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

New Section 1. For all taxable years commencing after December 31, 2015, all property owned and primarily operated as an airport by a healthcare foundation that has been exempted from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, as amended. The provisions of this section shall expire and have no effect on and after January 1, 2021.

Sec. 2. On and after January 1, 2017, K.S.A. 3-114 is hereby amended to read as follows: 3-114. (a) Except as provided in subsection (b), in any city having a population of more than sixty-five thousand (65,000) in which a board of park commissioners has been established pursuant to K.S.A. 13-1346, and amendments thereto, all powers, jurisdiction and control over municipal airports or municipal fields for aviation purposes otherwise vested in the governing body of such city shall be vested in such board of park commissioners. Such board of park commissioners is hereby authorized to issue, as provided by law, general bonds of the city for the purpose of purchasing, leasing, developing and equipping municipal airports and fields for aviation purposes. Such board of park commissioners is hereby further authorized to levy an annual tax not exceeding one-half (1/2) mill for the support, maintenance and operation of municipal airports or fields for aviation purposes. Before issuing bonds or levying any such tax pursuant to this section, the board shall submit the proposed bond issuance or tax levy to
the governing body of the city for review and approval thereof.

(b) In any city in which an airport authority has been established pursuant to K.S.A. 3-162, and amendments thereto, all powers, jurisdiction and control over municipal airports or municipal fields for aviation purposes otherwise vested in the governing body or board of park commissioners of such city shall be vested in such airport authority. The governing body of the city by a two-thirds \(\frac{2}{3}\) vote of the members thereof, is hereby authorized to issue general obligation bonds of the city for the purpose of purchasing, leasing, developing and equipping municipal airports and fields for aviation purposes. The governing body of the city by a two-thirds \(\frac{2}{3}\) vote of the members thereof is hereby further authorized to levy an annual tax not exceeding one half (\(\frac{1}{2}\)) mill for the support, maintenance and operation of municipal airports or fields for aviation purposes.

Sec. 3. On and after January 1, 2017, K.S.A. 12-1688 is hereby amended to read as follows: 12-1688. (a) Except as otherwise provided in subsection (b) of this section, when the provisions of this act shall have been adopted by an election, the commission shall annually, and not later than 20 days prior to the date for the publishing of the budget of such city or school district, certify its budget to such city or school district, which shall may levy a tax sufficient to raise the amount required by such budget, but in no event more than one mill or the amount set out in the petition provided for in K.S.A. 12-1684, and amendments thereto, except that, when such petition shall have been submitted to a city and school district jointly such budget shall be certified to the city or school district, whichever shall be the larger in population, and the tax levied by such city or school district. After three years' operation the authority to levy the tax provided for in this section may be revoked by a majority of the electors voting at an election called in the same manner as the election authorizing the same. Upon such revocation all property and money belonging to such commission shall become the property of the city or school district levying the tax under this section.

(b) After any city or school district has begun to operate such a museum, it appearing to the satisfaction of the museum commission of a particular school district or city or of a city and school district jointly, that the budget should be increased so as to adequately meet the needs of the city or school district, such museum commission may submit a proposed program with the budget for carrying out the same to the levying authority which may then levy a tax sufficient to raise the amount required by the expanded budget, but not to exceed one mill, which levy shall be in addition to the one mill authorized by subsection (a) of this section.

No city or school district authorized to increase its levy under subsection (b) of this section shall make such increased levy until the
question of making such tax levy is submitted to the qualified electors of
the city or school district at the next general election or at a special
election called for such purpose. Any special election held under the
provisions of subsection (b) of this section shall be called and held in
accordance with the provisions of K.S.A. 10-120, and amendments
thereto. If a majority of the votes cast and counted on the question
submitted at such election are in favor of such tax, the same may be made;
but if a majority of the votes cast and counted on the question submitted at
such election are not in favor thereof, such tax may not be levied.
Sec. 4. On and after January 1, 2017, K.S.A. 2015 Supp. 12-1927 is
hereby amended to read as follows: 12-1927. (a) The recreation
commission shall prepare an annual budget for the operation of the
recreation system. Prior to the certification of its budget to the city or
school district, the recreation commission shall meet for the purpose of
answering and hearing objections of taxpayers relating to the proposed
budget and for the purpose of considering amendments to such proposed
budget. The recreation commission shall give at least 10 days’ notice of the
time and place of the meeting by publication in a weekly or daily
newspaper having a general circulation in the taxing district. Such notice
shall include the proposed budget and shall set out all essential items in the
budget except such groupings as designated by the director of accounts
and reports on a special publication form prescribed by the director of
accounts and reports and furnished with the regular budget form. The
public hearing required to be held herein shall be held not less than 10
days prior to the date on which the recreation commission is required to
certify its budget to the city or school district. After such hearing the
budget shall be adopted or amended and adopted by the recreation
commission. In order to provide funds to carry out the provisions of this
act and to pay a portion of the principal and interest on bonds issued
pursuant to K.S.A. 12-1774, and amendments thereto, the recreation
commission shall annually, not later than August 1 of any year, certify its
budget to such city or school district which shall may levy a tax sufficient
to raise the amount required by such budget on all the taxable tangible
property within the taxing district. Each year a copy of the budget adopted
by the recreation commission shall be filed with the city clerk in the case
of a city-established recreation system or with the clerk of the school
district in the case of a school district-established recreation system or with
the clerk of the taxing district in the case of a jointly established recreation
system. A copy of such budget also shall be filed with the county clerk of
the county in which the recreation system is located. If the recreation
system is located in more than one county, a copy of the budget shall be
filed with the clerk of the county in which the greater portion of the
assessed valuation of the recreation system is located. The city or school
district shall not be required to levy a tax in excess of the maximum tax levy set by the city or school district by current resolution. In the case of a new recreation commission established under the provisions of this act, such levy shall not be required to exceed one mill. Whenever the recreation commission determines that the tax currently being levied for the commission, as previously established by the city or school district, is insufficient to operate the recreation system and the commission desires to increase the mill levy above the current levy, the commission shall request that the city or school district authorize an increase by adopting a resolution declaring it necessary to increase the annual levy. The city or school district may authorize the increase by resolution, but such increase shall not exceed one mill per year.

(b) Any resolution adopted under subsection (a) shall state the total amount of the tax to be levied for the recreation system and shall be published once each week for two consecutive weeks in the official newspaper of the taxing district. Whereupon, such annual levy in an amount not to exceed the amount stated in the resolution may be made for the ensuing budget year and each successive budget year unless a petition requesting an election upon the proposition to increase the tax levy in excess of the current tax levy, signed by at least 5% of the qualified voters of the taxing district, is filed with the county election officer within 30 days following the date of the last publication of the resolution. In the event a valid petition is filed, no such increased levy shall be made without such proposition having been submitted to and having been approved by a majority of the voters of the taxing district voting at an election called and held thereon. All such elections shall be called and held in the manner provided by the general bond law, and the cost of the election shall be borne by the recreation commission. Such taxes shall be levied and collected in like manner as other taxes, which levy the city or school district shall certify, on or before August 25 of each year, to the county clerk who is hereby authorized and required to place the same on the tax roll of the county to be collected by the county treasurer and paid over by the county treasurer to the ex officio treasurer of the recreation commission.

(c) The tax levy provided in this section shall not be considered a levy of such city or school district under any of the statutes of this state, but shall be in addition to all other levies authorized by law and, with respect to any such levy made for the first time in 1989, shall not be subject to the provisions of K.S.A. 79-5021 et seq., and amendments thereto.

(d) (1) At any time after the making of the first tax levy pursuant to this act, the amount of such tax levy may be reduced by a majority of the
voters of the taxing district voting at an election called pursuant to a petition and conducted in the same manner as that prescribed by subsection (b). The authority of any recreation commission in existence on the effective date of this act or any recreation commission established under the provisions of this act to operate and conduct its activities may be revoked in any year following the third year of its operation by a majority of the voters of the taxing district voting at an election called pursuant to a petition and conducted in the same manner as that prescribed by subsection (b). If the petition submitted is for the purpose of reducing the mill levy, it shall state the mill levy reduction desired. Upon revocation, all property and money belonging to the recreation commission shall become the property of the taxing authority levying the tax for the commission, and the recreation commission shall be dissolved. In the event the authority of a recreation commission is revoked pursuant to this subsection, the taxing authority may continue to levy a tax in the manner prescribed by the petition language for the purpose of paying any outstanding obligations of the recreation commission which exist on the date such authority is revoked. The authority to levy a tax for this purpose shall continue only as long as such outstanding obligations exist.

(2) If the recreation district whose authority is revoked owns any real property at the time of such revocation, title to such real property shall revert to the taxing authority.

(e) All financial records of the recreation commission shall be audited as provided in K.S.A. 75-1122, and amendments thereto, and a copy of such annual audit report shall be filed with the governing body of the city or school district, or both, in the case of a jointly established recreation system. A copy of such audit also shall be filed with the county clerk of the county in which the recreation system is located. If the recreation system is located in more than one county, a copy of the budget shall be filed with the clerk of the county in which the greater portion of the assessed valuation of the recreation system is located. The cost of each audit shall be borne by the recreation commission.

Sec. 5. On and after January 1, 2017, K.S.A. 2015 Supp. 12-1928 is hereby amended to read as follows: 12-1928. Every recreation commission appointed pursuant to this act shall have the power to:

(a) Make and adopt rules and regulations for the operation of the recreation system;

(b) conduct the activities of the recreation system on any property under its custody and management, or, with proper consent, on any other public property and upon private property with the consent of the owners;

(c) receive any gift or donation from any source;

(d) receive, accept and administer any money appropriated or granted to it by the state or federal government or any agency thereof;
(e) purchase insurance. The city or school district to which the
recreation commission certifies its budget—shall may levy an annual tax
upon all taxable tangible property within the taxing district in an amount
necessary to pay for insurance purchased for those purposes authorized by
K.S.A. 75-6111, and amendments thereto, and to pay a portion of the
principal and interest on bonds issued pursuant to K.S.A. 12-1774, and
amendments thereto, except that no levy shall be made under this
subsection which, when coupled with any levy made pursuant to
subsection (j), is in excess of one mill without the approval of the city or
school district. Taxes levied pursuant to this subsection shall be in addition
to all other taxes authorized or limited by K.S.A. 12-1927, and
amendments thereto, or any other provisions of law;
(f) sue and be sued;
(g) enter contracts;
(h) enter lease agreements for real and personal property. The term of
any such lease shall not exceed 10 years. Any such lease agreement shall
be subject to the approval of the city or school district to which the
recreation commission certifies its budget;
(i) employ a superintendent of recreation and any other employees
which may be necessary for proper operation of the recreation system;
(j) create and establish employee benefits contribution funds for the
purpose of paying the employer's share of any employee benefits,
exclusive of any salaries, wages or other direct payments to such
employees, as may be prescribed in the resolution creating such funds. The
recreation commission may receive and place in such funds any moneys
from any source whatsoever which may be lawfully utilized for the
purposes stated in the resolution creating such funds, including the
proceeds of tax levies authorized by law for such purposes. The city or
school district to which is certified the budget of any recreation
commission which has established employee benefits contribution funds
pursuant to this subsection shall levy an annual tax upon all taxable
tangible property within the taxing district in an amount determined by the
recreation commission to be necessary for the purposes for which such
funds were created and to pay a portion of the principal and interest on
bonds issued pursuant to K.S.A. 12-1774, and amendments thereto, except
that no levy shall be made under this subsection which, when coupled with
any levy made pursuant to subsection (e), is in excess of one mill without
the approval of the city or school district. Taxes levied pursuant to this
subsection shall be in addition to all other taxes authorized or limited by
K.S.A. 12-1927, and amendments thereto, or any other provisions of law.
For the purposes of this subsection, employee benefits shall include social
security as provided by subsection (c) of K.S.A. 40-2305(c), and
amendments thereto, workers' compensation as provided by K.S.A. 44-
505c, and amendments thereto, unemployment compensation as provided
by K.S.A. 44-710a, and amendments thereto, health insurance and
retirement benefits;
(k) establish a petty cash fund. The amount of moneys in a petty cash
fund shall not exceed $1,000 at any one time;
(l) acquire title to personal property by purchase, bequest, gift or
other donation and acquire title to real property by devise, gift or other
donation. Whenever property owned by a recreation commission is sold,
the proceeds shall be used for recreation purposes;
(m) make improvements for recreation system purposes; and
(n) perform any other acts necessary to carry out the provisions of
this act.
hereby amended to read as follows: 12-1936. (a) The governing body of
any school district the boundaries of which are located entirely within the
corporate limits of a city that previously established a recreation system
and the governing body of the city within which such school district is
located may take joint action to initiate the conversion of the existing
recreation system to a city recreation system by adopting a joint ordinance
and resolution proposing to change the existing school district recreation
system to a city recreation system and authorizing publication of a notice
of intent to do so. Such notice of intent shall be published once each week
for two consecutive weeks in the official city newspaper, and, if within 30
days after the last publication of the notice a petition is signed by at least
5% of the qualified voters of the city requesting an election upon such
question, an election shall be called and held thereon. Such election shall
be called and held in the manner provided by the general bond law, and the
cost of the election shall be borne equally by the school district and the
city. If no protest or no sufficient protest is filed or if an election is held
and the proposition carries by a majority of those voting thereon, the
governing bodies of the school district and the city, by joint resolution and
ordinance, may provide for the conversion of the existing school district
recreation system to a city recreation system effective as of the next
succeeding July 1 subsequent to the publication of the notice of intent or
the date of the election, whichever is later.
(b) The mill levy rate for a recreation commission established under
subsection (a) shall not be subject to the one mill levy limitation for a new
recreation system established in K.S.A. 12-1927, and amendments thereto.
(c) Any conversion of an existing school district recreation system to
a city recreation system under subsection (a) shall provide for the transfer
of the assets of the existing school district recreation system to the city
recreation system, the assumption of the liabilities of the existing school
district recreation system by the city recreation system and thereafter
maintain and continue the operations of the city recreation system.

(d) In connection with the conversion of a school district recreation system to a city recreation system under subsection (a), the members of the school district recreation commission shall serve the balance of their respective terms in office as members of the city recreation commission and, upon the expiration thereof, the members of the city recreation commission shall be appointed by the governing body of the city.

(e) Before levying any tax authorized by this section, the commission shall submit the proposed levy to the governing body of the city for review and approval thereof.

Sec. 7. K.S.A. 19-432 is hereby amended to read as follows: 19-432.

(a) The director of property valuation shall maintain a current list of persons eligible to be appointed to the office of appraiser. Periodic issuance of this list shall constitute the official list of eligible Kansas appraisers who are candidates for appointment. Inclusion on this list shall be made dependent upon successful completion of a written examination as adopted and administered by the director.

(b) The director of property valuation shall be required to conduct training courses annually for the purpose of training appraisal candidates. These courses shall be designed to prepare students to successfully complete the written examinations required for eligible Kansas appraiser status.

(c) Once certified, an eligible Kansas appraiser may retain that status only through successful completion of additional appraisal courses at intervals as determined by the director of property valuation. The director shall be required to conduct training courses annually for the purpose of providing the additional curriculum required for retention of Kansas appraiser status. The director may accept recognized appraisal courses as an alternative to courses conducted by the director's office to fulfill this requirement for the maintenance of eligible Kansas appraiser status.

1. The director of property valuation may remove any person from the list of persons eligible to be appointed to the office of appraiser for any of the following acts or omissions:

(A) Failing to meet the minimum qualifications established by this section;

(B) a plea of guilty or nolo contendere to, or conviction of: (i) Any crime involving moral turpitude; or (ii) any felony charge; or

(C) entry of a final civil judgment against the person on grounds of fraud, misrepresentation or deceit in the making of any appraisal of real or personal property.

2. Any person removed from the list of persons eligible to be appointed to the office of county appraiser under the provisions of this section shall immediately forfeit the office of county or district appraiser.
(3) An appeal may be taken to the state board of tax appeals from any final action of the director of property valuation under the provisions of this section pursuant to K.S.A. 74-2438, and amendments thereto.

(4) The director of property valuation may relist a person as an eligible county appraiser upon a showing of mitigating circumstances, restitution or expungement.

Sec. 8. On and after January 1, 2017, K.S.A. 19-3557 is hereby amended to read as follows: 19-3557. (a) The provisions of this section shall apply to public wholesale water supply districts No. 4, No. 11 and No. 12.

(b) The governing body of any public wholesale water supply district created pursuant to K.S.A. 19-3545 et seq., and amendments thereto, to which this section applies may issue general obligation bonds of the district to finance the cost of acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of the district. All general obligation bonds of the district 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 authorized and outstanding bonded indebtedness of the district shall not exceed 20% of the assessed value of all taxable tangible property located within the district, as certified to the county clerk on the preceding August 25.

No bonds may be issued under this subsection until the question of issuing such bonds has been submitted to and approved by a majority of the qualified electors of the district voting at an election called thereon. Such 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.

(c) The governing body of any public wholesale water supply district to which this section applies may issue, from time to time, general obligation bonds, in the manner prescribed by K.S.A. 10-427 et seq., and amendments thereto, to refund any previous issue or part thereof of its outstanding revenue bonds, including the principal amount thereof and all accrued outstanding interest thereon, if such revenue bonds are callable in accordance with their terms or the holders thereof are willing to surrender them to the district. Such general obligation bonds shall not be issued until a resolution adopted by the governing body of the district stating the purpose for which such bonds are to be issued, the total amount of the bonds proposed to be issued, and the total cost to the district of the refunding project, is published once each week for two consecutive weeks in the official newspaper of such district. After publication, such bonds may be issued unless a petition requesting an election on the proposition, signed by electors equal in number to not less than 5% of the electors of
the district who voted for the office of secretary of state at the last
preceding general election of such office, is filed with the clerk of such
district within 20 days following the last publication of such resolution. If
such a petition is filed, the governing body of the district shall submit the
proposition to the voters at an election called for such purpose and held
within 90 days after the last publication of the resolution and no bonds
shall be issued under this subsection unless such proposition shall receive
the approval of a majority of the votes cast thereon. Such election shall be
called and held in the manner provided by the general bond law.
(d) The governing body of any public wholesale water supply district
to which this section applies shall have the power to may levy a tax against
all taxable, tangible property in the district for the purpose of paying any
bonds, and the interest thereon, issued pursuant to this section. Any bonds
issued pursuant to this section shall not be included in computing the total
bonded indebtedness of any city or county located within such water
supply district.
(e) Before issuing any bonds under the authority of subsection (c) or
levying any tax authorized by this section, the governing body of the
public wholesale water supply district shall submit the proposed levy to
the governing body of each water supply district, municipality and
publicly and privately owned distribution company to which the district
provides water at wholesale for review and approval thereof.
Sec. 9. On and after January 1, 2017, K.S.A. 19-3617 is hereby
amended to read as follows: 19-3617. (a) The governing body may
provide for the furnishing of fire protection services or may contract with
any other fire district, city or township or private entity within the vicinity
of the fire district, for the purpose of furnishing fire protection service to
the residents of such district.
(b) Where such fire district does enter into a contract with any other
fire district, city or township or private entity within the vicinity of the fire
district for furnishing fire protection service to the residents of such
district, the fire district governing board shall have the power to may levy
a tax not to exceed 8.5 mills upon the dollar of upon the assessed valuation
of all taxable, tangible property in the district, for the purpose of carrying
out the provisions of the contract. Such tax levy shall be in addition to all
other tax levies authorized or limited by law except that no other levies for
fire department purposes shall be made on such property.
(c) Before levying any tax authorized by this section, the board shall
submit the proposed bond issuance or tax levy to the governing body of the
county for review and approval thereof.
Sec. 10. On and after January 1, 2017, K.S.A. 19-3622 is hereby
amended to read as follows: 19-3622. (a) The governing body of the fire
district shall prepare an annual budget for the operation of the fire district.
Prior to the adoption of its budget, the governing body shall meet for the
purpose of answering and hearing objections of taxpayers relating to the
proposed budget and for the purpose of considering amendments to such
proposed budget. The governing body shall give at least 10 days' notice of
the time and place of the meeting by publication in a weekly or daily
newspaper having a general circulation in the fire district. Such notice
shall include the proposed budget and shall set out all essential items in the
budget on a publication form prescribed by the director of accounts and
reports and furnished with the regular budget form. The public hearing
required to be held herein shall be held not less than 10 days prior to the
date on which the fire district is required to submit its budget to the board
of county commissioners for review and approval thereby. After such
hearing a proposed budget shall be adopted or amended and adopted by
the fire district. The governing body, not later than August 1 of any year,
shall submit its proposed budget to the board of county commissioners for
review and approval thereby. The board shall approve or disapprove the
budget no later than August 10. After the board of county commissioners
approves the budget, the governing body shall submit the budget to the
county clerk as provided by K.S.A. 79-2930, and amendments thereto.

(b) The governing body of the fire district shall have the power to
may levy a tax not to exceed 8.5 mills upon the dollar of upon the assessed
valuation of all taxable, tangible property in the district, for the purpose of
paying any lawful cost or expense incurred by the fire district and to pay a
portion of the principal and interest on bonds issued pursuant to K.S.A. 12-
1774, and amendments thereto. No other levies for the operation and
maintenance of a fire department shall be made on such property by any
other taxing district. If any incorporated city is partly within the
boundaries of one or more fire districts, and partly outside the boundaries
of any fire district, the governing body of such city may cause a tax to be
levied in that portion of the city outside of the boundaries of any fire
district for fire protection, and may contract with any fire district, city,
township or other organized fire department, to furnish fire protection in
that portion of the city not lying within the boundaries of a fire district, in
the same manner as though the city lay wholly without the boundaries of a
fire district.

(c) The governing body of the fire district may increase the mill levy
authorized by subsection (b) in an amount not to exceed 11.5 mills by
adoption of a resolution. Such resolution shall be published once each
week for two consecutive weeks in a newspaper of general circulation in
the fire district. If within 30 days after the last publication of the
resolution, a petition signed by not less than 5% of the qualified electors in
the fire district is filed in the office of the county election officer
requesting an election thereon, no levy in an amount exceeding 8.5 mills
shall be made unless the question is submitted to and approved by a
majority of the voters of the fire district voting at an election called by the
governing body. Such election shall be called and held in the manner
provided under the general bond law.

(d) Before levying any tax authorized by this section, the governing
body of the fire district shall submit the proposed levy to the board of
county commissioners for review and approval thereof:

Sec. 11. On and after January 1, 2017, K.S.A. 27-322 is hereby
amended to read as follows: 27-322. (a) Except as provided in subsection
(b), With the consent of the governing body of the city, the authority may
annually levy a tax, not to exceed three mills on each dollar of the assessed tangible valuation of the property of the city for the furtherance
of the purposes of the authority, to be levied and collected in like manner
with other taxes, which levy the board of directors shall, on or before
August 25, of each year, certify to the county clerk who is hereby
authorized and required to place the same on the tax roll of the county
to be collected by the treasurer of the county and paid over by him or
her to the board of directors of the authority.

(b) In addition to the levy authorized in subsection (a), if the authority
is required to provide matching funds in order to qualify for any federal or
state grant relating to the development, improvement, operation or
maintenance of the public airport, and such funds are not otherwise
available from revenues of the airport facility, the authority may levy a tax
not to exceed one mill upon each dollar of the assessed tangible valuation
of the property of the city to be levied and collected in the same manner as
provided for in subsection (a) except that such levy shall be made without
the consent of the governing body of the city.

Before any levy is made pursuant to this subsection, the board of
directors of the authority shall publish a notice of their intention to make
such additional levy once each week for two consecutive weeks in the
official newspaper of the city. If within 30 days next following the last
publication of the notice a petition signed by not less than 5% of the
qualified electors of the city requesting an election on the question of
levying the additional mill authorized by this subsection is filed with the
city clerk, an election on the question shall be noticed, called and held in
the manner prescribed under the general bond law. If a majority of the
qualified electors of the city voting at such election vote "no" on the
question of levying the additional mill, no levy shall be made under this
subsection.

(c) The authority shall be exempt from the provisions of the budget
laws of the state.

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 provided by this section:

(a) If the authority 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 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, by appropriate ordinance, disapproves the resolution of the authority, no further action shall be taken by the authority on the basis of the resolution. If the governing body of the city, by appropriate ordinance, unconditionally 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 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 15 days after the publication of the notice there is filed with the city clerk a written protest against the issuance of the general obligation bonds of the authority signed by not less than 20% of the qualified electors of the 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 10 days' notice, to be held not later than 60 days after the filing of the protest, or at a regular city election or general election which will occur not sooner than 30 days nor later than 60 days after the filing of the protest. In the event that a majority of the voters voting on the proposition at the election vote in favor thereof, the improvement may be made and the 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 10% of the assessed valuation of all the 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 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 the
bonds as the same become due. The general obligation bonds of the
authority shall not constitute a debt or obligation of the city which
established and created the authority. Before levying any tax authorized by
this section, the authority shall submit the proposed levy to the governing
body of the city for review and approval thereof.

(b) The authority may issue from time to time the revenue 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 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 not later than 40 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. The 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 the
authority, and that the bonds and interest 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 the conditions as specified in the resolution. 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 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 the
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. The bonds shall be registered in the office of the secretary or clerk of the authority.

(c) The authority may issue the industrial revenue bonds of the authority in the manner provided by K.S.A. 12-1740 to 12-1749, inclusive, and 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. 13. On and after January 1, 2017, K.S.A. 27-333 is hereby amended to read as follows: 27-333. An authority created pursuant to this act may annually levy a tax not to exceed one and eighty-five hundredths (1.85) mills upon each dollar of assessed taxable tangible valuation of the property located within the county for the furtherance of the purposes of the authority. Any tax authorized hereunder shall be levied and collected in like manner with other taxes, and the board of directors shall, on or before August 25, of each year, certify the same to the county clerk who shall place the same on the tax roll of the county to be collected by the county treasurer and paid over to the board of directors of the authority. Before levying any such tax, the authority shall submit the proposed levy to the governing body of the city for review and approval thereof.

Sec. 14. K.S.A. 2015 Supp. 74-2426 is hereby amended to read as follows: 74-2426. (a) Orders of the state board of tax appeals on any appeal, in any proceeding under the tax protest, tax grievance or tax exemption statutes or in any other original proceeding before the board shall be rendered and served in accordance with the provisions of the Kansas administrative procedure act. Notwithstanding the provisions of subsection (g) of K.S.A. 77-526(g), and amendments thereto, a written summary decision shall be rendered by the board and served within 14 days after the matter was fully submitted to the board unless this period is waived or extended with the written consent of all parties or for good cause shown. Any aggrieved party, within 14 days of receiving the board's decision, may request a full and complete opinion be issued by the board in which the board explains its decision. Except as provided in subsection (c)(4), this full opinion shall be served by the board within 90 days of being requested. If the board has not rendered a summary decision or a full
and complete opinion within the time periods described in this subsection, and such period has not been waived by the parties nor can the board show good cause for the delay, then the board shall refund any filing fees paid by the taxpayer.

(b) Final orders of the board shall be subject to review pursuant to subsection (c) except that the aggrieved party may first file a petition for reconsideration of that order a full and complete opinion with the board in accordance with the provisions of K.S.A. 77-529, and amendments thereto.

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

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

(2) There is no right to review of any order issued by the board in a no-fund warrant proceeding pursuant to K.S.A. 12-110a, 12-1662 et seq., 19-2752a, 79-2938, 79-2939 and 79-2951, and amendments thereto, and statutes of a similar character.

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

(4) Appeal of an order of the board shall be to the court of appeals as provided in subsection (c)(4)(A), unless a taxpayer who is a party to the order requests review in district court pursuant to subsection (c)(4)(B).

(A) Any aggrieved person has the right to appeal any final order of the board issued after June 30, 2014, by filing a petition with the court of appeals or the district court. Any appeal to the district court shall be a trial de novo. Any aggrieved party may file a petition for review of the board's order in the court of appeals. For purposes of such an appeal, the board's order shall become final only after the issuance of a full and complete opinion pursuant to subsection (a).

(B) Review of orders issued by the board of tax appeals relating to the valuation or assessment of property for ad valorem tax purposes or relating to the tax protest for which the appellant chooses to be reviewed in district court, shall be conducted by the district court of the county in which the property is located or, if located in more than one county, the district court of any county in which any portion of the property is located. At the election of a taxpayer, any summary decision or full and complete opinion of the board of tax appeals issued after June 30, 2014, may be appealed by filing a petition for review in the district court. Any appeal to the district court shall be a trial de novo. Notwithstanding
K.S.A. 77-619, and amendments thereto, the trial de novo shall include an evidentiary hearing at which issues of law and fact shall be determined anew. District court review of orders issued by the board relating to the valuation or assessment of property for ad valorem tax purposes or relating to the tax protest shall be conducted by the court of the county in which the property is located, or, if located in more than one county, the court of any county in which any portion of the property is located.

(C) If a taxpayer requests review of a summary decision or full and complete opinion in district court pursuant to subsection (c)(4)(B), the taxpayer shall provide notice to the board as well as the parties. Upon receipt of the notice, the board's jurisdiction shall terminate, notwithstanding any prior request for a full and complete opinion under subsection (a), and the board shall not issue such opinion.

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

Sec. 15. K.S.A. 2015 Supp. 74-2433 is hereby amended to read as follows: 74-2433. (a) There is hereby created a state board of tax appeals, referred to in this act as the board. The board shall be composed of three members who shall be appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. For members appointed after June 30, 2014, one of such members shall have been regularly admitted to practice law in the state of Kansas and for a period of at least five years, have engaged in the active practice of law as a lawyer, judge of a court of record or any other court in this state; one of such members shall have engaged in active practice as a certified public accountant for a period of at least five years and one such member shall be a licensed certified general real property appraiser. In addition, the governor shall also appoint a chief hearing officer, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto, who, in addition to other duties prescribed by this act, shall serve as a member pro tempore of the board. No successor shall be appointed for any judge of the court of tax appeals appointed before July 1, 2014. Such persons shall continue to serve as members on the board of tax appeals until their terms expire. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed to the board, including the chief hearing officer, shall exercise any power, duty or function as a member of the board until confirmed by the senate. Not more than two members of
the board shall be of the same political party. Members of the board, including the chief hearing officer, shall be residents of the state. Subject to the provisions of K.S.A. 75-4315c, and amendments thereto, no more than one member shall be appointed from any one of the congressional districts of Kansas unless, after having exercised due diligence, the governor is unable to find a qualified replacement within 90 days after any vacancy on the board occurs. The members of the board, including the chief hearing officer, shall be selected with special reference to training and experience for duties imposed by this act and shall be individuals with legal, tax, accounting or appraisal training and experience. State board of tax appeals members shall be subject to the supreme court rules of judicial conduct applicable to all judges of the district court. The board shall be bound by the doctrine of stare decisis limited to published decisions of an appellate court. Members of the board, including the chief hearing officer, shall hold office for terms of four years. A member may continue to serve for a period of 90 days after the expiration of the member's term, or until a successor has been appointed and confirmed, whichever is shorter. Except as otherwise provided, such terms of office shall expire on January 15 of the last year of such term. If a vacancy occurs on the board, or in the position for chief hearing officer, the governor shall appoint a successor to fill the vacancy for the unexpired term. Nothing in this section shall be construed to prohibit the governor from reappointing any member of the board, including the chief hearing officer, for additional four-year terms. The governor shall select one of its members to serve as chairperson. The votes of two members shall be required for any final order to be issued by the board. Meetings may be called by the chairperson and shall be called on request of a majority of the members of the board and when otherwise prescribed by statute.

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

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

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

(e) After appointment, members of the state board of tax appeals that are not otherwise a state certified general real property appraiser shall complete the following course requirements: (1) A tested appraisal course of not less than 30 clock hours of instruction consisting of the fundamentals of real property appraisal with an emphasis on the cost and sales approaches to value; (2) a tested appraisal course of not less than 30 clock hours of instruction consisting of the fundamentals of real property appraisal with an emphasis on the income approach to value; (3) a tested appraisal course of not less than 30 clock hours of instruction with an emphasis on mass appraisal; (4) an appraisal course with an emphasis on Kansas property tax laws; (5) an appraisal course on the techniques and procedures for the valuation of state assessed properties with an emphasis on unit valuation; and (6) a tested appraisal course on the techniques and procedures for the valuation of land devoted to agricultural use pursuant to K.S.A. 79-1476, and amendments thereto. Any member appointed to the board who is a certified real property appraiser shall only be required to take such educational courses as are required to maintain the appraisal license. The executive director shall adopt rules and regulations prescribing a timetable for the completion of the course requirements and prescribing continued education requirements for members of the board.

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

(g) It is the intent of the legislature that proceedings in front of the board of tax appeals be conducted in a fair and impartial manner and that all taxpayers are entitled to a neutral interpretation of the tax laws of the state of Kansas. The provisions of the tax laws of this state shall be applied impartially to both taxpayers and taxing districts in cases before the board. *Valuation appeals before the board shall be decided upon a determination of the fair market value of the fee simple of the property. Nothing in this section shall prohibit a property owner, during a property valuation appeal before the board, from raising arguments regarding classification. Cases before the board shall not be decided upon arguments concerning the shifting of the tax burden or upon any revenue loss or gain which may be experienced by the taxing district.*

Sec. 16. K.S.A. 2015 Supp. 74-2438 is hereby amended to read as follows: 74-2438. (a) An appeal may be taken to the state board of tax appeals from any finding, ruling, order, decision, final determination or
other final action, including action relating to abatement or reduction of
penalty and interest, on any case of the secretary of revenue or the
secretary's designee by any person aggrieved thereby. Notice of such
appeal shall be filed with the secretary of the board within 30 days after
such finding, ruling, order, decision, final determination or other action on
a case, and a copy served upon the secretary of revenue or the secretary's
designee. An appeal may also be taken to the state board of tax appeals at
any time when no final determination has been made by the secretary of
revenue or the secretary's designee after 270 days has passed since the date
of the request for informal conference pursuant to K.S.A. 79-3226, and
amendments thereto, and no written agreement by the parties to further
extend the time for making such final determination is in effect.

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

c) (1) With regard to any matter properly submitted to the board
relating to the determination of valuation of residential property or real
property used for commercial and industrial purposes for taxation
purposes, it shall be the duty of the county or district appraiser to initiate
the production of evidence to demonstrate, by a preponderance of the
evidence, the validity and correctness of such determination, except that
no such duty shall accrue with regard to leased commercial and industrial
property unless the property owner has furnished to the county or district
appraiser a complete income and expense statement for the property for
the three years next preceding the year of appeal. Any appraisal made by
the county or district appraiser must be released through the discovery
process to the taxpayer, the taxpayer's attorney or the taxpayer's
representative. No presumption shall exist in favor of the county or district
appraiser with respect to the validity and correctness of such
determination. If a taxpayer presents a single property appraisal with an
effective date of January 1 of the year appealed which has been conducted
by a certified general real property appraiser which determines the subject
property's valuation to be less than that determined by a mass real estate
appraisal conducted by the county or district appraiser, then the taxpayer's
property-specific appraisal shall be accepted into evidence by the board.
No interest shall accrue on the amount of the assessment of tax subject to
any such appeal beyond 120 days after the date the matter was fully
submitted, except that, if a final order is issued within such time period,
interest shall continue to accrue until such time as the tax liability is fully
satisfied, and if a final order is issued beyond such time period, interest
shall recommence to accrue from the date of such order until such time as
the tax liability is fully satisfied.

(2) With regard to any matter properly submitted to the board relating to the determination of valuation of real property, if the director of property valuation has developed and adopted methodologies to value such type of property, then it shall be the duty of the county or district appraiser to demonstrate compliance with such methodologies.

Sec. 17. K.S.A. 2015 Supp. 77-618 is hereby amended to read as follows: 77-618. Judicial review of disputed issues of fact shall be confined to the agency record for judicial review as supplemented by additional evidence taken pursuant to this act, except that review of:

(a) Orders of the director of workers' compensation under the workmen's compensation act shall be in accordance with K.S.A. 44-556, and amendments thereto;

(b) orders of the Kansas human rights commission under the Kansas act against discrimination or the Kansas age discrimination in employment act shall be in accordance with K.S.A. 44-1011 and 44-1021, and amendments thereto;

(c) orders of the division of vehicles, other than orders under K.S.A. 8-254, and amendments thereto, which deny, cancel, suspend or revoke a driver's license shall be in accordance with K.S.A. 8-259, and amendments thereto;

(d) orders of the secretary of labor under K.S.A. 72-5413 through 72-5431, and amendments thereto, shall be in accordance with K.S.A. 72-5430a, and amendments thereto; and

(e) orders of the state fire marshal under K.S.A. 31-144, and amendments thereto, shall be in accordance with that section; and

(f) orders of the state board of tax appeals under K.S.A. 74-2426, and amendments thereto, shall be in accordance with that section.

Sec. 18. K.S.A. 2015 Supp. 79-331 is hereby amended to read as follows: 79-331. (a) Except as otherwise provided in subsection (b) of this section, in determining the value of oil and gas leases or properties the appraiser shall take into consideration the age of the wells, the quality of oil or gas being produced therefrom, the nearness of the wells to market, the cost of operation, the character, extent and permanency of the market, the probable life of the wells, the quantity of oil or gas produced from the lease or property, the number of wells being operated, and such other facts as may be known by the appraiser to affect the value of the lease or property.

Whenever a change in any of the factors or figures used in determining the 8/8ths valuation of the production for any oil or gas lease or property is made pursuant to the tax equalization, tax protest or tax grievance proceedings, such change shall apply to the working interest, royalty interest, overriding royalty interest and production payments and, if
applicable, a refund of taxes shall be made in the manner prescribed by 
subsection (l)(1) of K.S.A. 79-2005(l)(1), and amendments thereto. 

(b) The valuation of the working interest and royalty interest, except 
valuation of equipment, of any original base lease or property producing 
oil or gas for the first time in economic quantities on and after July 1 of the 
calendar year preceding the year in which such property is first assessed 
shall be determined for the year in which such property is first assessed by 
determining the quantity of oil or gas such property would have produced 
during the entire year preceding the year in which such property is first 
assessed upon the basis of the actual production in such year and by 
multiplying the income and expenses that would have been attributable to 
such property at such production level, excluding equipment valuation 
thereof, if it had actually produced said entire year preceding the year in 
which such property is first assessed by 60%.

(c) The provisions of subsection (b) of this section shall not apply in 
the case of any production from any direct offset well or any subsequent 
well on the same lease.

(d) (1) In order to clarify and express the intent of the legislature 
regarding the methodology utilized in the determination of fair market 
value of producing oil and gas leases for property tax purposes, it is hereby 
declared that the primary and predominant consideration in such 
determination is, has been and shall be the actual value of oil and gas 
production severed from the earth.

(2) Information used to establish the fair market value of producing 
oil leases which commence production during the preceding 
calendar year shall be limited to any information regarding production 
prior to April 1 of the calendar year in which such property is assessed. 
Information used to establish the fair market value of any base lease or 
property producing oil and gas for the first time in economic quantities on 
and after October 1 of the calendar year preceding the year in which such 
property is first assessed shall be limited to any information regarding 
production prior to July 1 of the calendar year in which such property is 
assessed.

(e) The provisions of this act shall apply to all tax years commencing 
on and after December 31, 2016.

Sec. 19. K.S.A. 2015 Supp. 79-425a is hereby amended to read as 
follows: 79-425a. (a) Whenever a tract of land which has been assessed 
shall thereafter be divided into tracts owned by different persons, any one 
or more of such persons, after giving 10 days' written notice to the other 
persons at their respective mailing addresses, may make application to the 
county appraiser for an apportionment of the assessed valuation of such 
tract among the several tracts, and the county appraiser is authorized to 
shall apportion such valuation among the owners of such tracts according
to the value of their respective interests as shown by evidence available at
a time designated by the county appraiser. Upon the apportionment of the
assessed valuation among the several tracts and the levying of tax against
each such tract, the county treasurer, upon payment of such tax on any
such tract, shall issue a receipt therefor and, in any case where such tax is
not paid on any of such tracts, it shall be sold for delinquent taxes in the
same manner prescribed by law for sale of real estate for delinquent taxes.
If taxes levied on a tract of land prior to its division are delinquent, the
owner of any divided portion of such tract may have that portion released
from the tax lien by paying to the county treasurer the share of the
delinquent tax attributable to such divided portion as shown by the
apportionment made of the whole tract's assessed valuation among the
divided portions by the county appraiser.

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

Sec. 20. K.S.A. 2015 Supp. 79-503a is hereby amended to read as
follows: 79-503a. "Fair market value" means the amount in terms of
money that a well informed buyer is justified in paying and a well
informed seller is justified in accepting for property in an open and
competitive market, assuming that the parties are acting without undue
compulsion. In the determination of fair market value of any real property
which is subject to any special assessment, such value shall not be
determined by adding the present value of the special assessment to the
sales price. For the purposes of this definition it will be assumed that
consummation of a sale occurs as of January 1.

Sales in and of themselves shall not be the sole criteria of fair market
value but shall be used in connection with cost, income and other factors
including but not by way of exclusion:

(a) The proper classification of lands and improvements;
(b) the size thereof;
(c) the effect of location on value;
(d) depreciation, including physical deterioration or functional,
    economic or social obsolescence;
(e) cost of reproduction of improvements;
(f) productivity taking into account all restrictions imposed by the
    state or federal government and local governing bodies, including, but not
    limited to, restrictions on property rented or leased to low income
    individuals and families as authorized by section 42 of the federal internal
    revenue code of 1986, as amended;
(g) earning capacity as indicated by lease price, by capitalization of
net income or by absorption or sell-out period;
(h) rental or reasonable rental values or rental values restricted by the
state or federal government or local governing bodies, including, but not
limited to, restrictions on property rented or leased to low income
individuals and families, as authorized by section 42 of the federal internal
revenue code of 1986, as amended;
(i) sale value on open market with due allowance to abnormal
inflationary factors influencing such values;
(j) restrictions or requirements imposed upon the use of real estate by
the state or federal government or local governing bodies, including
zoning and planning boards or commissions, and including, but not limited
to, restrictions or requirements imposed upon the use of real estate rented
or leased to low income individuals and families, as authorized by section
42 of the federal internal revenue code of 1986, as amended; and
(k) comparison with values of other property of known or recognized
value. The assessment-sales ratio study shall not be used as an appraisal
for appraisal purposes.

The appraisal process utilized in the valuation of all real and tangible
personal property for ad valorem tax purposes shall conform to generally
accepted appraisal procedures and standards which are adaptable to mass
appraisal and consistent with the definition of fair market value unless
otherwise specified by law.

Sec. 21. K.S.A. 79-504 is hereby amended to read as follows: 79-504.
For the purposes of this act:
(a) "Appraisal foundation" and "foundation" mean the appraisal
foundation established on November 30, 1987, as a not-for-profit
corporation under the laws of Illinois.
(b) "Written appraisal" means a written statement used in connection
with the activities of the division of property valuation or a county
appraiser that is independently and impartially prepared by a county
appraiser setting forth an opinion of defined value of an adequately
described property as of a specific date, supported by presentation and
analysis of relevant market information. Appraisals produced by the
computer assisted mass appraisal system prescribed or approved by the
director of property valuation shall be deemed to be written appraisals for
the purposes of this act.

Sec. 22. K.S.A. 79-1412a is hereby amended to read as follows: 79-
1412a. (a) County appraisers and district appraisers shall perform the
following duties:
First. Install and maintain such records and data relating to all property
in the county, taxable and exempt, as may be required by the director of
property valuation.
Second. Annually, as of January 1, supervise the listing and appraisal of all real estate and personal property in the county subject to taxation except state-appraised property.

Third. Attend meetings of the county board of equalization for the purpose of aiding such board in the proper discharge of its duties, making all records available to the county board of equalization.

Fourth. Prepare the appraisal roll and certify such rolls to the county clerk.

Fifth. Supervise the township trustees, assistants, appraisers and other employees appointed by the appraiser in the performance of their duties.

Sixth. The county appraiser or district appraiser in setting values for various types of personal property, shall conform to the values for such property as shown in the personal property appraisal guides devised or prescribed by the director of property valuation.

Seventh. Carry on continuously throughout the year the process of appraising real property.

Eighth. If the county appraiser or district appraiser deems it advisable, such appraiser may appoint one or more advisory committees of not less than five persons representative of the various economic interests and geographic areas of the county to assist the appraiser in establishing unit land values, unit values for structures, productivity, classifications for agricultural lands, adjustments for location factors, and generally to advise on assessment procedures and methods.

Ninth. Perform such other duties as may be required by law.

(b) The director of property valuation shall give notice to county and district appraisers and county boards of equalization of any proposed changes in the guides, schedules or methodology for use in valuing property prescribed to the county and district appraisers for use in setting values for property within the county or district. Such notice shall also be published in the Kansas register and shall provide that such changes are available for public inspection. Changes and modifications in guides, schedules or methodology for use in valuing property which are prescribed by the director of property valuation for use by county and district appraisers on or after July 1 in any year shall not be utilized in establishing the value, for the current tax year, of any property, the value of which has previously been established for such year.

(c) Notwithstanding the provisions of this section, the county appraiser or the county appraiser's designee shall not, at any time, request the following from a taxpayer:

(1) Any appraisal of the property that was conducted for the purpose of obtaining mortgage financing;

(2) Any fee appraisal with an effective date more than 12 months prior to January 1 of the valuation year under appeal; or
Section 23. K.S.A. 2015 Supp. 79-1439 is hereby amended to read as follows: 79-1439. (a) All real and tangible personal property which is subject to general ad valorem taxation shall be appraised uniformly and equally as to class and, unless otherwise specified herein, shall be appraised at its fair market value, as defined in K.S.A. 79-503a, and amendments thereto.

(b) Property shall be classified into the following classes and assessed at the percentage of value prescribed therefor:

(1) Real property shall be assessed as to subclass at the following percentages of value:

(A) Real property used for residential purposes including multi-family residential real property, real property necessary to accommodate a residential community of mobile or manufactured homes including the real property upon which such homes are located, residential real property used partially for day care home purposes if such home has been registered or licensed pursuant to K.S.A. 65-501 et seq., and amendments thereto, and residential real property used partially for bed and breakfast home purposes at 11.5%. As used in this paragraph "bed and breakfast home" means a residence property with five or fewer bedrooms available for overnight guests who stay for not more than 28 consecutive days for which there is compliance with all zoning or other applicable ordinances or laws which pertain to facilities which lodge and feed guests;

(B) land devoted to agricultural use valued pursuant to K.S.A. 79-1476, and amendments thereto, at 30%;

(C) vacant lots at 12%;

(D) real property which is owned and operated by a not-for-profit organization not subject to federal income taxation pursuant to section 501 of the federal internal revenue code and included herein pursuant to K.S.A. 79-1439a, and amendments thereto, at 12%;

(E) public utility real property, except railroad property which shall be assessed at the average rate all other commercial and industrial property is assessed, at 33%. As used in this paragraph, "public utility" shall have the meaning ascribed thereto by K.S.A. 79-5a01, and amendments thereto;

(F) real property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use at 25%; and

(G) all other urban and rural real property not otherwise specifically subclassed at 30%.

(2) Personal property shall be classified into the following classes and...
assessed at the percentage of value prescribed therefor:

(A) Mobile homes used for residential purposes at 11.5%;

(B) mineral leasehold interests, except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, at 30%;

(C) public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, at 33%. As used in this paragraph, "public utility" shall have the meaning ascribed thereto by K.S.A. 79-5a01, and amendments thereto;

(D) all categories of motor vehicles listed and taxed pursuant to K.S.A. 79-306d, and amendments thereto, and, prior to January 1, 2014, over-the-road motor vehicles defined pursuant to K.S.A. 79-6a01, and amendments thereto, at 30%;

(E) commercial and industrial machinery and equipment, including rolling equipment defined pursuant to K.S.A. 79-6a01, and amendments thereto, which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property as long as it is being used shall not be less than 20% of the retail cost when new of such property at 25%; and

(F) all other tangible personal property not otherwise specifically classified at 30%.

Sec. 24. K.S.A. 2015 Supp. 79-1448 is hereby amended to read as follows: 79-1448. Any taxpayer may complain or appeal to the county appraiser from the classification or appraisal of the taxpayer's property by giving notice to the county appraiser within 30 days subsequent to the date of mailing of the valuation notice required by K.S.A. 79-1460, and amendments thereto, for real property, and on or before May 15 for personal property. The county appraiser or the appraiser's designee shall arrange to hold an informal meeting with the aggrieved taxpayer with reference to the property in question. At such meeting it shall be the duty of the county appraiser or the county appraiser's designee to initiate production of evidence to substantiate the valuation of such property, including the affording to, a summary of the reasons that the valuation of the property has been increased over the previous year; any assumptions used by the county appraiser to determine the value of the property and a description of the individual property characteristics, property specific valuation records and conclusions. The taxpayer shall be provided with
the opportunity to review the data sheet of comparable sales utilized in the
determination of such valuation sheets applicable to the valuation
approach utilized for the subject property. The county appraiser shall take
into account any evidence provided by the taxpayer which relates to the
amount of deferred maintenance and depreciation for the property. In any
appeal from the appraisal of leased commercial and industrial property, the
county or district appraiser's appraised value shall be presumed to be valid
and correct and may only be rebutted by a preponderance of the evidence,
unless the property owner furnishes the county or district appraiser a
complete income and expense statement for the property for the three
years next preceding the year of appeal within 30 calendar days following
the informal meeting. In any appeal from the reclassification of property
that was classified as land devoted to agricultural use for the preceding
year, the taxpayer's classification of the property as land devoted to
agricultural use shall be presumed to be valid and correct if the taxpayer
provides an executed lease agreement or other documentation
demonstrating a commitment to use the property for agricultural use, if no
other actual use is evident. In any appeal from the appraisal of property
whose valuation was originally determined using the computer-assisted
mass-appraisal system, if the taxpayer presents an independent market-
based appraisal of the property from a certified appraiser licensed in
Kansas which was conducted not more than three months prior to the
informal meeting, then the results of the independent appraisal shall be
presumed to be valid and correct. The county may appeal the results of
such independent appraisal to the board of tax appeals. The county
apraiser may extend the time in which the taxpayer may informally
appeal from the classification or appraisal of the taxpayer's property for
just and adequate reasons. Except as provided in K.S.A. 79-1404, and
amendments thereto, no informal meeting regarding real property shall be
scheduled to take place after May 15, nor shall a final determination be
given by the appraiser after May 20. Any final determination shall be
accompanied by a written explanation of the reasoning upon which such
determination is based when such determination is not in favor of the
taxpayer. Any taxpayer who is aggrieved by the final determination of the
county appraiser may appeal to the hearing officer or panel appointed
pursuant to K.S.A. 79-1611, and amendments thereto, and such hearing
officer, or panel, for just cause shown and recorded, is authorized to
change the classification or valuation of specific tracts or individual items
of real or personal property in the same manner provided for in K.S.A. 79-
1606, and amendments thereto. In lieu of appealing to a hearing officer or
panel appointed pursuant to K.S.A. 79-1611, and amendments thereto, any
taxpayer aggrieved by the final determination of the county appraiser,
except with regard to land devoted to agricultural use, wherein the value of
the property, is less than $3,000,000, as reflected on the valuation notice, or the property constitutes single family residential property, may appeal to the small claims and expedited hearings division of the state board of tax appeals within the time period prescribed by K.S.A. 79-1606, and amendments thereto. Any taxpayer who is aggrieved by the final determination of a hearing officer or panel may appeal to the state board of tax appeals as provided in K.S.A. 79-1609, and amendments thereto. An informal meeting with the county appraiser or the appraiser's designee shall be a condition precedent to an appeal to the county or district hearing panel.

Sec. 25. K.S.A. 79-1456 is hereby amended to read as follows: 79-1456. (a) The county appraiser shall follow the policies, procedures and guidelines of the director of property valuation in the performance of the duties of the office of county appraiser. If the director has developed and adopted methodologies to value specific types of property, the county appraiser shall be required to follow such methodologies. Prior to January 1, 2017, the secretary of revenue shall adopt rules and regulations necessary to administer the provisions of this section.

(b) The county appraiser in establishing values for various types of personal property, shall conform to the values for such property as shown in the personal property appraisal guides prescribed or furnished by the director of property valuation. The county appraiser may deviate from the values shown in such guides on an individual piece of personal property for just cause shown and in a manner consistent with achieving fair market value.

Sec. 26. K.S.A. 2015 Supp. 79-1460 is hereby amended to read as follows: 79-1460. (a) The county appraiser shall notify each taxpayer in the county annually on or before March 1 for real property and May 1 for personal property, by mail directed to the taxpayer's last known address, of the classification and appraised valuation of the taxpayer's property, except that, the valuation for all real property shall not be increased unless: (1) the record of the latest physical inspection was reviewed by the county or district appraiser, and documentation exists to support such increase in valuation in compliance with the directives and specifications of the director of property valuation, and such record and documentation is available to the affected taxpayer; and (2). For the next two taxable years following the taxable year that the valuation for real property has been reduced due to a final determination made pursuant to the valuation appeals process, documented substantial and compelling reasons exist therefor and are provided by the county appraiser such property shall be appraised through the use of a market-based appraisal from an independent third-party chosen and paid for by the county. When the valuation for real property has been reduced due to a final determination
made pursuant to the valuation appeals process for the prior year, and the
county appraiser has already certified the appraisal rolls for the current
year to the county clerk pursuant to K.S.A. 79-1466, and amendments
thereto, the county appraiser may amend the appraisal rolls and certify the
changes to the county clerk to implement the provisions of this subsection
and reduce the valuation of the real property to the prior year's final
determination, except that such changes shall not be made after October 31
of the current year. For the purposes of this section and in the case of real
property, the term "taxpayer" shall be deemed to be the person in
ownership of the property as indicated on the records of the office of
register of deeds or county clerk and, in the case where the real property or
improvement thereon is the subject of a lease agreement, such term shall
also be deemed to include the lessee of such property if the lease
agreement has been recorded or filed in the office of the register of deeds.
Such notice shall specify separately both the previous and current
appraised and assessed values for each property class identified on the
parcel. Such notice shall also contain the uniform parcel identification
number prescribed by the director of property valuation. Such notice shall
also contain a statement of the taxpayer's right to appeal, the procedure to
be followed in making such appeal and the availability without charge of
the guide devised pursuant to subsection (b). Such notice may, and if the
board of county commissioners so require, shall provide the parcel
identification number, address and the sale date and amount of any or all
sales utilized in the determination of appraised value of residential real
property. In any year in which no change in appraised valuation of any real
property from its appraised valuation in the next preceding year is
determined, an alternative form of notification which has been approved
by the director of property valuation may be utilized by a county. Failure
to timely mail or receive such notice shall in no way invalidate the
classification or appraised valuation as changed. The secretary of revenue
shall adopt rules and regulations necessary to implement the provisions of
this section.

(b) For all taxable years commencing after December 31, 1999, there
shall be provided to each taxpayer, upon request, a guide to the property
tax appeals process. The director of the division of property valuation shall
devote and publish such guide, and shall provide sufficient copies thereof
to all county appraisers. Such guide shall include but not be limited to: (1)
A restatement of the law which pertains to the process and practice of
property appraisal methodology, including the contents of K.S.A. 79-503a
and 79-1460, and amendments thereto; (2) the procedures of the appeals
process, including the order and burden of proof of each party and time
frames required by law; and (3) such other information deemed necessary
to educate and enable a taxpayer to properly and competently pursue an
appraisal appeal.

(c) For purposes of this section:

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

(2) the term "substantial addition or improvement to the property" means the construction of any new structures or improvements on the property or the renovation of any existing structures or improvements on the property. The term "substantial addition or improvement to the property" shall not include:

(A) Any maintenance or repair of any existing structures, equipment or improvements on the property; or

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

Sec. 27. K.S.A. 79-1460a is hereby amended to read as follows: 79-1460a. Annually, at least five business days prior to the mailing of change of valuation notices pursuant to K.S.A. 79-1460, and amendments thereto, the county or district appraiser shall cause to be published in the official county newspaper or on the official county website the results of the market study analysis as prescribed by the director of the division of property valuation of the department of revenue.

Sec. 28. K.S.A. 2015 Supp. 79-1476 is hereby amended to read as follows: 79-1476. The director of property valuation is hereby directed and empowered to administer and supervise a statewide program of reappraisal of all real property located within the state. Except as otherwise authorized by K.S.A. 19-428, and amendments thereto, each county shall comprise a separate appraisal district under such program, and the county appraiser shall have the duty of reappraising all of the real property in the county pursuant to guidelines and timetables prescribed by the director of property valuation and of updating the same on an annual basis. In the case of multi-county appraisal districts, the district appraiser shall have the duty of reappraising all of the real property in each of the counties comprising the district pursuant to such guidelines and timetables and of updating the same on an annual basis. Commencing in 2000, every parcel of real property shall be actually viewed and inspected by the county or district appraiser once every six years. Any county or district appraiser shall be deemed to be in compliance with the foregoing requirement in any year if 17% or more of the parcels in such county or district are actually viewed and inspected.

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

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

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

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

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

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

For the purpose of the foregoing provisions of this section the phrase "land devoted to agricultural use" shall mean and include land, regardless of whether it is located in the unincorporated area of the county or within the corporate limits of a city, which is devoted to the production of plants, animals or horticultural products, including, but not limited to: Forages; grains and feed crops; dairy animals and dairy products; poultry and poultry products; beef cattle, sheep, swine and horses; bees and apiary products; trees and forest products; fruits, nuts and berries; vegetables; nursery, floral, ornamental and greenhouse products. Land devoted to agricultural use shall not include those lands which are used for recreational purposes, other than that land established as a controlled shooting area pursuant to K.S.A. 32-943, and amendments thereto, which shall be deemed to be land devoted to agricultural use, suburban residential acreages, rural home sites or farm home sites and yard plots whose primary function is for residential or recreational purposes even though such properties may produce or maintain some of those plants or animals listed in the foregoing definition. If a parcel has land devoted to agricultural purposes and land used for suburban residential acreages, rural home sites or farm home sites, the county appraiser shall determine
the amount of the parcel used for agricultural purposes and value and assess it accordingly as land devoted to agricultural purposes. The county appraiser shall then determine the amount of the remaining land used for such other purposes and value and assess that land according to its use.

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

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

Sec. 29. K.S.A. 79-1490 is hereby amended to read as follows: 79-1490. The director shall publish the ratio study after the procedures prescribed in K.S.A. 79-1489, and amendments thereto, have been concluded. If it is determined that the ratio study cannot be published by April 1, the director shall provide a preliminary ratio study to the governor, the speaker of the house and the president of the senate and their respective tax committees on or before March 15. Once the study has been published, then the director shall present the most recent results to each board of county commissioners in an open meeting. As a part of such presentation, the director shall present a summary of the number of valuation protests that were filed in that county and the outcomes of those protests that resulted in reduced valuations of property.

Sec. 30. K.S.A. 2015 Supp. 79-2004 is hereby amended to read as follows: 79-2004. (a) Except as provided by K.S.A. 79-4521, and amendments thereto, any person charged with real property taxes on the tax books in the hands of the county treasurer may pay, at such person's option, the full amount thereof on or before December 20 of each year, or \( \frac{1}{2} \) thereof on or before December 20 and the remaining \( \frac{1}{2} \) on or before May 10 next ensuing. If the full amount of the real property taxes listed upon any tax statement is $10 or less the entire amount of such tax shall be due and payable on or before December 20.

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

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

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

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

Sec. 31. K.S.A. 2015 Supp. 79-2005 is hereby amended to read as
follows: 79-2005. (a) Any taxpayer, before protesting the payment of such
taxpayer's taxes, shall be required, either at the time of paying such taxes,
or, if the whole or part of the taxes are paid prior to December 20, no later
than December 20, or, with respect to taxes paid in whole or in part in an
amount equal to at least \( \frac{1}{2} \) of such taxes on or before December 20 by an
escrow or tax service agent, no later than January 31 of the next year, to
file a written statement with the county treasurer, on forms approved by
the state board of tax appeals and provided by the county treasurer, clearly
stating the grounds on which the whole or any part of such taxes are
protested and citing any law, statute or facts on which such taxpayer relies
in protesting the whole or any part of such taxes. When the grounds of
such protest is an assessment of taxes made pursuant to K.S.A. 79-332a
and 79-1427a, and amendments thereto, the county treasurer may not
distribute the taxes paid under protest until such time as the appeal is final.
When the grounds of such protest is that the valuation or assessment of the
property upon which the taxes are levied is illegal or void, the county
treasurer shall forward a copy of the written statement of protest to the
county appraiser who shall within 15 days of the receipt thereof, schedule
an informal meeting with the taxpayer or such taxpayer's agent or attorney
with reference to the property in question. At the informal meeting, it shall be the duty of the county appraiser or the county appraiser's designee to initiate production of evidence to substantiate the valuation of such property, including a summary of the reasons that the valuation of the property has been increased over the preceding year, any assumptions used by the county appraiser to determine the value of the property and a description of the individual property characteristics, property specific valuation records and conclusions. The taxpayer shall be provided with the opportunity to review the data sheets applicable to the valuation approach utilized for the subject property. The county appraiser shall take into account any evidence provided by the taxpayer which relates to the amount of deferred maintenance and depreciation of the property. The county appraiser shall review the appraisal of the taxpayer's property with the taxpayer or such taxpayer's agent or attorney and may change the valuation of the taxpayer's property, if in the county appraiser's opinion a change in the valuation of the taxpayer's property is required to assure that the taxpayer's property is valued according to law, and shall, within 15 business days thereof, notify the taxpayer in the event the valuation of the taxpayer's property is changed, in writing of the results of the meeting. In the event the valuation of the taxpayer's property is changed and such change requires a refund of taxes and interest thereon, the county treasurer shall process the refund in the manner provided by subsection (l).

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

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

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

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

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

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

(h) After examination of the copy of the written statement of protest and a copy of the written notification of the results of the informal meeting with the county appraiser in cases where the grounds of such protest is that the valuation or assessment of the property upon which the taxes are levied is illegal or void, the board shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act, unless waived by the interested parties in writing. If the grounds of such protest is that the valuation or assessment of the property is illegal or void the board shall notify the county appraiser thereof.

(i) In the event of a hearing, the same shall be originally set not later than 90 days after the filing of the copy of the written statement of protest and a copy, when applicable, of the written notification of the results of the informal meeting with the county appraiser with the board. With regard to any matter properly submitted to the board relating to the determination of valuation of residential property or real property used for commercial and industrial purposes for taxation purposes, it shall be the duty of the county appraiser to initiate the production of evidence to demonstrate, by a preponderance of the evidence, the validity and correctness of such determination except that no such duty shall accrue to the county or district appraiser with regard to leased commercial and industrial property unless the property owner has furnished to the county or district appraiser a complete income and expense statement for the property for the three years next preceding the year of appeal. No presumption shall exist in favor of the county appraiser with respect to the validity and correctness of such determination. In all instances where the board sets a request for hearing and requires the representation of the county by its attorney or counselor at such hearing, the county shall be represented by its county attorney or counselor. The board shall take into account any evidence provided by the taxpayer which relates to the amount of deferred maintenance and depreciation for the property. In any appeal from the reclassification of property that was classified as land devoted to agricultural use for the preceding year, the taxpayer's classification of the
property as land devoted to agricultural use shall be presumed to be valid and correct if the taxpayer provides an executed lease agreement or other documentation demonstrating a commitment to use the property for agricultural use, if no other actual use is evident.

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

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

(l) (1) In the event the board orders that a refund be made pursuant to this section or the provisions of K.S.A. 79-1609, and amendments thereto, or a court of competent jurisdiction orders that a refund be made, and no appeal is taken from such order, or in the event a change in valuation which results in a refund pursuant to subsection (a), the county treasurer shall, as soon thereafter as reasonably practicable, refund to the taxpayer such protested taxes and, with respect to protests or appeals commenced after the effective date of this act, interest computed at the rate prescribed by K.S.A. 79-2968, and amendments thereto, minus two percentage points, per annum from the date of payment of such taxes from tax moneys collected but not distributed. Upon making such refund, the county treasurer shall charge the fund or funds having received such protested taxes, except that, with respect to that portion of any such refund attributable to interest the county treasurer shall charge the county general fund. In the event that the state board of tax appeals or a court of competent jurisdiction finds that any time delay in making its decision is unreasonable and is attributable to the taxpayer, it may order that no interest or only a portion thereof be added to such refund of taxes.

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

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

(n) Whenever a taxpayer appeals to the board of tax appeals pursuant
to the provisions of K.S.A. 79-1609, and amendments thereto, or pays
taxes under protest related to one property whereby the assessed valuation
of such property exceeds 5% of the total county assessed valuation of all
property located within such county and the taxpayer receives a refund of
such taxes paid under protest or a refund made pursuant to the provisions
of K.S.A. 79-1609, and amendments thereto, the county treasurer or the
governing body of any taxing subdivision within a county may request the
pooled money investment board to make a loan to such county or taxing
subdivision as provided in this section. The pooled money investment
board is authorized and directed to loan to such county or taxing
subdivision sufficient funds to enable the county or taxing subdivision to
refund such taxes to the taxpayer. The pooled money investment board is
authorized and directed to use any moneys in the operating accounts,
investment accounts or other investments of the state of Kansas to provide
the funds for such loan. Each loan shall bear interest at a rate equal to the
net earnings rate of the pooled money investment portfolio at the time of
the making of such loan. The total aggregate amount of loans under this
program shall not exceed $50,000,000 of unencumbered funds pursuant to
article 42 of chapter 75 of the Kansas Statutes Annotated, and amendments
thereto. Such loan shall not be deemed to be an indebtedness or debt of the
state of Kansas within the meaning of section 6 of article 11 of the
constitution of the state of Kansas. Upon certification to the pooled money
investment board by the county treasurer or governing body of the amount
of each loan authorized pursuant to this subsection, the pooled money
investment board shall transfer each such amount certified by the county
treasurer or governing body from the state bank account or accounts
prescribed in this subsection to the county treasurer who shall deposit such
amount in the county treasury. Any such loan authorized pursuant to this
subsection shall be repaid within four years. The county or taxing
subdivision shall make not more than four equal annual tax levies at the
time fixed for the certification of tax levies to the county clerk following
the making of such loan sufficient to pay such loan within the time period
required under such loan. All such tax levies shall be in addition to all
other levies authorized by law.

(o) The county treasurer shall disburse to the proper funds all portions
of taxes paid under protest and shall maintain a record of all portions of
such taxes which are so protested and shall notify the governing body of
the taxing district levying such taxes thereof and the director of accounts
and reports if any tax protested was levied by the state.
Sub for SB 280

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

Sec. 32. K.S.A. 79-2011 is hereby amended to read as follows: 79-2011. Upon the receipt of the certification of claims allowed as provided in K.S.A. 79-2010, and amendments thereto, the county treasurer shall carefully check the claims against the delinquent real and personal property tax of the current year and for seven (7) years preceding the current year, and within two (2) days of the receipt of the list of claims as provided for in K.S.A. 79-2010, and amendments thereto, the county treasurer shall certify to the board of county commissioners and the county attorney a list of all claimants whose claims are allowed, and whose real or personal property tax is delinquent, setting forth the name of the claimant and the amount of tax together with any penalties or interest due, and setting forth the year or years for which the tax was levied. Although the name of the claimant as appearing upon the claim filed is not the same as appearing upon the tax roll, if it is known that they are such claimant is one and the same, the claim shall be handled in the same manner as though the names were identical on the claim and the tax roll.

Sec. 33. K.S.A. 2015 Supp. 79-2026 is hereby amended to read as follows: 79-2026. Whenever personal property in this state is abandoned or repossessed after it is assessed and before the taxes are paid, the owner or lessee of any real property upon which such property was situated at the time of abandonment or repossession shall not be liable for such taxes where acquire such property free of any tax lien for unpaid taxes that may otherwise exist if lawful title to such property is acquired by such landowner or lessee within 12 months of the time such property is deemed abandoned or within 12 months of the time legal proceedings are commenced to effect a repossession. Any lien for unpaid taxes shall be extinguished for any such personal property acquired by the landowner or lessee as set forth herein. In no circumstances shall the landowner or lessee be liable for any taxes owned prior to the date the personal property is acquired by such landowner or lessee.

Sec. 34. On and after January 1, 2017, K.S.A. 80-1520 is hereby amended to read as follows: 80-1520. The governing body of any fire district operating under the provisions of this act other than fire districts located in counties having a population of more than sixty thousand (60,000) and not more than one hundred thousand (100,000) shall have the
power to levy a tax of not to exceed five (5) mills and the governing body of fire districts in counties having a population of not less than sixty thousand (60,000) and not more than one hundred thousand (100,000) shall have the power to may levy a tax not to exceed six (6) mills. Such taxes shall be levied upon all property, real and personal, having a tax situs in the district and the proceeds thereof shall be used only for the purpose of paying the expenses of operating and maintaining a fire department and other legal expenses of the fire district which tax levy shall be in addition to all other tax levies authorized or limited by law: Provided, That. No other levies for fire department purposes shall be made on such property.

The governing body of any fire district all of the territory of which is located within a county which has been designated an urban area in accordance with the provisions of K.S.A. 19-2654, and amendments thereto, may levy a tax each year of not to exceed seven and one-half (7 1/2) mills upon the taxable tangible property of the district for the purpose of paying the expenses of operating and maintaining a fire department and other legal expenses of the fire district, which tax levy shall be in addition to all other tax levies authorized or limited by law: Provided, That. No other tax levy for fire department purposes shall be made on such property.

No such increase in the tax levy authorized by this section shall be made under the provisions of this section until a resolution authorizing such increased levy is adopted by the township board and published once each week for two (2) consecutive weeks in the official county paper of the county in which such township is located. Whereupon, such levy may be made unless a petition in opposition thereto signed by not less than five percent (5%) 5% of the qualified electors of the fire district, as determined by the vote for secretary of state at the last preceding general election, is filed with the county election officer within sixty (60) 60 days following the last publication of the resolution of the board. In the event such a petition is filed, it shall be the duty of the county election officer to submit the question to the voters of the fire district at an election called for such purpose or at the next general election. If no petition is filed, or if the question is submitted on a question submitted ballot and those voting on the question shall vote in favor of such tax levy, the township board is authorized and empowered to make such tax levy.

Before levying any tax authorized by this section, a fire district whose governing body has been appointed by the county commissioner of the district in which such fire district is located shall submit the proposed levy to the governing body of the county for review and approval thereof.

Sec. 35. On and after January 1, 2017, K.S.A. 80-1548 is hereby amended to read as follows: 80-1548. Upon the consolidation of any such areas the board of county commissioners shall appoint a governing body composed of seven members who shall represent, as nearly as may be
possible, the geographical areas in such consolidated area. Members of the
governing body first appointed shall be appointed as follows: Two for a
term of one year; two for a term of two years; and three for a term of three
years. Thereafter all members shall be appointed for a term of three years.
All vacancies on such board shall be filled by appointment for the
remainder of the unexpired term. Members of the governing body shall
receive no compensation for their services but shall be allowed their actual
expenses incurred in the performance of their official duties.

Within thirty (30) days after the governing body is appointed and
annually thereafter the governing body shall meet and organize by the
election from its membership of a chairperson, vice-chairperson and a
secretary and treasurer. The secretary and treasurer shall each give a
Corporate surety bond, conditioned for the faithful performance of duty
and accounting for all money coming into their hands by virtue of such
position. Such bonds shall be approved and be in an amount fixed by the
governing body.

The governing body of such consolidated district shall have authority to
may levy taxes and special assessments as provided by law, to enter into
contracts, to acquire by lease or purchase and to operate and maintain fire
fighting equipment, and to acquire or construct buildings to house the
same and to do all things necessary to effectuate the purposes of this act
except that no tax or special assessment shall be levied by such governing
body without first having been submitted to and having been approved by
the board of county commissioners. In addition to the powers provided for
in this section, the governing body shall have any powers granted to a fire
district under K.S.A. 80-1514a, and amendments thereto.

The governing body of such consolidated district is authorized to make
an annual levy of taxes upon the taxable property located within the
consolidated fire district in an amount approved by the board of county
commissioners but not to exceed seven mills.

The governing body of any district shall also have the authority to issue
general obligation bonds and no-fund warrants under the provisions of
K.S.A. 80-1514b, and amendments thereto.

Sec. 36. On and after January 1, 2017, K.S.A. 3-114, 12-1688, 19-
3557, 19-3617, 19-3622, 27-322, 27-333, 80-1520, 80-1548 and K.S.A.

Sec. 37. K.S.A. 19-432, 79-504, 79-1412a, 79-1456, 79-1460a, 79-
1490 and 79-2011 and K.S.A. 2015 Supp. 74-2426, 74-2433, 74-2438, 77-
618, 79-331, 79-425a, 79-503a, 79-1439, 79-1448, 79-1460, 79-1476, 79-
2004, 79-2005 and 79-2026 are hereby repealed.

Sec. 38. This act shall take effect and be in force from and after its
publication in the statute book.