

ORDINANCE NO. 85

AN ORDINANCE PROHIBITING THE KEEPING OF VICIOUS DOGS AND OTHER VICIOUS ANIMALS IN THE CITY OF UNIONTOWN.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF UNIONTOWN, BOURBON COUNTY, KANSAS:

SECTION 1. Animals: Keeping Prohibited. It shall be unlawful to keep, harbor, own or in any way possess within the corporate limits of the City of Uniontown, Kansas:

(A) Any warm-blooded, carnivorous or omnivorous, wild or exotic animal (including but not limited to non-human primates, raccoons, skunks, foxes and wild and exotic cats; but excluding fowl, ferrets and small rodents of varieties used for laboratory purposes).

(B) Any animal having poisonous bites.

(C) Any vicious dog which has a tendency or propensity to attack or otherwise endanger the safety of human beings or domestic animals without provocation.

(D) Any pit bull dog; provided, that pit bull dogs registered with the City on the date of publication of this ordinance may be kept within the City subject to the standards and requirements set forth in Section 1 of this Article. "Pit bull dog" is defined to mean:

- (1) The bull terrier breed of dog;
- (2) Staffordshire bull terrier breed of dog;
- (3) The American pit bull terrier breed of dog;
- (4) The American Staffordshire terrier breed of dog;
- (5) Dogs of mixed breed or of other breeds than above listed which breed or mixed breed is known as pit bulls, pit bull dogs or pit bull terriers
- (6) Any dog which has the appearance and characteristics of being predominantly of the breeds of bull terrier, Staffordshire bull terrier, American pit bull terrier, American Staffordshire terrier; any other breed commonly known as pit bulls, pit bull dogs or pit bull terriers; or a combination of any of these breeds.

SECTION 2. Keeping of Registered Pit Bulls. The provisions of Section I of this Article are not applicable to owners, keepers or harborers of pit bull dogs registered with the City of Uniontown on the effective date of this ordinance. The keeping of such dogs, however, shall be subject to the following standards:

(A) Registration. Within ten (10) days of the effective date of this ordinance each owner, keeper, harborer, or possessor of a pit bull dog shall register such dog with the City Clerk.

(B) Leash and Muzzle. No person shall permit a pit bull dog to go outside its kennel or pen unless such dog is securely leashed with a leash no longer than four (4) feet in length. No person shall permit a pit bull dog to be kept on a chain, rope or other type of leash outside its kennel or pen unless a person of suitable age and discretion is in physical control of the leash. Such dogs may not be leashed to inanimate objects such as trees, posts, buildings, or structures. In addition, all pit bull dogs on a leash outside the animal's kennel must be muzzled by a muzzling device sufficient to prevent such dog from biting persons or other animals.

(C) Confinement. All pit bull dogs shall be securely confined indoors or in a securely enclosed and locked pen or kennel, except when leashed and muzzled as above provided. Such pen, kennel or structure must have secure sides and a secure top attached to the sides. All structures used to confine pit bull dogs must be locked with a key or combination lock when such animals are within the structure and the structure must have a secure floor attached to the sides of the pen or the sides of the pen must be embedded in the ground no less than two (2) feet. All structures erected to house pit bull dogs must comply with all zoning and building ordinances and regulations of the City and shall be adequately lighted and ventilated and kept in a clean and sanitary condition.

(D) Confinement Indoors. No pit bull dog may be kept on a porch, patio or in any part of a house or structure that would allow the dog to exit such building on its own volition. In addition, no such dog may be kept in a house or structure when the windows are open or when screen windows or screen doors are the only obstacles preventing the dog from exiting the structure.

(E) Signs. All owners, keepers, harborers, or possessors of pit bull dogs within the City shall within ten (10) days of the effective date of this Ordinance display in a prominent place on their premises a sign easily readable by the public using the words "Beware of Dog". In addition, a similar sign is required to be posted on the kennel or pen of such animal.

(F) Insurance. All owners, keepers, harborers or possessors of pit bull dogs must within twenty (20) days of the effective date of this ordinance provide proof to the Uniontown City Clerk of public liability insurance in a single incident amount of \$50,000.00 for bodily injury to or death of any person or persons or for damage to property owned by any persons which may result from owning, possessing, keeping or maintaining of such animal. Such insurance policy shall provide that no cancellation of the policy will be made unless ten (10) days written notice is first given to the Uniontown City Clerk.

(G) Identification Photographs. All owners, keepers, possessors, or harborers of pit bull dogs must within twenty (20) days of the effective date of this Ordinance provide to the City Clerk two (2) color photographs of the dog clearly showing the color and approximate size of the animal.

(H) Reporting Requirements. All owners, keepers, possessors, or harborers of pit bull dogs must within ten (10) days of the incident, report the following information in writing to the Uniontown City Clerk as required hereinafter:

- (1) The removal from the City or death of a pit bull dog;
- (2) The birth of offspring of a pit bull dog;
- (3) The new address of a pit bull dog owner should the owner move within the corporate city limits.

SECTION 3. Sale or Transfer of Ownership Prohibited. No person shall sell, barter or in any other way transfer possession of a pit bull dog to any person within the City unless the recipient person resides permanently in the same household and on the same premises as the owner of such dog; provided that the owner of a pit bull dog may sell or otherwise dispose of a pit bull dog or the offspring of such dog to persons who do not reside within the City.

SECTION 4. Animals Born of Registered Dogs. All offspring born of pit bull dogs within the City must be removed from the City within six (6) weeks of the birth of such animal.

SECTION 5. Irrebuttable Presumptions. There shall be an irrebuttable presumption that any dog registered with the City as a pit bull dog or any of those breeds defined by Section 1 hereof is in fact a dog subject to the requirements of this Ordinance.

SECTION 6. Failure to Comply. It shall be unlawful for the owner, keeper, harbinger, or possessor of a pit bull dog within the City of Uniontown to fail to comply with the provisions of this Ordinance. Any dog found to be the subject of a violation of this Ordinance shall be subject to immediate seizure and impoundment. In addition, failure to comply will result in the revocation of the license of such animal resulting in the immediate removal of the animal from the City.

SECTION 7. Violations and Penalties. Any person violating or permitting the violation of any provision of this Ordinance shall upon conviction in Municipal Court be fined a sum not less than \$100.00 and not more than \$500.00. In addition to the fine imposed,

the Court may sentence the defendant to imprisonment in the county jail for a period not to exceed thirty (30) days. Further, the court may order the dog removed from the City. Should the defendant refuse to remove the dog from the City the Municipal Court Judge shall find the defendant in contempt and order the immediate confiscation and impoundment of the animal. Each day that a violation of this Ordinance continues may be deemed a separate offense. In addition to the foregoing penalties, any person who violates this Ordinance shall pay all expenses, including sums for shelter, food, handling, veterinary care, and expert testimony, which are necessitated by the person's failure to abide by the provisions of this Ordinance.

SECTION 8. Severability. If any section, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 9. Effective Date. This Ordinance shall take effect and be in full force from and after its passage, approval and publication in the official City newspaper.

PASSED AND APPROVED BY THE GOVERNING BODY OF THE CITY OF UNIONTOWN, KANSAS, the 12th day of May, 1987.

THE CITY OF UNIONTOWN, KANSAS

BY: Hubert E. Bradley
MAYOR

ATTEST:

Linda E. Gier
LINDA GIER, City Clerk

(SEAL)

EMERGENCY REQUEST

I, HERBERT E. HEADLEY, Mayor of the City of Uniontown, Kansas, deeming that a public emergency exists for the passage this date of the foregoing Ordinance No. 85, do hereby respectfully request that said Ordinance be passed at this time.

Dated this 12th day of May, 1987.

Herbert E. Headley
Mayor

Usage	Index	Cost	
61	\$ 2.5450	\$ 155.2450	
66	\$ 2.6800	\$ 176.8800	
38	\$ 2.8200	\$ 107.1600	
68	\$ 2.7900	\$ 189.7200	
55	\$ 2.8500	\$ 156.7500	
89	\$ 3.5600	\$ 316.8400	
111	\$ 3.5600	\$ 395.1600	
119	\$ 3.5600	\$ 423.6400	
113	\$ 3.6550	\$ 413.0150	
114	\$ 4.0300	\$ 459.4200	
117	\$ 9.6200	\$ 1,125.5400	
124	\$ 44.7800	\$ 5,552.7200	
127	\$ 329.5950	\$ 41,858.5650	
140	\$ 329.5950	\$ 46,143.3000	
150	\$ 329.5950	\$ 49,439.2500	
120	\$ 329.5950	\$ 39,551.4000	
99	\$ 622.7850	\$ 61,655.7150	
96	\$ 44.5300	\$ 4,274.8800	
82	\$ 7.9450	\$ 651.4900	
60	\$ 4.3850	\$ 263.1000	
59	\$ 4.3850	\$ 258.7150	
41	\$ 4.3850	\$ 179.7850	
25	\$ 2.6900	\$ 67.2500	
41	\$ 2.7000	\$ 110.7000	
47	\$ 2.6650	\$ 125.2550	
44	\$ 2.4650	\$ 108.4600	
21	\$ 2.4650	\$ 51.7650	
40	\$ 2.4650	\$ 98.6000	
2267		\$ 254,310.3200	\$ 112.1792
Daily Avg		Daily Avg	
80.96429		\$ 9,082.5114	TRUE
Feb Prepay			
1525		\$ 3,418.0800	\$ 2.24

Sally's attempt to try to figure
bill,



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION AND ANTITRUST DIVISION

DEREK SCHMIDT
ATTORNEY GENERAL

MEMORIAL HALL
120 SW 10TH AVE., 2ND FLOOR
TOPEKA, KS 66612-1597
(785) 296-3751 • FAX (785) 291-3699
TOLL FREE IN KANSAS (800) 432-2310
WWW.INYOURCORNERKANSAS.ORG

To: City Clerk, City of Uniontown
Subject: Investigation of Natural Gas Pricing during State of Disaster Emergency
KSAG File No.: CP-21-000752
Date: February 22, 2021

The Consumer Protection Division of Attorney General Derek Schmidt's office is charged with enforcing the Kansas Consumer Protection Act. Profiteering from disaster, commonly referred to as price gouging during a state of emergency, is a violation of the Kansas Consumer Protection Act, see K.S.A. 50-6,106. On February 14, 2021, Governor Kelly proclaimed a State of Disaster Emergency in the State of Kansas that has continued through this date.

Concerns have been conveyed to this office that profiteering has occurred in connection with the recent extreme price increases of natural gas. This office has opened an investigation into the matter. The following information and documentation are necessary to assist in that investigation. Your response should include all relevant information including, but not limited to:

- 5th ✓ The leadership of the city's utilities (hereafter "You"), including contact information for the utility manager, and the city manager and mayor;
- 5th ✓ If the price of the natural gas which You offer for sale in Kansas is set by a third party or an off-site authority, provide the name, address, and phone number of that authority, and the name and email address of a contact person for the authority;
- 5th ✓ Documentation of the price You charged Kansas consumers for natural gas provided on February 13, 2021, or the last business day prior to that date;
- 11th • Documentation of the price You did or will charge Kansas consumers for natural gas provided on February 15, 2021, and through the date of the response to this inquiry;
- 5th ✓ Documentation of Your price history for sales of natural gas to Kansas consumers for 60 days preceding February 14, 2021;
- 5th ✓ Explanation as to how the price increases will affect consumers' prices;
- 17th • If You did or intend to increase the price charged for natural gas, what is the justification for the price increase?
- 17th • If price increases were attributable to additional costs incurred by Your company, provide documentation of such costs.
- 17th • If such costs are the result of increases of the price at which You purchased natural gas for sale in Kansas, provide documentation. In addition, provide the

RECEIVED
2/26/2021

name and full address of that supplier and detailed documentation of that price increase;

emailed 3/20/21

5th
5th
5th
5th

- Provide documentation of Your reserve levels for the last 30 days; *Gas*
- Provide documentation of Your use of those reserves during the last 30 days; *Gas*
- How many consumers do You serve in Kansas? *# of meters*
- All communications between You and the KCC regarding the increase gas prices; *KMG A*
- Any and all other information that would be helpful to our investigation, including *KMG A* documentation of any circumstances that justify the price increase.

emailed 3/20 3/21/21 5th

Please include in your response the Consumer Protection Division File Number referenced above and the name and contact information of the person replying to this inquiry. Please provide all documentation relevant to this inquiry regardless of whether it has been specifically requested or not.

We are holding this file in abeyance and request that you provide us with your response to this inquiry within five (5) days of the date of this request. Thank you for your prompt attention to this matter.

Lynette

by March 5th

update - minutes by 11th

update - bill by 17th

email

c.protect@ag.ks.gov

15-20 mb for attachments

Sincerely,
OFFICE OF ATTORNEY GENERAL
DEREK SCHMIDT
Consumer Protection/Antitrust Division



Kim Davenport
Assistant Attorney General

Information and Documentation regarding Investigation of Natural Gas Pricing during State of Disaster
Emergency KSAG File No.: CP-21-000752

City of Uniontown, PO Box 51, Uniontown, KS 66779, 620-756-4742, cityofuniontown@ckt.net

Mayor – Larry Jurgensen

President of Council – Jess Ervin

Councilmembers – Danea Esslinger

Josh Hartman

Amber Kelly

Charles “Dave” Wehry

City Clerk – Sally Johnson

We are a member of KMGGA for our gas supply.

Kansas Municipal Gas Agency, 6300 W 95th St, Overland Park, KS 66212

General Manager – Paul Mahlberg, 913-660-0234, mahlberg@kmea.com

Director of Natural Gas – Dixie Riedel, 913-660-0230, riedel@kmea.com

Ordinance attached showing rates charged our customers on February 13, 2021 and for the 60 days preceding February 14, 2021. Rates in Section 1 (a) and (b) have been in effect since March 3, 2009.

If we have to pass on the high prices for the month of February, some of our customers will have bills in the upper hundreds or thousands. Since we have not received our bill yet, we cannot truly determine the affect on our customers. Many of our customers are on fixed incomes or have been affected by the loss of wages due to the COVID-19 pandemic. Our customers have conserved as much as possible. If we have to pass on the high prices it may cause many of your customers to have to decide whether to pay the gas bill or put food on the table.

2021 Annual Gas Report attached shows the units of gas in storage beginning balance on January 1, 2021 (1,935) and ending balance on January 31, 2021 (1,130). Our KMGGA February Prepay estimate is to use 700 units from storage. Since we don't have the true up invoice yet, I don't know for sure how many units were taken from storage in February. KMGGA would have that information.

We have not communicated with KCC. KMEA did send an email with a link to the Emergency Order issued on February 15, 2021.

I will send, in several emails, all of the email communications we have had with KMGGA. Below is our actions beginning February 12, 2021 through today.

Natural Gas Emergency Timeline

February 12, 2021 – mailed a notice to customers asking them to conserve during the forecasted extreme cold weather.

February 14, 2021 – Governor Kelly issued a State of Disaster Emergency due to wind chill warnings and stress on utility and natural gas providers.

February 15, 2021 – KMGGA contacted delegates and scheduled a Zoom meeting at 3PM. Mayor Jurgensen and Superintendent Rich attended that meeting and they would be having daily meetings at 3PM. Bourbon County Emergency Manager Wallis contacted Clerk Johnson to start forming a plan in

case we experienced a loss of gas supply and set up a meeting at City Hall on February 16, 9AM. Clerk Johnson contact USD 235 Superintendent Howard to secure West Bourbon Elementary School as a warming station if needed. Clerk Johnson and Mayor Jurgensen discussed the situation.

February 16, 2021 – 9AM meeting with Bourbon County Emergency Manager Wallis, Commission Oharah, Mayor Jurgensen, and Clerk Johnson. A tentative plan was devised to take to the Council in case of loss of gas supply. Also discussed the financial impact of this. Wallis will present a resolution for disaster declaration to be sent to KDEM. At that time, we didn't know what the daily index prices were, but knew they could be as high as 200 times the index at the beginning of the month.

3PM Zoom meeting with KMGa – Southern Star guarantee ¾ of need. KMGa confident that everyone would be OK for tomorrow. FERC has been made aware of the supply and pricing issues. KCC issued an emergency order on the 15th ordering all jurisdictional natural gas and electric utilities to coordinate efforts and take all reasonably feasible, lawful, and appropriate actions to ensure adequate delivery of natural gas and electricity to interconnected, non-jurisdictional utilities in Kansas; Jurisdictional natural gas and electric utilities are ordered to do all things possible and necessary to ensure natural gas and electricity utility services continue to be provided to the customers in the State. They are expecting \$150-\$300 range for tomorrow's index. They had to pay a \$1,000,000 cash collateral to secure gas supply over the past weekend. The invoice that usually comes out around the 15th for March prepay January true up will also include each entity's portion of the cash collateral and will be due on receipt instead of net 30. They have reached out to Senators Marshall and Moran, Governor Kelly and Staff, KCC, KDEM, state legislators, and the State Attorney General regarding the situation and the possibility of price gouging. They asked each entity to continue to ask their customers to conserve as much as possible. Daily index will be emailed.

February 17, 2021 – Mailed another notice to customers outlining the extreme weather situation and a copy of the Governor's State of Disaster Emergency.

3PM Zoom meeting with KMGa – supply for tomorrow is secured and all pipelines were operating under human needs protocol. Cash Collateral portion on the invoice will be based on February usage to date and the invoice will be due on February 22. They are contacting Federal and State legislators and officials daily for financial assistance for the extremely high prices with high usage. Governor Kelly spoke with President Biden about situation and requested a price cap. They are pushing FERC on price gouging. Legislators are being briefed daily and now they are being briefed on the cascading effects of this event. Daily index will be emailed. The \$622.785 index was for today only. KMGa is looking into how to invoice for the last few days.

February 18, 2021 – Received invoice, collateral call for us \$6,295. A special meeting was called to discuss the payment of this invoice, how to pay March invoice, and finalize emergency plan in case of loss of gas supply. February utility bills will go out as normal (usage at usual rate), no increase in rates or passing on of any costs associated with this event. Council will look at whether to pass on any extreme costs of this event, how much to pass on, and in what manner at the March 9, 2021 regular meeting. The KMGa invoices are usually received around the 15th of the month.

3PM Zoom meeting with KMGa – still briefing Federal and State legislators and officials. No more daily meetings. KMGa staff will keep members informed as the situation develops.

Bourbon County issued Disaster Declaration and submitted to KDEM.

February 24, 2021 – Gerry Bieker, KMEA, called with our February estimated invoice - \$220,000. They are working hard to keep from billing members these amounts. Average cost of gas, \$129. They may request pre-pay dollars, more than we are already paying.

February 26, 2021 – processed and mailed February billings for our customers. Billing period 1/20/2021 to 2/23/2021. These bills were processed normally. No gas rate increase.

Received letter from State Attorney General, Consumer Protection and Antitrust Division requesting information and documentation for their investigation.

March 2, 2021 – 3:30PM LKM Utility Zoom meeting with Governor's office and KCC.

As of today, I, Sally Johnson, do not know how we are going to manage to pay this coming invoice. Yes, we have reserves and have budgeted for a small price increase or more demand, but we did not budget for anything as devastating as this event. I don't see how prices could go from \$2.545 on February 1 to \$622.785 on February 17 and back to \$2.465 on February 26 without it being price gouging.

Where did all the gas in storage go? We were told last summer that all the storage facilities were getting full and that restrictions were being put on how much could go into storage through the rest of the storage season.

House Substitute for SENATE BILL No. 88

By Committee on Financial Institutions and Rural Development

3-3

1 AN ACT concerning cities; establishing the city utility low-interest loan
2 program; allowing cities to apply to the state treasurer for loans from
3 state unencumbered funds for extraordinary electric or natural gas costs
4 incurred during the extreme winter weather event of February 2021;
5 amending K.S.A. 75-4237 and repealing the existing section.
6

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

8 New Section 1. (a) Sections 1 through 6, and amendments thereto,
9 shall be known and may be cited as the city utility low-interest loan
10 program.

11 (b) The city utility low-interest loan program shall be a part of and
12 supplemental to article 42 of chapter 75 of the Kansas Statutes Annotated,
13 and amendments thereto.

14 New Sec. 2. As used in the city utility low-interest loan program:

15 (a) "City" means a city organized and existing under the laws of
16 Kansas;

17 (b) "director of investments" means the person appointed as the
18 director of investments pursuant to K.S.A. 75-4222, and amendments
19 thereto;

20 (c) "loan" means a deposit of unencumbered state funds to a city
21 pursuant to the program; and

22 (d) "program" means the city utility low-interest loan program.

23 New Sec. 3. (a) (1) The state treasurer is hereby authorized to
24 administer the city utility low-interest loan program.

25 (2) The program shall be for the purpose of providing loans to cities
26 for extraordinary electric or natural gas costs incurred during the extreme
27 winter weather event of February 2021.

28 (3) The total aggregate amount of loans under the program shall not
29 exceed \$100,000,000 of unencumbered funds pursuant to article 42 of
30 chapter 75 of the Kansas Statutes Annotated, and amendments thereto.

31 (b) The state treasurer shall adopt all rules and regulations necessary
32 to administer the provisions of the program including the development of a
33 streamlined application process. Such rules and regulations shall be
34 adopted not later than January 1, 2022, except that such streamlined
35 application process shall be established within 14 days from the effective
36 date of this act. The adoption of such rules and regulations shall not be a

1 prerequisite for the approval of loans by the state treasurer under the
2 program. The state treasurer shall approve loans under the program in the
3 most expeditious manner possible on or after the effective date of this act.

4 (c) The state treasurer shall submit an annual report to the governor
5 and the legislature identifying the cities that are participating in the
6 program. Such annual report shall provide the aggregate amount of
7 moneys loaned and the amount of moneys still available for loan, if any.
8 Such report shall be due on or before January 1, 2022, and each January 1
9 thereafter.

10 (d) The legislature shall perform a review of the program as part of
11 the state treasurer's annual report on or after January 1, 2024.

12 New Sec. 4. (a) The state treasurer is hereby authorized to
13 disseminate information and to provide loan applications as soon as
14 practicable on or after the effective date of this act to cities for
15 participation in the program.

16 (b) A city shall forward to the state treasurer an application in the
17 form and manner prescribed and approved by the state treasurer. The
18 application shall include information regarding the amount of the loan
19 requested by the city and such other information that the state treasurer
20 may require, including, but not limited to, the specific fund or account of
21 the city in which loan proceeds shall be deposited. Such application shall
22 contain a certification by the governing body of the city that, if the city
23 receives any federal moneys related to the extreme winter weather event of
24 February 2021, the first priority for expenditure of such moneys shall be
25 for the payment of any outstanding balance of a loan made to the city
26 under the program.

27 (c) The loan shall be only for those extraordinary electric or natural
28 gas costs incurred during the extreme winter weather event of February
29 2021, as certified by the governing body of the city, and not for any other
30 utility costs previously budgeted for by the city.

31 (d) No loan shall be amortized for a period of more than 10 years.
32 Payments on such loan shall not be required to be made more frequently
33 than annually but may be made more frequently upon agreement between
34 the city and the state treasurer.

35 New Sec. 5. (a) The state treasurer may accept or reject an application
36 based on the state treasurer's evaluation of whether the city meets the
37 requirements of the program. If sufficient funds are not available for a
38 loan, the applications may be considered in the order received when funds
39 are once again available.

40 (b) Upon acceptance of an application, the state treasurer shall certify
41 to the director of investments the amount required for such loan and the
42 director of investments shall place a deposit of such certified amount with
43 the specific fund or account of the city indicated in the loan application

1 and approved by the state treasurer. The interest rate on a loan shall be 2%
2 below the market rate as provided in K.S.A. 75-4237, and amendments
3 thereto, and shall be recalculated on the first business day of January of
4 each year using the market rate then in effect. The minimum interest rate
5 shall be 0.25% if the market rate is below 2.25%. When necessary, the
6 state treasurer may request the director of investments to place such
7 deposit with the city prior to approval of an application.

8 (c) All moneys received by the state treasurer from cities for payment
9 of loans made under the program shall be deposited in the state treasury to
10 the credit of the pooled money investment portfolio.

11 New Sec. 6. (a) To the extent that any provisions of sections 1
12 through 6, and amendments thereto, conflict with the provisions of article
13 42 of chapter 75 of the Kansas Statutes Annotated, or any other provision
14 of law, the provisions of sections 1 through 6, and amendments thereto,
15 shall control.

16 (b) Any loan made to a city under the program shall not be
17 considered bonded indebtedness for the purposes of K.S.A. 10-308, and
18 amendments thereto, or any other statute imposing a limitation on
19 indebtedness of a city.

20 Sec. 7. K.S.A. 75-4237 is hereby amended to read as follows: 75-
21 4237. (a) The director of investments shall accept requests from banks
22 interested in obtaining investment accounts of state moneys. Such requests
23 may be submitted any business day and shall specify the dollar amount
24 and maturity. The director of investments is authorized to award the
25 investment account to the requesting bank at the market rate established by
26 subsection (b). Awards of investment accounts pursuant to this section
27 shall be subject to investment policies of the pooled money investment
28 board. When multiple requests are received and are in excess of the
29 amount available for investment that day for any maturity, awards shall be
30 made available in ascending order from smallest to largest dollar amount
31 requested, subject to investment policies of the board.

32 (b) The market rate shall be determined each business day by the
33 director of investments, in accordance with any procedures established by
34 the pooled money investment board. Subject to any policies of the board,
35 the market rate shall reflect the highest rate at which state moneys can be
36 invested on the open market in investments authorized by ~~subsection (a) of~~
37 K.S.A. 75-4209(a), and amendments thereto, for equivalent maturities.

38 (c) (1) Notwithstanding the provisions of this section, linked deposits
39 made pursuant to the provisions of K.S.A. 2-3703 through 2-3707, and
40 amendments thereto, shall be at an interest rate ~~which that~~ is 2% less than
41 the market rate determined under this section and ~~which that~~ shall be
42 recalculated on the first business day of each calendar year using the
43 market rate then in effect.

1 (2) Notwithstanding the provisions of this section, agricultural
2 production loan deposits made pursuant to the provisions of K.S.A. 75-
3 4268 through 75-4274, and amendments thereto, shall be at *an interest*
4 *rate that is 2% less than the market rate provided by this section and*
5 ~~which~~ *that shall be recalculated on the first business day of each calendar*
6 *year using the market rate then in effect.*

7 (3) *Notwithstanding the provisions of this section, loan deposits made*
8 *pursuant to the city utility low-interest loan program shall be at an interest*
9 *rate that is 2% less than the market rate provided by this section and that*
10 *shall be recalculated on the first business day of each calendar year using*
11 *the market rate then in effect.*

12 (d) (1) The director of investments may place deposits through a
13 selected bank, savings and loan association or savings bank ~~which~~ *that is*
14 *part of a reciprocal deposit program in which the bank, savings and loan*
15 *association or savings bank:*

16 ~~(1)~~(A) *Receives reciprocal deposits from other participating*
17 *institutions located in the United States in an amount equal to the amount*
18 *of funds deposited by the municipal corporation or quasi-municipal*
19 *corporation; and*

20 ~~(2)~~(B) *for which the total cumulative amount of each deposit does not*
21 *exceed the maximum deposit insurance amount for one depositor at one*
22 *financial institution as determined by the federal deposit insurance*
23 *corporation.*

24 (2) Such deposits shall not be treated as securities and need not be
25 secured as provided in this or any other act, except that such deposits shall
26 be secured as provided in K.S.A. 75-4218, and amendments thereto, when
27 they are held by the selected financial institution prior to placement with
28 reciprocal institutions or upon maturity.

29 (e) The pooled money investment board shall establish procedures for
30 administering reciprocal deposit programs in its investment policies, as
31 authorized by K.S.A. 75-4232, and amendments thereto.

32 Sec. 8. K.S.A. 75-4237 is hereby repealed.

33 Sec. 9. This act shall take effect and be in force from and after its
34 publication in the Kansas register.