

79-3496. Bond of licensee; additional bonds; financial statements; release of surety, when; suspension or revocation of license; hearing. No license shall be granted and issued until the person applying therefor has filed with the director a bond, payable to the state of Kansas in such amount as shall be fixed by the director, but in no event less than \$1,000, in such form as the director may prescribe. The director may at any time require any LP-gas user or LP-gas dealer to furnish such additional bond as shall be necessary to secure at all times the payment by such user or dealer to the state of all tax, penalties and interest due under the provisions of this act. If any LP-gas user or LP-gas dealer fails to file such additional bond within 10 days after receipt of written notice mailed or otherwise delivered to such dealer by the director, the director may suspend or revoke the license, issued to such dealer, and collect all tax, penalties and interest accrued against such LP-gas user or LP-gas dealer. Any person who is licensed as an LP-gas user or LP-gas dealer shall be required to file with the director a bond payable to the state of Kansas in such amount as shall be fixed by the director, but in no event less than \$1,000. Such bond shall cover any LP-gas tax payable or accrued. Such bond shall be in such form as the director may prescribe. For the purpose of determining whether or not an existing bond is sufficient, the director may at any time, by written notice, mailed or otherwise delivered, require any LP-gas user or LP-gas dealer to furnish a financial statement in such form as the director may prescribe.

Upon failure of any LP-gas user or LP-gas dealer to furnish a sworn financial statement within 20 days after receipt of such written notice, the director may suspend or revoke any or all licenses issued to such dealer, and shall collect all tax, penalties, and interest accrued against such LP-gas user or LP-gas dealer. Any surety on a bond furnished by an LP-gas user or LP-gas dealer as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of 60 days from the date upon which such surety shall have lodged with the director a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the 60-day period. Upon receiving any such request, the director shall promptly notify the LP-gas user or LP-gas dealer who furnished the bond; and unless the LP-gas user or LP-gas dealer shall on or before the expiration of such 60-day period, file with the director a new bond fully complying with the provisions of this act, the director shall forthwith revoke and cancel such LP-gas user's or LP-gas dealer's license and notify the LP-gas user or LP-gas dealer thereof by registered mail or otherwise.

Whenever any LP-gas user or LP-gas dealer is 10 days delinquent in the making of any report, or the payment of any tax, penalty or interest, or makes any false report or statement or application purporting to be under the provisions of this act, or makes any false statement in any application, report or statement required by or purporting to be under the provisions of this act, or purporting to be under the rules and regulations promulgated by the secretary of revenue under such provisions, or the director has reason to believe that any LP-gas user or LP-gas dealer shall have willfully or persistently violated any of the provisions of this act or of any regulation made thereunder, the director may upon conducting a hearing as provided in this section and upon finding to the director's satisfaction upon such hearing that the LP-gas user or LP-gas dealer has been delinquent, or has violated provisions of this act, suspend the license issued to the LP-gas user or LP-gas dealer for a fixed time or until such LP-gas user or LP-gas dealer shall fully comply with such provisions of law. If such LP-gas user or LP-gas dealer remains delinquent, or fails or refuses to comply with, or violates, such requirements for a period of 10 days following the suspension of such license, the director may, upon conducting a hearing as provided in this section, if such a hearing be requested in writing by the LP-gas user or LP-gas dealer, revoke such license. All requests for hearing shall be filed with the director. Hearings under this section shall be conducted in accordance with the provisions of the Kansas administrative procedure act.

Upon any such hearing for revocation or suspension, the director may suspend the license of such LP-gas user or LP-gas dealer for such period as the director deems proper, or revoke such license. In the event that such director either suspends or revokes any license, the LP-gas user or LP-gas dealer to whom such license was issued shall immediately, upon service of the director's order, surrender the same to the director and cease using any LP-gas. Nothing in K.S.A. 79-34,103 and amendments thereto shall be construed to prevent the director from suspending or revoking any license issued under authority of the liquefied petroleum motor fuel tax law in the manner provided in this section, and conviction of a misdemeanor under K.S.A. 79-34,103 and amendments thereto or any other law shall not be a condition to or prerequisite to suspension or revocation of any license.

History: L. 1959, ch. 405, § 7; L. 1963, ch. 489, § 1; L. 1973, ch. 402, § 13; L. 1978, ch. 414, § 3; L. 1988, ch. 356, § 340; July 1, 1989.