

2018 Kansas Statutes

32-861. Same; default on payment; remedies. It may be provided in any resolution authorizing bonds under K.S.A. 32-857 through 32-864 that, in the event of a default in the payment of principal of or interest on the bonds or in the performance of any agreement or covenant contained in the resolution, and if such default continues for a prescribed period, the holders of a specified percentage of the outstanding bonds, or a trustee acting in their behalf, for the equal and proportionate benefit of the holders of all the bonds and with or without possession thereof may:

(a) By mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the holders of such bonds;

(b) bring suit upon the defaulted bonds and interest thereon;

(c) by action or suit in equity require the secretary to act as if the secretary were the trustee or an express trust for the bondholders;

(d) by action or suit in equity enjoin any acts which may be unlawful or in violation of the rights of the holders of the bonds;

(e) after such notice to the secretary as the resolution may provide, declare the principal of all of the bonds due and payable; and

(f) apply as a matter of right for the appointment of a receiver who may enter and take possession of the specific project of the department and operate and maintain the same and fix, collect and receive fees and charges for the use thereof and services rendered thereby, sufficient to provide revenues adequate to carry out all of the provisions of the bond resolution and the costs and disbursements of the proceeding and of the receiver.

Subject to the provisions of the constitution of the state of Kansas, the district court of the county in which any of the real estate controlled and operated by the department is located shall have jurisdiction of any suit, action or proceeding provided for by this section and of all property involved therein.

History: L. 1955, ch. 355, § 21; L. 1963, ch. 409, § 10; L. 1983, ch. 49, § 95; L. 1989, ch. 118, § 28; July 1.