court, may enforce the said statutory mortgage lien and compel the performance of the duties of the board of commissioners and any other officers of such district, and any court having jurisdiction of such a suit may appoint a receiver to administer the property, including the works owned by said the district, with power to charge and collect rates for the services and facilities furnished by the district adequate for all the such purposes mentioned.

Sec. 82. K.S.A. 42-714 is hereby amended to read as follows: 42-714. If a majority of the ballots cast at such election are in favor of the proposal to issue bonds as stated in such resolution, the board of directors shall proceed to issue, sell and deliver such bonds as provided herein.

(a) Every bond shall be a negotiable instrument payable to "bearer" or to the "bearer or registered owner" with interest coupons attached, payable annually or semiannually and shall bear interest at the rate specified in the accepted bid for the purchase of said the bonds. Each bond shall specify the time and place of payment of the principal and interest and shall be numbered consecutively with the other bonds of the same issue, which shall begin with the number one and continue upward, or if directed by the board shall begin with any number and continue upward.

(b) Such bonds shall be executed in the name of and for the district by the chairman chairperson and secretary of the board. The Any interest coupons may be executed by the lithographed or engraved facsimile signature of said such officers. The validity of the bonds so which are executed shall remain unimpaired by reasons of the fact that one or more of the subscribing or attesting officers have ceased to be such officer or officers, before delivery to the purchaser. Such bonds shall recite that they are, and shall be, payable in lawful money of the United States.

(c) The secretary of the board of directors of the irrigation district shall register in a book provided for that purpose an accurate description of every bond issued, specifying its number, date, purpose, amount, rate of interest, when and where payable and description of any coupons attached. All bonds authorized under this act which have not been delivered to the purchaser within three years after their date shall be canceled. It shall be the duty of the secretary to destroy all canceled bonds, by burning them in the presence of other members of the board of directors and that minutes relating such action be entered in his the journal.

(d) Such bonds may be self-liquidating out of the revenue to be derived out of rentals and charges for water uses or other services, facilities or income of the district, or may be paid by means of assessments or by a combination of two or more of such methods.

(e) The revenue derived from the rates charged by the district for the services performed and facilities furnished by it shall be pledged to secure the payment of such bonds and interest thereon, less a proper amount to be set aside by the board of directors, to pay the expenses of operation and maintenance of said the district and its works, and to provide for an adequate depreciation fund. Rates shall be fixed in a reasonable amount sufficient to provide for said such purposes, providing, that they shall not be unreasonable or excessive.

(f) All money received from sale of any bond issue shall be placed in a fund and applied solely to the payment of the costs of the works proposed or for the purpose or purposes for which the same were issued.

Sec. 83. K.S.A. 48-317 is hereby amended to read as follows: 48-317. The board shall have full power and authority to do all acts necessary and appropriate in connection with the acquisition by gift, purchase, or construction, or by any two (2) or more of such methods, of buildings, sites therefor, and equipment suitable for armory purposes. In order to accomplish its purpose and duty the board shall have the following express powers, without, however, being limited thereto:

- (a) To sue and be sued.
- (b) To enter into contracts.
- (c) To employ and pay such agents, employees and counsel as it may deem deems necessary and appropriate.
- (d) To accept gifts of money, services and property of any kind from any source.
- (e) To acquire sites, buildings, equipment and other property of any description, both real and personal, suitable for armory purposes by gift, purchase, construction, or by condemnation under the provisions of the laws then governing the appropriation and condemnation of land by railroad companies, and to hold, use, maintain, lease, convey and exchange such property, in whole or in part, and to pledge the rents, issues and profits thereof in whole or in part.
- (f) To borrow money to pay the cost of acquisition of one or more building sites and buildings, and to pay the cost of constructing, remodeling, repairing and equipping one or more buildings, and to issue and sell bonds, debentures or other obligations of the board (hereinafter sometimes designated as securities) to be fully negotiable and to which shall be secured by a pledge of, and payable solely from, the rents, issues and profits of all of the property of the board, or by a pledge of, and payable solely from the rents, issues and profits of the property acquired or constructed by the board, in whole or in part, with the proceeds of the borrowing transactions. Interest falling due within twenty-four (24) 24 months after the issuance and sale of any particular securities, or any series thereof, may be paid out of the proceeds of the sale thereof. Any securities may be issued in series, and if so issued, all series thereof issued under or secured by the same trust indenture or trust agreement, shall rank equally, without preference or priority of one series over another, whether by reason of the date of issue or negotiation thereof or date of maturity thereof or for any other reason. All such securities issued hereunder and the income derived therefrom are and shall be exempt from all state, county and municipal taxation in the state of Kansas, except inheritance taxes by the

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state of Kansas. All such securities shall be ~~and are hereby declared to be~~ legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees, guardians, and for all public funds of the state of Kansas, or any department, agency or institution thereof, and for the sinking funds of counties, municipal corporations, public corporations and political subdivisions of the state of Kansas. Such securities shall be eligible to secure the deposit of any and all public funds of the state of Kansas, and of any and all municipal corporations, counties, public corporations and political subdivisions of the state of Kansas, and such securities shall be lawful and sufficient security for such deposits to the extent of their par value when accompanied by all unmatured coupons appurtenant thereto, ~~if any~~. Such securities may be sold by the board in any manner it ~~may determine determines~~, but in no event at a price so that the interest cost of the money received by the board from the sale thereof will exceed the maximum rate of interest prescribed by K.S.A. 10-1009, ~~and amendments thereto~~, computed to maturity according to standard tables of bond values. All such securities shall be signed by the ~~chairman~~ *chairperson* of the board, countersigned by the secretary-treasurer thereof and the corporate seal of the board shall be thereto affixed and all of the coupons shall be signed by the facsimile signature of the secretary-treasurer of the board. In case any officer of the board who ~~shall have~~ *has* signed or countersigned any such security shall cease to be such officer before such security shall be issued by the board, such security may nevertheless be validly issued by the board. Such securities may be in such denomination ~~or denominations~~, may be in such ~~form~~, coupon or registered *form*, may carry such registration and conversion privileges, may be payable at such place ~~or places~~, and may be subject to such terms of redemption with or without premium as may be provided by resolution of the board.

(g) From time to time to execute and deliver trust deeds and trust agreements whereunder any bank or trust company authorized by the laws of the state of Kansas or of the United States of America to accept and execute trusts in the state may be named and act as trustee. Any such trust deed or trust agreement shall be signed in the name and on behalf of the board by the ~~chairman~~ *chairperson* of the board and countersigned by the secretary-treasurer thereof and the corporate seal of the board shall be thereto affixed; ~~and~~. Any such trust deed or trust agreement may, if it names such bank or trust company to act as trustee, contain provisions for the deposit with the trustee thereunder and the disbursement by such trustee of the proceeds of the securities issued thereunder or secured thereby ~~and/or~~ *and* the rents, issues and profits of all property acquired or constructed out of such proceeds and, whether or not such bank or trust company be named as trustee, ~~may also may~~ contain such provisions for the protection and enforcement of the rights and remedies of the trustee and the holders of such securities as the board may approve, including provisions for the acceleration of maturity of any such securities upon default by the board in the performance or observance of any of the covenants or provisions of such securities or of the trust deed or trust agreement whereunder the same are issued or secured. Any such trust deed or trust agreement shall provide that all securities issued at any time thereunder shall be equally secured thereby but any such trust deed or trust agreement may contain and impose upon the board limitations and conditions governing the right of the board to issue additional securities.

(h) In order to secure the payment of principal of and interest on such securities and to secure the proper application of the rents, issues and profits pledged thereto, the board is further authorized and empowered to execute and deliver leases demising and leasing to the state of Kansas through the adjutant general, who shall execute the same for the state, for such lawful term ~~as may be determined~~ by the board, any building ~~or buildings~~ and the equipment therein and the site ~~or sites~~ therefor, to be used for armory purposes and for no other purposes, and to renew such leases from time to time: *Provided, however, That* if at any time, the state of Kansas ~~shall fail or refuse fails or refuses~~ to pay the rental reserved in any such lease, or ~~shall fail or refuse fails or refuses~~ to lease any such building and site, or to renew

any existing lease thereon at the rental provided to be paid, then the board shall have the power to lease such building and equipment and the site therefor to any person or entity and upon such terms as the board ~~may determine determines~~. Such leasing of such property may be done without notice or competitive bids. The annual rental, which may be made payable in such installments as the board ~~shall determine determines~~, ~~to shall~~ be charged to the state of Kansas for the use of such property leased to it by the board shall be sufficient to provide for the operation and maintenance of the property ~~so leased~~, to pay the interest on the securities, if any, issued for the purpose of acquiring, constructing or equipping such property, to provide for the retirement of such securities, if any, and the payment of the expenses incident to the issuance thereof as well as the necessary and proper expenses of the board not otherwise provided for. Whenever any of such property is leased, loaned or otherwise made available to any person, firm or corporation for use in any trade, business or commercial enterprise, such property ~~so leased, loaned or otherwise made available~~ shall not be exempt from taxation for and during the term or terms thereof.

Sec. 84. K.S.A. 52-1801 is hereby amended to read as follows: 52-1801. The owner or holder of any corporate or municipal bond or obligation (~~except such as those which are designated to circulate as money, payable to bearer~~), ~~heretofore or hereafter~~ issued in and payable in this state, but not registered in pursuance of any state law, may make such bond or obligation, or ~~the any~~ interest coupon accompanying the same, nonnegotiable, by subscribing ~~his or her~~ *the owner's or holder's* name to a statement endorsed thereon, that such bond, obligation or coupon is ~~his or her~~ *such person's* property; and thereon the principal sum therein mentioned is payable only to such owner or holder, or ~~his or her~~ *the legal representatives or assigns of such person*, unless such bond, obligation or coupon ~~be is~~ transferred by endorsement in blank, or payable to bearer, or to order, with the addition of the assignor's place of residence.

Sec. 85. K.S.A. 58-1201 is hereby amended to read as follows: 58-1201. As used in this act:

(1) "Trust" means an express trust created by a trust instrument, including a will, whereby a trustee has the duty to administer a trust asset for the benefit of a named or otherwise described income or principal beneficiary, or both; "trust" does not include a resulting or constructive trust, a business trust which provides for certificates to be issued to the beneficiary, an investment trust, a voting trust, a security instrument, a trust created by the judgment or decree of a court, a liquidation trust, or a trust for the primary purpose of paying dividends, interest, ~~interest coupons~~, salaries, wages, pensions or profits, or employee benefits of any kind, an instrument wherein a person is nominee or escrowee for another, a trust created in deposits in any financial institution; or other trust the nature of which does not admit of general trust administration;

(2) "trustee" means an original, added, or successor trustee;

(3) "prudent ~~man~~ *person*" means a trustee whose exercise of trust powers is reasonable and equitable in view of the interests of income or principal beneficiaries, or both, and in view of the manner in which ~~men~~ *persons* of prudence, discretion and intelligence would act in the management of their own affairs.

Sec. 86. K.S.A. 68-709 is hereby amended to read as follows: 68-709. After the approved estimates have been filed with the county clerk and the cost to be assessed against the taxable property of the county and the taxability of the benefit district has been approximately determined by deducting from the total estimated cost all donations, subscriptions, state aid or federal aid that have been granted or promised, the board of county commissioners may issue from time to time as required, bonds of the county, ~~bearing not to exceed six percent interest, payable at the times fixed in the order allowing the petition. Provided,~~ *bearing interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments thereto*. The total amounts of bonds issued previous to completion of the improvement shall not exceed the amount of the estimated cost to be ~~taxed assessed~~ against the county and townships and the ~~several tracts each tract~~ of land within the benefit district. The

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principal of said bonds shall mature and be payable as nearly as practicable in equal amounts annually, the last of which shall run not longer than twenty not more than 20 years from the date of the first bond issued for the improvement. Said bonds shall be issued in series.

Said Such bonds shall be disposed of by the county board of county commissioners in the manner provided by law and the proceeds thereof shall be deposited with the county treasurer in a special fund for the improvement. After completion of the improvement, the application of state and federal aid; the ascertainment of apportionments to be charged against the taxable property in the county and township and the amount assessed against the several tracts each tract of land within the benefit district, the board of county commissioners shall issue bonds of the county in the same manner as before provided in this section and the proceeds thereof shall be used in paying the remaining outstanding warrants, including interest thereon, issued for the improvement.

After any such bonds are issued the board of county commissioners shall make an annual levy upon levy annually a tax against all the taxable property of the county and the taxable property of the township and upon the lands within the benefit district, according to the apportionment of cost fixed upon said such lands in all cases in proportion to the respective liabilities which tax shall be in an amount sufficient to pay the bonds falling due each year and the interest upon outstanding bonds; these. Such bonds shall be in addition to any other bonds which the county may by law be authorized to issue: *Provided, That*. The board may in its discretion pay the county's proportion of the costs out of the general fund and road fund of the county if such funds are sufficient for that purpose after deducting all other proper charges against said such funds, and after such payment no general county levy shall be made for payment of the bonds; or. If any portion of the county's proportion of the cost is paid in such manner, the county levy shall be reduced proportionately thereto: *Provided further, That*. The township board or boards of the of any township or townships affected by the benefit district may in their its discretion, deposit with the board of county commissioners sufficient funds to pay the township's proportion or any part thereof of the cost of the road out of the general funds or road fund of said such township or townships, if such funds are sufficient for the purpose, and. If any of the township's proportion of the cost is paid in such manner, the township levy shall be reduced proportionately thereto: *Provided further, That*. The board of county commissioners are hereby authorized and empowered to levy an additional county levy against the taxable property of the county in an amount not to exceed one mill in order to pay the county's proportion of the benefit-district road without the issuance of bonds and the board of township highway commissioners are authorized to levy not to exceed one mill against the taxable property of the township for the purpose of paying the township's share of the cost of the benefit-district road without the issuance of bonds.

There will shall be no levy or collection of double taxes if several petitions have been filed to change the course of one continuous road and where the course of such road has been changed by the filing of motion or petitions and it is not necessary to construct a part of the road contained in the first petition to complete the road; such. Any unnecessary part of the road shall not be built and no taxes shall be levied for the construction thereof.

Sec. 87. K.S.A. 68-731 is hereby amended to read as follows: 68-731. In any township within any county having a population of more than twenty-five thousand (25,000) 25,000 and less than two hundred thousand (200,000) 200,000, where all of the land on one side of the street, road or avenue, including any adjoining or connecting street, road or avenue sought to be improved is platted or laid off in lots and blocks, then when the owners of not less than fifty percent (50%) 50% of the frontage of land on the street, road or avenue, including any adjoining or connecting street, road or avenue present a petition to them therefor, the board of county commissioners shall have the power to provide for the construction or reconstruction of the curbing, guttering, paving, macadamizing or grading, including drainage, of any

public road outside of the limits of any incorporated city whenever it shall deem deems the same necessary.

Whenever any such work is done or improvements made, the board of county commissioners shall have the power to apportion the full cost thereof, including its pro rata share of the cost of the street intersections, equally per foot on all land abutting or fronting on the street, road or avenue so improved, or apportion the costs as hereinafter provided for, and to levy special assessments for the full cost of or proportion thereof on all lots or land abutting on or fronting on said the street, road or avenue a distance back therefrom not exceeding one hundred and fifty (150) 150 feet for the distance improved or to be improved in the manner provided for the payment of cost of paving and curbing in cities of the first class; and to. The board of county commissioners may issue and sell improvement bonds therefor in like manner as is provided by law for the paving and curbing of streets, alleys and public places in cities of the first class; and. The entire distance to be improved shall constitute the improvement district provided for herein. Such bonds may be issued to mature in not more than twenty (20) annual installments of approximately equal amounts each year 20 installments, the last of which shall be not later than 22 years from the date of issuance of the bonds. None of the debt limitations prescribed by law for any such county shall apply to any bonds issued under the authority conferred by this section and in applying any statute limiting bonded indebtedness such bonds shall not be considered.

Whenever the board of county commissioners shall determine determines that any part of a street, road or avenue, in addition to being of public utility, shall be is of general importance to the county, and the improvement of which would incur unusual expense, the said board may adopt a resolution to that effect, and may charge not to exceed sixty percent (60%) 60% of the expense of the improvement to the county, the expense to the lands within the benefit districts to be decreased in proportion. After the adoption of such a resolution, the board may accept aid or donations, establish an improvement fund, issue bonds, levy taxes, and pay costs out of the general fund and road fund in the same manner as authorized for like purposes under the provisions of K.S.A. 68-707 to 68-709, both sections inclusive, and amendments thereto. Whenever improvements are made in accordance with the provisions of this act in which part of the cost of the improvement shall be is apportioned to the county, the provisions of said K.S.A. 68-707 to 68-709, both sections inclusive, and amendments thereto, shall apply, insofar as the same can may be made applicable. Whenever any street, road or avenue is improved by the doing of any of the things provided for by this act, then thereafter the township may maintain such improvements within such township. If the board of county commissioners has adopted a resolution creating such benefit district, it shall complete such work or improvements even though all or any part of the land therein is annexed to a city.

Sec. 88. K.S.A. 68-735 is hereby amended to read as follows: 68-735. A township having a population of more than six thousand (6,000) 6,000 outside the limits of any incorporated city or town within such township, and being located within any county having a population of more than twenty-five thousand (25,000) 25,000 and less than two hundred thousand (200,000) 200,000 where all of the land on both sides of any road, street, or avenue, including any adjoining or connecting road, street or avenue, sought to be improved is platted or laid off in lots and blocks, then when the owners of forty percent (40%) 40% of the frontage of land on the street, road or avenue, including any adjoining or connecting road, street or avenue, present a petition to them therefor, the board of county commissioners shall have the power to provide for the construction or reconstruction of the curbing, guttering, paving, macadamizing or grading, including drainage, of any public road outside of the limits of an incorporated city whenever it shall deem deems the same necessary.

Whenever any such work is done or improvements made the board of county commissioners shall have the power to apportion the full cost thereof, including its pro rata share of the cost of street intersections, or apportion the costs as hereinafter provided, and to levy special assessments for the full cost or pro-

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portion thereof on each block separately, on all lots and pieces of lands to the center of the block on each side of such street, road or avenue in the manner provided for the payment of cost of paving and curbing in cities of the first class; and to. *The board of county commissioners may issue and sell improvement bonds therefor in like manner as is provided by law for the paving and curbing of streets, alleys and public places in cities of the first class. Such bonds may be issued to mature in not more than twenty (20) annual installments of approximately equal amounts each year 20 installments, the last of which shall be not later than 22 years from the date of issuance of the bonds.* None of the debt limitations prescribed by law for any such county shall apply to any bonds issued under the authority conferred by this section and in applying any statute limiting bonded indebtedness such bonds shall not be considered.

Whenever the board of county commissioners shall determine determines that any part of a street, road or avenue, in addition to being of public utility, shall be is of general importance to the county, and the improvement of which would incur unusual expense, the said board may adopt a resolution to that effect, and may charge not to exceed ~~sixty percent (60%)~~ 60% of the expense of the improvement to the county, the expense to the lands within the benefit districts to be decreased in proportion. After the adoption of such a resolution, the board may accept aid or donations, establish an improvement fund, issue bonds, levy taxes, and pay costs out of the general fund and road fund in the same manner as authorized for like purposes under the provisions of K.S.A. 68-707 to 68-709, both sections inclusive, and amendments thereto. Whenever improvements are made in accordance with the provisions of this act in which part of the cost of the improvement shall be is apportioned to the county, the provisions of said K.S.A. 68-707 to 68-709, both sections inclusive, and amendments thereto, shall apply, insofar as the same can may be made applicable.

Whenever any street, road, or avenue is improved by the doing of any of the things provided for in this act, then thereafter the township may maintain such improvements within such township.

If the board of county commissioners has adopted a resolution creating such benefit district, it shall complete such work or improvements even though all or any part of the land therein is annexed to a city.

Sec. 89. K.S.A. 68-2007 is hereby amended to read as follows: 68-2007. The authority is hereby authorized to provide by resolution, at one time or from time to time, for the issuance of turnpike revenue bonds of the authority for the purpose of paying all or any part of the cost of any one or more turnpike projects. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment. The bonds of each issue shall be dated, shall bear interest at such rate or rates not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, shall mature at such time or times not exceeding ~~forty~~ 40 years from their date or dates, as may be determined by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the ~~chairman~~ chairperson of the authority or shall bear his a facsimile signature of the chairperson, and the official seal of the authority shall be impressed thereon and attested by the secretary-treasurer of the authority, and. Any coupons attached thereto to such bonds shall bear the facsimile signature of the ~~chairman~~ chairperson of the authority. In case any officer whose signature or a facsimile of whose signature shall appear appears on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he such officer had remained in office until such delivery. All bonds issued under the provisions of this

act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the authority may determine determines, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The authority may sell such bonds in such manner and for such price as it may determine determines will best effect the purposes of this act.

The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the turnpike project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide provides in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such cost, surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become are mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, or conditions or things which are specifically required by this act.

Sec. 90. K.S.A. 68-2035 is hereby amended to read as follows: 68-2035. The authority is hereby authorized to provide by resolution at one time or from time to time, for the issuance of turnpike revenue bonds of the authority for the purpose of paying all or any part of the cost of any one or more turnpike projects. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment including any payments to the authority from the state highway fund provided to be made pursuant to the provisions of K.S.A. 68-2033, and amendments thereto, and pledged for their payment. The bonds of each issue shall be dated, shall bear interest at such rate or rates not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, shall mature at such time or times not exceeding ~~forty~~ 40 years from their date or dates, as may be determined by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds.

The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. The bonds shall be signed by the ~~chairman~~ chairperson of the authority or shall bear his a facsimile signature of the chairperson, and the official seal of the authority shall be impressed thereon and attested by the secretary-treasurer of the authority, and any coupons attached thereto shall bear the facsimile signature of the ~~chairman~~ chairperson of the authority. In case any officer whose signature or a facsimile of whose signature shall appear appears on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall

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nevertheless be valid and sufficient for all purposes the same as if ~~he~~ *such officer* had remained in office until such delivery. All bonds issued under the provisions of this act shall have ~~and are hereby declared to have~~ all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to ~~principal alone and also as to~~ both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The authority may sell such bonds in such manner and for such price as it ~~may determine~~ *determines* will best effect the purposes of this act.

The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the turnpike project or projects for which such bonds ~~shall~~ have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the authority ~~may provide~~ *provides* in the resolution authorizing the issuance of such bonds or in the trust agreement ~~hereinafter mentioned~~ securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, ~~shall be~~ *is* less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue ~~shall~~ exceed such cost, surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority ~~may~~, under like restrictions, ~~may~~ issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds ~~shall~~ have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which ~~shall become~~ *are* mutilated or ~~shall be~~, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, or conditions ~~or things~~ which are specifically required by this act.

Sec. 91. K.S.A. 68-2056 is hereby amended to read as follows: 68-2056. The authority is hereby authorized to provide by resolution at one time or from time to time for the issuance of *turnpike revenue bonds of the authority in an amount not exceeding one hundred twenty million dollars (\$120,000,000)* ~~turnpike revenue bonds of the authority \$120,000,000~~ for the purpose of paying the cost of the project or any part ~~or parts~~ thereof. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment. The bonds of each issue shall be dated, shall bear interest at such rate ~~or rates~~ not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, ~~and amendments thereto~~, shall mature at such time ~~or times~~ not exceeding ~~forty (40)~~ 40 years from their date, as ~~may~~ be determined by the authority, and may be made redeemable before maturity, at the option of the authority, at such price ~~or prices~~ and under such terms and conditions ~~as may be fixed~~ by the authority prior to the issuance of the bonds: ~~Provided, That~~. The authority shall sell all such bonds on a competitive sealed bid basis. The authority shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination ~~or denominations~~ of the bonds and the place ~~or places~~ of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature ~~shall appear~~ *appears* on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if ~~he~~ *such officer* had remained in office until such delivery. All bonds issued under the provisions of this act shall have ~~and are hereby declared to have~~ all the qualities and

incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the authority ~~may determine~~ *determines*, and provision ~~may be made~~ for the registration of any coupon bonds as to ~~principal alone and also as to~~ both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds.

The proceeds of the bonds shall be used solely for the payment of the cost of the turnpike project and shall be disbursed in such manner and under such restrictions, if any, as the authority ~~may provide~~ *provides* in the resolution authorizing the issuance of such bonds or in the trust agreement ~~hereinafter mentioned~~ securing the same. If the proceeds of the bonds ~~shall~~ exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds ~~shall have been~~ *are* executed and are available for delivery. The authority may also provide for the replacement of any bonds which ~~shall become~~ *are* mutilated or ~~shall be~~, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Sec. 92. K.S.A. 68-2075 is hereby amended to read as follows: 68-2075. The authority is hereby authorized to provide by resolution at one time or from time to time for the issuance of *highway revenue bonds of the authority in an amount not exceeding fifty three million dollars (\$53,000,000)* ~~highway revenue bonds of the authority, unless such limitation is increased or repealed by law, \$53,000,000~~ for the purpose of paying the cost of any project or projects. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment, including any payments to the authority from the state highway fund provided to be made pursuant to the provisions of this act, and pledged for their payment. The bonds of each issue shall be dated, shall bear interest at ~~such a rate or rates not exceeding six percent (6%) per annum not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto~~, shall mature at such time ~~or times~~ not exceeding ~~forty (40)~~ 40 years from their date, as ~~may~~ be determined by the authority, and may be made redeemable before maturity, at the option of the authority, as such price ~~or prices~~ and under such terms and conditions ~~as may be fixed~~ by the authority prior to the issuance of the bonds: ~~Provided, That~~. No such bonds may be sold for an amount less than par value plus accrued interest if the ~~actual interest thereby obtained is more than six percent~~. The authority shall determine the form and the manner of execution of the bonds, ~~including any interest coupons to be attached thereto, and interest thereon~~ and shall fix the denomination ~~or denominations~~ of the bonds and the place ~~or places~~ of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature ~~shall appear~~ *appears* on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if ~~he~~ *such officer* had remained in office until such delivery. All bonds issued under the provisions of this act shall have ~~and are hereby declared to have~~ all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the authority ~~may determine~~ *determines*, and provision may be made for the registration of any coupon bonds as to ~~principal alone and also as to~~ both principal and interest for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The authority may sell such bonds in such manner and for such price as it ~~may determine~~ *determines* will best effect the purposes of this act.

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The proceeds of the bond shall be used solely for the payment of the cost of any highway project or projects and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Sec. 93. K.S.A. 68-2098 is hereby amended to read as follows: 68-2098. The authority is hereby authorized to provide by resolution at one time or from time to time for the issuance of highway revenue bonds of the authority in an amount not exceeding two hundred forty-two million dollars (\$242,000,000) highway revenue bonds of the authority, unless such limitation is increased or repealed by law, \$242,000,000 for the purpose of paying the cost of any project or projects. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment, including any payments to the authority from the state highway fund or state freeway fund provided to be made pursuant to the provisions of this act and the act of which this section is amendatory, and pledged for their payment. The bonds of each issue shall be dated, shall bear interest at such a rate or rates not exceeding six percent (6%) per annum the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, shall mature at such time or times not exceeding forty (40) 40 years from their date, as may be determined by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. ~~Provided, That~~ No such bonds may be sold for an amount less than par value plus accrued interest if the actual interest thereby obtained is more than six percent (6%). The authority shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature shall appear appears on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he such officer had remained in office until such delivery. All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the authority may determine determines, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest; and for the interchange of registered and coupon bonds. The authority may sell such bonds in such manner and for such price as it may determine determines will best effect the purposes of this act.

The proceeds of the bonds shall be used solely for the payment of the cost of any highway project or projects and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide provides in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds shall

exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, may issue interim receipts or temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may also may provide for the replacement of any bonds which shall become mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Sec. 94. K.S.A. 1982 Supp. 68-2304 is hereby amended to read as follows: 68-2304. The secretary of transportation is hereby authorized to provide by one or more resolutions for the issuance of highway bonds of the state of Kansas, in the amounts and with the limitations provided in this section, for the purpose of providing funds for the construction, improvement and reconstruction of any one or more highway projects in an aggregate principal amount not exceeding \$320,000,000, but the annual principal amount of such bonds issued in any fiscal year shall not exceed \$40,000,000, except that whenever bonds are issued in any fiscal year in an amount less than that permitted in such fiscal year, bonds in an amount not to exceed the difference between the amount of the bonds actually issued and the amount of the bonds permitted to be issued in such fiscal year may be issued in any subsequent fiscal year in addition to the amount of bonds permitted to be issued in that fiscal year. The principal of and the interest on such bonds shall be payable solely from the state freeway fund. The bonds of each issue shall be dated, shall bear interest at such a rate or rates not exceeding ~~6 1/2%~~ per annum the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, shall mature not more than 30 years from their date or dates, all as may be provided by the secretary of transportation, and may be made redeemable before maturity, at the option of the secretary, at such price or prices and under such terms and conditions as may be fixed by said the secretary prior to the issuance of the bonds. Such bonds shall not be sold for any amount less than par and accrued interest. Such bonds shall be fully amortized over the thirty-year period. The secretary shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which shall be at a member bank or trust company of the federal reserve system or with one or more banks in the state of Kansas; or both. The bonds shall be signed by the secretary of transportation or bear the secretary's facsimile signature, and the official seal shall be impressed thereon, and any coupons thereon shall bear the facsimile signature of said the secretary. In case any officer whose signature or a facsimile of whose signature shall appear appears on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery. All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The bonds may be issued in coupon or in registered form, or both, as the secretary may determine determines, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest; and for the interchange of registered and coupon bonds. The resolution authorizing the issuance of any such bonds may contain such other provisions as the secretary of transportation may deem deems reasonable and proper for the security of the holders of the bonds. All bonds authorized to be issued by the secretary under this act shall be sold at public sale with sealed bids. Notice of such sale shall be given once by publication in the Kansas

(continued)

register, but such sale also shall be advertised in such financial publications as the secretary deems necessary. Such notice in the Kansas register shall be published not less than 10 days nor more than 30 days before such sale and shall contain the following information: (a) The date, time and place at which written, sealed bids will be received and considered for the sale of such bonds for cash; (b) the date of issue, total par value and denomination of the bonds being sold; (c) the minimum amount which will be accepted as a bid; (d) the dates and amounts of maturities of such bond issues; (e) the maximum rate of interest and the maximum acceptable difference between the highest and the lowest coupon rates of interest; (f) the dates on which interest on such bonds shall become due and payable; (g) the place or places where and the approximate date on which the bonds being sold will be delivered to the purchaser; and (h) a statement that a good faith deposit in the form of a certified or cashier's check in the amount of 2% of the total par value of the bonds being sold shall accompany each bid.

Prospective purchasers shall submit written, sealed bids for such bonds, and each bid shall be accompanied by a certified or cashier's check for 2% of the total par value of the bonds being sold. In case any purchaser, whose bid is accepted, shall fail to carry out their contract, the deposit shall be forfeited to the secretary of transportation as full and liquidated damages. The sealed bids shall be opened publicly and only at the time and place specified in the notice; and at the time and place specified, the bonds shall be sold to the highest and best bidder, who shall be that bidder specifying the lowest net average annual interest rate; however, any or all bids may be rejected. No bonds shall be delivered to any purchaser until a certified or cashier's check in the amount of the bid is placed in the possession and custody of the secretary or secretary's assigns.

The secretary of transportation also may provide for the replacement of any bonds which shall become mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

The proceeds from the sale of the highway bonds authorized to be issued under this act shall be paid into the state treasury to the credit of a state freeway construction fund, which fund is hereby created, and the moneys paid into said such fund are hereby appropriated for the purpose of providing funds for the construction, reconstruction and improvement of highway projects in the state, subject to the provisions of K.S.A. 68-2306 and 68-2311, and amendments thereto.

Sec. 95. K.S.A. 74-4521 is hereby amended to read as follows: 74-4521. It may be provided in any resolution authorizing bonds hereunder that in the event of a default in the payment of principal or interest on the bonds or in the performance of any agreement or covenant contained in the resolution, and if such default shall have continued for a prescribed period, then the holders of a specified percentage of the outstanding bonds, or a trustee acting in their behalf, may for the equal and proportionate benefit of the holders of all the bonds and with or without possession thereof may:

- (a) By mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the holders of such bonds.
- (b) Bring suit upon the defaulted bonds or coupons and interest thereon.
- (c) By action or suit in equity require the authority to act as if it were the trustee or an express trust for the bondholders.
- (d) By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the bonds.
- (e) After such notice to the authority as the resolution may provide, declare the principal of all of the bonds due and payable.
- (f) Apply as a matter of right for the appointment of a receiver who may enter and take possession of the specific project of the authority and operate and maintain the same and fix, collect and receive fees, and charges for the use thereof and services ren-

dered thereby, sufficient to provide revenues adequate to carry out all of the provisions of the bond resolution and the costs and disbursements of the proceeding and of the receiver.

Subject to the provisions of the constitution of the state of Kansas, the district court of the county in which any of the real estate controlled and operated by the authority may be located shall have jurisdiction of any such suit, action or proceeding and of all property involved therein. The authority may also provide for the replacement of any bonds which shall become mutilated or shall be, destroyed or lost. Bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, or bureau or agency of the state, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Sec. 96. K.S.A. 1982 Supp. 75-4201 is hereby amended to read as follows: 75-4201. As used in this act, unless the context otherwise requires:

- (a) "Treasurer" means state treasurer.
- (b) "Controller" means director of accounts and reports.
- (c) "Board" means the pooled money investment board.
- (d) "Bank" means a state or national bank or trust company doing business within the state of Kansas.
- (e) "State moneys" means all moneys in the treasury of the state or coming lawfully into the possession of the treasurer.
- (f) "Custodial moneys" means state moneys deposited with the treasurer which, in the written opinion of the attorney general, are required by contract, bequest or law to be segregated from other bank accounts.
- (g) "Special moneys" means moneys which are required to be or are deposited in a custodial bank account or a fee agency account by the state or any agency thereof.
- (h) "State bank account" means state or special moneys deposited in a designated bank in accordance with the provisions of this act.
- (i) "Active account" means a state bank account which (1) is payable or withdrawable, in whole or in part, on demand, and (2) is in a bank not having an inactive account.
- (j) "Inactive account" means a state bank account which is not payable on demand but shall not include custodial accounts.
- (k) "Time deposit, open account" means a state bank account which is a deposit, other than a time certificate of deposit, with respect to which there is in force a written contract which provides that neither the whole nor any part of such deposit may be withdrawn, by check or otherwise, prior to the date of maturity or the expiration of the period of notice which must be given by the board in writing.
- (l) "Custodial account" means a state bank account of custodial moneys.
- (m) "Fee agency account" means a state bank account of any state agency consisting of fees, tuition or charges authorized by law prior to remittance to the state treasurer.
- (n) "Disbursement" means a payment of any kind whatsoever made from the state treasury or from any active account, except transfer of state or special moneys between or among active accounts and inactive accounts or either or both of them.
- (o) "Interest period" means three months commencing on the date an inactive account is initially deposited, and each three months thereafter, and in the case of time deposit, open accounts means the period of the deposit but not exceeding three months.
- (p) "Securities" means any one or more of the following:
 - (1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.
 - (2) Kansas municipal bonds which are general obligations of the municipality issuing the same.
 - (3) Revenue bonds of any agency or arm of the state of Kansas.
 - (4) Revenue bonds of any municipality, as defined by K.S.A. 10-101, within the state of Kansas or bonds issued by a public building commission as authorized by K.S.A. 12-1761 if approved by the state bank commissioner, except (A) bonds issued

(continued)

under the provisions of K.S.A. 12-1740 *et seq.* unless such bonds are rated at least MIG-1 or Aa by Moody's Investors Service or AA by Standard & Poor's Corp. and (B) bonds secured by revenues of a utility which has been in operation for less than three years. Any expense incurred in connection with granting approval of revenue bonds shall be paid by the applicant for approval.

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

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

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

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

(9) *Whenever a bond is authorized to be pledged as a security under this section, such bond shall be accepted as a security if (i) in the case of a certificated bond, it is assigned, delivered or pledged to the holder of the deposit for security; (ii) in the case of an uncertificated bond, registration of a pledge of the bond is authorized by the system and the pledge of the uncertificated bond is registered or (iii) in a form approved by the attorney general, which assures the availability of the bond proceeds pledged as a security for public deposits.*

Sec. 97. K.S.A. 76-815 is hereby amended to read as follows: 76-815. (a) The board is hereby authorized to provide for the issuance, ~~at one time or~~ from time to time, of revenue bonds of the board in an aggregate principal amount not exceeding ~~twenty-two million dollars (\$22,000,000)~~ \$22,000,000 for the purpose of paying all or any part of the cost of the project. The principal of and the interest on the bonds shall be payable solely from the funds herein provided for such payment. The bonds shall be dated, shall bear interest at ~~such rate or rates, notwithstanding any law of the state limiting the rate of interest, payable semiannually a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009, and amendments thereto,~~ shall mature at such time or times not exceeding ~~twenty (20)~~ 20 years from their date or dates, as may be determined by the board, and may be made redeemable before maturity, at the option of the board, at such price or prices and under such terms and conditions as may be fixed by the board prior to the issuance of the bonds. The board shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at the office of the state treasurer as fiscal agent of the state, ~~and/or~~ or at any bank or trust company within or without the state. In case any officer whose signature or a facsimile of whose signature ~~shall appear~~ appears on any bonds or coupons shall ~~cease~~ ceases to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if ~~he or she~~ such officer had remained in office until such delivery. The board may also provide for the authentication of the bonds by a trustee or fiscal agent. The bonds may be issued in coupon or in registered form, or both, as the board may ~~determine~~ determines, and provision may be made for the registration of any coupon bonds as to ~~principal alone and also as to~~ both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The board may sell such bonds in such manner, and upon such terms as it may ~~determine~~ determines to be in the public interest and advantageous to the medical center and the state, at public sale at

not less than par and accrued interest by competitive bidding, with sealed proposals, after the notice provided in K.S.A. 10-106; ~~however, and amendments thereto.~~ Any and all bids may be rejected. If no bid acceptable to the board is received, the board may sell the bonds without competitive bidding at private sale in such manner and upon such terms and conditions as the board may ~~determine~~ determines will be in the public interest and advantageous to and for the best interests of the medical center and the state, ~~notwithstanding any law of this state limiting the rate of interest.~~

(b) The proceeds of the bonds, except such as may be made available to secure or pay bonds, shall be used solely for the payment of the cost of the project or portion thereof for which such bonds ~~shall~~ have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the board may ~~provide~~ provides in the resolution authorizing the issuance of such bonds or in the trust agreement ~~hereinafter~~ mentioned securing the same. If the proceeds of the bonds, by reason of increased construction costs or error in estimates or otherwise, shall be less than such cost, additional bonds, not exceeding with other bonds issued hereunder the maximum amount ~~hereinafter~~ authorized to be issued, may in like manner be issued to provide the amount of such deficiency, and, unless otherwise provided ~~in~~ the bond resolution or in the trust agreement, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue ~~shall~~ exceed such cost, such excess shall be deposited to the credit of the sinking fund for such bonds, or, if ~~so~~ provided in such resolution or trust agreement, may be deposited to the credit of any reserve fund established to secure the bonds.

(c) Prior to the preparation of definitive bonds, the board may, under like restrictions, issue interim financing receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds ~~shall~~ have been executed and are available for delivery. The board may also ~~may~~ provide for the replacement of any bonds which ~~shall become~~ are mutilated or ~~shall be~~ are destroyed or lost.

(d) Bonds may be issued under the provisions of this act without obtaining, except as otherwise expressly provided in this act, the consent of any department, division, commission, board, body, bureau or agency of the state, and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions or things which are specifically required by this act and the provisions of the resolution authorizing the issuance of such bonds or the trust agreement securing the same.

Sec. 98. K.S.A. 79-2003 is hereby amended to read as follows: 79-2003. The county treasurer ~~is required to receive~~ shall ~~accept~~ in payment of taxes state warrants and ~~any~~ matured coupons of the state bonds in payment of state taxes, county warrants in payment of county tax, township warrants in payment of the tax of the proper township, city warrants in payment of the proper city tax, or other such evidence of indebtedness as the city may authorize the treasurer to receive; ~~and~~. Warrants shall ~~only be received~~ only in payment of the tax for the fund to which such warrants may be drawn.

Sec. 99. K.S.A. 1982 Supp. 80-911 is hereby amended to read as follows: 80-911. If a majority of the qualified electors voting at such election ~~shall~~ vote for such purchase and use, and issue of bonds, the board of county commissioners, for and in behalf of such township, shall ~~cause~~ issue such bonds with coupons attached as may be required by ~~said~~ such proposition to be issued in the name of such township; ~~which bonds.~~ When issued for ~~such township,~~ such bonds shall be signed by the ~~chairman~~ chairperson of the board of county commissioners, and attested by the county clerk, under the seal of such county.

Sec. 100. K.S.A. 3-150, 3-158, 3-315, 9-1402, 10-103, 10-104, 10-105, 10-107, 10-108, 10-110, 10-111, 10-124, 10-126, 10-127, 10-130, 10-130a, 10-501, 10-503, 10-601, 10-604, 10-605, 10-606, 10-702, 10-704, 10-705, 10-802, 10-1207, 12-120, 12-615, 12-631w, 12-644, 12-865, 12-874, 12-878, 12-1665, 12-1666, 12-17,103, 12-1814, 12-2709, 12-2808, 12-3417, 12-3710, 12-3715,

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13-1018i, 13-1238, 13-1241, 13-1275, 13-1379, 13-1380, 13-1391, 13-13100, 13-13c09, 13-2406, 13-2423, 15-1127, 19-2862a, 19-28109, 19-3516, 19-3532, 24-486, 24-518, 24-643, 24-644, 27-323, 40-230, 42-388d, 42-388f, 42-714, 48-317, 52-1801, 58-1201, 68-709, 68-731, 68-735, 68-2007, 68-2035, 68-2056, 68-2075, 68-2098, 74-4521, 76-815, 79-2003 and K.S.A. 1982 Supp. 27-334, 45-201, 68-2304, 75-4201 and 80-911 are hereby repealed.

Sec. 101. On and after July 1, 1983, K.S.A. 9-1402, as amended by section 17 of this act, and K.S.A. 9-1402, as amended by 1983 House Bill No. 2439, and K.S.A. 10-130, as amended by 1983 House Bill No. 2333, are hereby repealed.

Sec. 102. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body March 9, 1983.

SENATE concurred in HOUSE amendments April 22, 1983.

President of the Senate.
LU KENNEY
Secretary of the Senate.

Passed the HOUSE as amended April 22, 1983.
MIKE HAYDEN
Speaker of the House.
GENEVA SEWARD
Chief Clerk of the House.

APPROVED May 6, 1983.

JOHN CARLIN
Governor.

STATE OF KANSAS
Office of Secretary of State

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that the above and foregoing is a correct copy of the original enrolled bill now on file in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, this 9th day of May, 1983.

(SEAL)

JACK H. BRIER
Secretary of State.

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