

## HOUSE BILL No. 2622

By Committee on Elections

Requested by Representative Bergquist

2-2

1 AN ACT concerning municipal lease-purchase agreements; modifying the  
2 protest petition requirements; amending K.S.A. 10-1116c and repealing  
3 the existing section.  
4

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

6 Section 1. K.S.A. 10-1116c is hereby amended to read as follows: 10-  
7 1116c. Any lease-purchase agreement entered into pursuant to this act shall  
8 be subject to the following conditions:

9 (a) If the proposed agreement is for a term exceeding the current  
10 fiscal year of the municipality, it shall be approved by a majority vote of  
11 all members of the governing body.

12 (b) If the proposed agreement involves the acquisition of land or  
13 buildings by a municipality other than a county, school district or  
14 community college, is for a term of three or more years, and provides for  
15 payments in any year in excess of 3% of the total amount budgeted by the  
16 municipality for expenditure during the current year, excluding debt  
17 service, a notice thereof specifying the purpose and the total of all  
18 payments shall be published once each week for two consecutive weeks in  
19 a newspaper of general circulation within such municipality. If, within 30  
20 days following the last publication of such notice, a petition in opposition  
21 to the agreement signed by not less than 5% of the qualified voters of such  
22 municipality is filed with the appropriate county election officer, no such  
23 agreement shall take effect unless and until the same is approved by a  
24 majority of the qualified voters of such municipality voting at an election  
25 thereon. Any such election shall be called and held in accordance with the  
26 provisions of K.S.A. 10-120, and amendments thereto, or in accordance  
27 with the provisions of the mail ballot election act.

28 (c) If the municipality is a county, school district or community  
29 college and the proposed agreement involves the acquisition of land or  
30 buildings, is for a term exceeding the current fiscal year of the  
31 municipality, and provides for annual payments which in the aggregate  
32 exceed \$100,000, the governing body of such municipality first shall adopt  
33 a resolution stating its intent to enter into such lease-purchase agreement.  
34 The resolution shall specify the total of all payments to be made pursuant  
35 to the agreement and the purpose for which such agreement is to be

1 entered into. The resolution shall be published once each week for two  
2 consecutive weeks in a newspaper of general circulation within the  
3 municipality. If a protest petition signed by not less than ~~5%~~ 3% of the  
4 qualified voters of the municipality, ~~as determined by the vote for secretary~~  
5 ~~of state at the last general election~~, is filed with the appropriate county  
6 election officer within 30 days following the last publication of the  
7 resolution, no such agreement shall take effect unless approved by a  
8 majority of the qualified voters of the municipality voting at an election  
9 thereon. Any such election shall be called and held in the manner provided  
10 by K.S.A. 10-120, and amendments thereto, or in accordance with the  
11 provisions of the mail ballot election act. If no such protest petition is filed  
12 within the time limitation contained herein, the governing body of the  
13 municipality may enter into such agreement. If an election is held pursuant  
14 to a protest petition and a majority vote is cast in favor of the proposition,  
15 the governing body of the municipality shall have authority to enter into  
16 such agreement.

17 (d) If the proposed agreement is for a term exceeding the current  
18 fiscal year of the municipality, the agreement shall specify the following:  
19 (1) The amount or capital cost required to purchase the item if paid for by  
20 cash; (2) the annual average effective interest cost; and (3) the amount  
21 included in the payments for service, maintenance, insurance or other  
22 charges exclusive of the capital cost and interest cost.

23 Sec. 2. K.S.A. 10-1116c is hereby repealed.

24 Sec. 3. This act shall take effect and be in force from and after its  
25 publication in the statute book.