

HOUSE BILL No. 2197

By Representatives Huff, Cox, DeCastro, Faust-Goudeau, Garcia,
Horst, Kirk, Lane, Storm, Thull and Yonally

1-27

10 AN ACT creating the health care for seniors fund; concerning the dis-
11 position of a sales tax and compensating use tax proceeds; prescribing
12 certain powers, duties and functions for the secretary of aging and
13 secretary of revenue; amending K.S.A. 2004 Supp. 79-3620 and 79-
14 3710 and repealing the existing sections.
15

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

17 New Section 1. (a) There is hereby established in the state treasury
18 the health care for seniors fund which shall be administered by the sec-
19 retary of aging as provided by law.

20 (b) All moneys credited to the health care for seniors fund shall be
21 used for additional funding for health care programs, assistance and serv-
22 ices for seniors. Moneys allocated or appropriated from the health care
23 for seniors fund shall not be used to replace or substitute for moneys
24 appropriated from the state general fund in the immediately preceding
25 fiscal year. All expenditures from the health care for seniors fund shall be
26 made in accordance with appropriation acts upon warrants of the director
27 of accounts and reports issued pursuant to vouchers approved by the
28 secretary of aging or the secretary's designee.

29 (c) On or before the 10th day of each month, the director of accounts
30 and reports shall transfer from the state general fund to the health care
31 for seniors fund interest earnings based on (1) the average daily balance
32 of moneys in the health care for seniors fund and (2) the net earnings
33 rate of the pooled money investment portfolio for the preceding month.

34 (d) As used in this section, "senior" means an individual who resides
35 in Kansas, who is 60 years of age or older and who is in need of health
36 care.

37 Sec. 2. K.S.A. 2004 Supp. 79-3620 is hereby amended to read as
38 follows: 79-3620. (a) All revenue collected or received by the director of
39 taxation from the taxes imposed by this act shall be remitted to the state
40 treasurer in accordance with the provisions of K.S.A. 75-4215, and
41 amendments thereto. Upon receipt of each such remittance, the state
42 treasurer shall deposit the entire amount in the state treasury, less
43 amounts withheld as provided in subsection (b) and amounts credited as

1 provided in ~~subsection~~ *subsections (c) and (d) and (e)*, to the credit of
2 the state general fund.

3 (b) A refund fund, designated as “sales tax refund fund” not to exceed
4 \$100,000 shall be set apart and maintained by the director from sales tax
5 collections and estimated tax collections and held by the state treasurer
6 for prompt payment of all sales tax refunds including refunds authorized
7 under the provisions of K.S.A. 79-3635, and amendments thereto. Such
8 fund shall be in such amount, within the limit set by this section, as the
9 director shall determine is necessary to meet current refunding require-
10 ments under this act. In the event such fund as established by this section
11 is, at any time, insufficient to provide for the payment of refunds due
12 claimants thereof, the director shall certify the amount of additional funds
13 required to the director of accounts and reports who shall promptly trans-
14 fer the required amount from the state general fund to the sales tax refund
15 fund, and notify the state treasurer, who shall make proper entry in the
16 records.

17 (c) (1) The state treasurer shall credit $\frac{5}{98}$ of the revenue collected
18 or received from the tax imposed by K.S.A. 79-3603, and amendments
19 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),
20 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*
21 *(e)*, in the state highway fund.

22 (2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or
23 received from the tax imposed by K.S.A. 79-3603, and amendments
24 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),
25 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*
26 *(e)*, in the state highway fund.

27 (3) On July 1, 2006, the state treasurer shall credit $\frac{19}{265}$ of the rev-
28 enue collected and received from the tax imposed by K.S.A. 79-3603, and
29 amendments thereto, at the rate of 5.3%, and deposited as provided by
30 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*
31 *sections (d) and (e)*, in the state highway fund.

32 (4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the rev-
33 enue collected and received from the tax imposed by K.S.A. 79-3603, and
34 amendments thereto, at the rate of 5.3%, and deposited as provided by
35 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*
36 *sections (d) and (e)*, in the state highway fund.

37 (d) The state treasurer shall credit all revenue collected or received
38 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as
39 certified by the director, from taxpayers doing business within that por-
40 tion of a redevelopment district occupied by a redevelopment project or
41 taxpayers doing business with such entity financed by a special bond pro-
42 ject as defined in K.S.A. 12-1770a, and amendments thereto, that was
43 determined by the secretary of commerce to be of statewide as well as

1 local importance or will create a major tourism area for the state or the
2 project was designated as a special bond project as defined in K.S.A. 12-
3 1770a, and amendments thereto, to the city bond finance fund, which
4 fund is hereby created. The provisions of this subsection shall expire when
5 the total of all amounts credited hereunder and under subsection (d) of
6 K.S.A. 79-3710, and amendments thereto, is sufficient to retire the special
7 obligation bonds issued for the purpose of financing all or a portion of
8 the costs of such redevelopment or special bond project.

9 *(e) On or before July 10, 2005, and on or before the 10th day of each*
10 *month thereafter, the secretary of revenue shall estimate the amount of*
11 *revenue collected or received during the immediately preceding calendar*
12 *month from the tax imposed by K.S.A. 79-3603, and amendments thereto,*
13 *equal to 5% of the monthly proceeds of such tax imposed by the state on*
14 *each sale of tangible personal property at retail, by sellers who first com-*
15 *mence remittance of the tax imposed by K.S.A. 79-3603, and amendments*
16 *thereto, on or after July 1, 2004, conducted through the use of electronic*
17 *means of communication, which shall be credited to the health care for*
18 *seniors fund established by section 1, and amendments thereto, except*
19 *that the aggregate amount credited pursuant to this subsection shall not*
20 *exceed 5% of such proceeds or \$3,500,000 during any fiscal year. The*
21 *secretary of revenue shall certify each amount so estimated and, upon*
22 *receipt of such certification, the state treasurer shall credit the amount*
23 *certified to the health care for seniors fund. The secretary of revenue shall*
24 *adopt rules and regulations for the administration of this act and to pre-*
25 *scribe the methodology to be applied to make the estimations required by*
26 *this subsection. As used in this subsection, "through electronic means of*
27 *communication" means and includes through any internet, telephone or*
28 *other electronic means of communication as determined by the secretary*
29 *of revenue, in accordance with rules and regulations adopted by the sec-*
30 *retary of revenue, including any catalog sales effectuated through any*
31 *such means.*

32 Sec. 3. K.S.A. 2004 Supp. 79-3710 is hereby amended to read as
33 follows: 79-3710. (a) All revenue collected or received by the director
34 under the provisions of this act shall be remitted to the state treasurer in
35 accordance with the provisions of K.S.A. 75-4215, and amendments
36 thereto. Upon receipt of each such remittance, the state treasurer shall
37 deposit the entire amount in the state treasury, less amounts set apart as
38 provided in subsection (b) and amounts credited as provided in ~~subsection~~
39 ~~subsections (c) and~~ (d) and (e), to the credit of the state general fund.

40 (b) A revolving fund, designated as "compensating tax refund fund"
41 not to exceed \$10,000 shall be set apart and maintained by the director
42 from compensating tax collections and estimated tax collections and held
43 by the state treasurer for prompt payment of all compensating tax refunds.

1 Such fund shall be in such amount, within the limit set by this section,
2 as the director shall determine is necessary to meet current refunding
3 requirements under this act.

4 (c) (1) The state treasurer shall credit $\frac{5}{98}$ of the revenue collected
5 or received from the tax imposed by K.S.A. 79-3703, and amendments
6 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),
7 exclusive of amounts credited pursuant to ~~subsection~~ subsections (d) and
8 (e), in the state highway fund.

9 (2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or
10 received from the tax imposed by K.S.A. 79-3703, and amendments
11 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),
12 exclusive of amounts credited pursuant to ~~subsection~~ subsections (d) and
13 (e), in the state highway fund.

14 (3) On July 1, 2006, the state treasurer shall credit $\frac{19}{265}$ of the rev-
15 enue collected or received from the tax imposed by K.S.A. 79-3703, and
16 amendments thereto, at the rate of 5.3%, and deposited as provided by
17 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ sub-
18 sections (d) and (e), in the state highway fund.

19 (4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the rev-
20 enue collected or received from the tax imposed by K.S.A. 79-3703, and
21 amendments thereto, at the rate of 5.3%, and deposited as provided by
22 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ sub-
23 sections (d) and (e), in the state highway fund.

24 (d) The state treasurer shall credit all revenue collected or received
25 from the tax imposed by K.S.A. 79-3703, and amendments thereto, as
26 certified by the director, from taxpayers doing business within that por-
27 tion of a redevelopment district occupied by a redevelopment project that
28 was determined by the secretary of commerce to be of statewide as well
29 as local importance or will create a major tourism area for the state as
30 defined in K.S.A. 12-1770a, and amendments thereto, to the city bond
31 finance fund created by subsection (d) of K.S.A. 79-3620, and amend-
32 ments thereto. The provisions of this subsection shall expire when the
33 total of all amounts credited hereunder and under subsection (d) of K.S.A.
34 79-3620, and amendments thereto, is sufficient to retire the special ob-
35 ligation bonds issued for the purpose of financing all or a portion of the
36 costs of such redevelopment project. This subsection shall not apply to a
37 project designated as a special bond project as defined in subsection (z)
38 of K.S.A. 12-1770a, and amendments thereto.

39 (e) *On or before July 10, 2005, and on or before the 10th day of each*
40 *month thereafter, the secretary of revenue shall estimate the amount of*
41 *revenue collected or received during the immediately preceding calendar*
42 *month from the tax imposed by K.S.A. 79-3703, and amendments thereto,*
43 *equal to 5% of the monthly proceeds of such tax imposed by the state*

1 *regarding tangible personal property, by sellers who first commence re-*
2 *mittance of the tax imposed by K.S.A. 79-3703, and amendments thereto,*
3 *on or after July 1, 2004, that was acquired through the use of electronic*
4 *means of communication, which shall be credited to the health care for*
5 *seniors fund established by section 1, and amendments thereto, except*
6 *that the aggregate amount credited pursuant to this subsection shall not*
7 *exceed 5% of such proceeds or \$3,500,000 during any fiscal year. The*
8 *secretary of revenue shall certify each amount so estimated and, upon*
9 *receipt of such certification, the state treasurer shall credit the amount*
10 *certified to the health care for seniors fund. The secretary of revenue shall*
11 *adopt rules and regulations for the administration of this act and to pre-*
12 *scribe the methodology to be applied to make the determinations required*
13 *by this subsection. As used in this subsection, "through electronic means*
14 *of communication" means and includes through any internet, telephone*
15 *or other electronic means of communication as determined by the secre-*
16 *tary of revenue, in accordance with rules and regulations adopted by the*
17 *secretary of revenue, including catalog sales effectuated through any such*
18 *means.*

19 Sec. 4. K.S.A. 2004 Supp. 79-3620 and 79-3710 are hereby repealed.

20 Sec. 5. This act shall take effect and be in force from and after its
21 publication in the statute book.