

CHAPTER 54

SENATE BILL No. 78

AN ACT concerning transportation development districts; amending K.S.A. 2008 Supp. 12-17,140, 12-17,141, 12-17,143, 12-17,145 and 12-17,148 and repealing the existing sections.

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

New Section 1. (a) Costs of a project authorized by this act may be paid in one or more payments from transportation development district sales tax collected pursuant to this act without the issuance of bonds authorized by K.S.A. 12-17,149 and amendments thereto.

(b) This section shall be a part of and supplemental to the transportation development district act.

Sec. 2. K.S.A. 2008 Supp. 12-17,140 is hereby amended to read as follows: 12-17,140. (a) K.S.A. 2008 Supp. 12-17,140 through 12-17,149 and section 1, and amendments thereto, shall be known and may be cited as the transportation development district act.

(b) The powers conferred by this act are for public uses, economic development purposes or purposes for which public money may be expended.

Sec. 3. K.S.A. 2008 Supp. 12-17,141 is hereby amended to read as follows: 12-17,141. As used in K.S.A. 2008 Supp. 12-17,140 through 12-17,149, and amendments thereto: (a) "Acquire" means the acquisition of property or interests in property by purchase, gift, condemnation or other lawful means and may include the acquisition of existing property and projects already owned by a municipality.

(b) "Act" means the provisions of K.S.A. 2008 Supp. 12-17,140 through 12-17,149 and section 1, and amendments thereto.

(c) "Bonds" means special obligation bonds or special obligation notes payable solely from the sources described in K.S.A. 2008 Supp. 12-17,147, and amendments thereto, issued by a municipality in accordance with the provisions of this act.

(d) "Consultant" means engineers, architects, planners, attorneys and other persons deemed competent to advise and assist the governing body in planning and making of projects.

(e) "Cost" means: (1) All costs necessarily incurred for the preparation of preliminary reports, the preparation of plans and specifications, the preparation and publication of notices of hearings, resolutions, ordinances and other proceedings, necessary fees and expenses of consultants, interest accrued on borrowed money during the period of construction and the amount of a reserve fund for the bonds, together with the cost of land, materials, labor and other lawful expenses incurred in planning and doing any project and may include a charge of not to exceed 5% of the total cost of a project or the cost of work done by the municipality to reimburse the municipality for the services rendered by the municipality in the administration and supervision of such project by its general officers; and (2) in the case of property and projects already owned by the municipality and previously financed by the issuance of bonds, "cost" means costs authorized by K.S.A. 10-116a and amendments thereto.

(f) "District" means a transportation development district created pursuant to this act.

(g) "Governing body" means the governing body of a city or the board of county commissioners of a county.

(h) "Municipality" means any city or county.

(i) "Newspaper" means the official newspaper of the municipality.

(j) "Owner" means the owner or owners of record, whether resident or not, of real property within the district.

(k) "Project" means any project or undertaking, whether within or without the district, to improve, construct, reconstruct, maintain, restore, replace, renew, repair, install, furnish, equip or extend any bridge, street, road, highway access road, interchange, intersection, signing, signalization, parking lot, bus stop, station, garage, terminal, hangar, shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail or other mass transit facility, streetscape or any other transportation related project or infrastructure including, but not limited to, utility relocation; sanitary and storm sewers and lift stations; drainage conduits, channels and levees; street light fixtures, connection and facilities; underground gas,

water, heating and electrical services and connections located within or without the public right-of-way; sidewalks and pedestrian underpasses or overpasses; and water main and extensions. "Project" includes a building facade but only when part of remodeling, repairing, enlarging or reconstructing an existing building.

(l) "Transportation development district sales tax" means the tax authorized by K.S.A. 2008 Supp. 12-17,145, and amendments thereto.

Sec. 4. K.S.A. 2008 Supp. 12-17,143 is hereby amended to read as follows: 12-17,143. (a) In addition to any other power provided by law and as a complete alternative to all other methods provided by law, the governing body may make, or cause to be made, projects identified in the petition submitted pursuant to K.S.A. 2008 Supp. 12-17,142 or 12-17,144 and amendments thereto and may levy and collect special assessments upon property in the district and provide for the payment of all or any part of the cost of the project out of the proceeds of such special assessments. If special assessments will be levied to finance all or a portion of the cost of a project, the municipality shall follow the assessment procedures in K.S.A. 12-6a01 et seq., and amendments thereto, except that ~~no assessments may be levied against the municipality at large and no full faith and credit notes or bonds may be issued by the municipality to finance a project under this act.~~

(1) *No assessment may be levied against the municipality at large;*

(2) *no full faith and credit notes or bonds may be issued by the municipality to finance a project under this act; and*

(3) *assessment installments may be levied as otherwise provided by this section.*

(b) *Prior to the date the municipality certifies its tax levy to the county clerk pursuant to K.S.A. 79-1801, and amendments thereto, if the method of financing for the project includes payment from the sources described in either subsection (c) or (d) of K.S.A. 2008 Supp. 12-17,147, and amendments thereto, the ordinance or resolution of the municipality that levies the assessments may provide that such assessment installments for any year may be reduced or eliminated to the extent that the municipality has received sufficient funds from the sources described in either subsection (c) or (d) of K.S.A. 2008 Supp. 12-17,147, and amendments thereto, to pay the debt service on any bonds issued under this act for the project which would have been paid by such assessment installment. The municipality shall not be required to refund any prepayment of assessments for any assessment installment which is reduced or eliminated after such prepayment is made to the municipality. Any prepayment of assessments under this act shall be done in compliance with K.S.A. 10-115 and amendments thereto.*

Sec. 5. K.S.A. 2008 Supp. 12-17,145 is hereby amended to read as follows: 12-17,145. (a) In addition to and notwithstanding any limitations on the aggregate amount of the retailers' sales tax contained in K.S.A. 12-187 through 12-197, and amendments thereto, any municipality may impose a transportation development district sales tax on the selling of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas retailers' sales tax act, and amendments thereto, within a transportation development district for purposes of financing a project in such district in any increment of .10% or .25% not to exceed 1% and pledging the revenue received therefrom to pay the bonds issued for the project. Any transportation development district sales tax imposed pursuant to this section shall expire *after sufficient transportation development sales tax has been received to pay the cost of the project* or no later than the date the bonds issued to finance such project or refunding bonds issued therefore shall mature. Except as otherwise provided by the provisions of ~~K.S.A. 2008 Supp. 12-17,141 et seq. the act,~~ and amendments thereto, the tax authorized by this section shall be administered, collected and subject to the provisions of K.S.A. 12-187 to 12-197, inclusive, and amendments thereto.

(b) Upon receipt of a certified copy of the resolution or ordinance authorizing the levy of the transportation development district sales tax pursuant to this section, the state director of taxation shall cause such tax to be collected in the district at the same time and in the same manner provided for the collection of the state retailers' sales tax. All of the taxes collected under the provisions of this act shall be remitted by the secretary of revenue to the state treasurer in accordance with the provisions of K.S.A 75-4215, and amendments thereto. Upon receipt of each such re-

mittance, the state treasurer shall deposit the entire amount in the state treasury. ~~The remainder of such taxes shall be credited to~~ *to the credit of* the transportation development district sales tax fund, which fund is hereby established in the state treasury. All moneys in the transportation development district sales tax fund shall be remitted at least quarterly by the state treasurer, on instruction from the secretary of revenue, to the treasurers of those municipalities which are qualified to receive disbursements from such fund the amount collected within such municipality. Any refund due on any transportation development district sales tax collected pursuant to this section shall be paid out of the transportation development district sales tax refund fund which is hereby established in the state treasury and reimbursed by the director of taxation from collections of the transportation development district sales tax authorized by this section. Transportation development district sales tax received by a municipality pursuant to this section shall be deposited in the transportation development district sales tax fund created pursuant to K.S.A. 2008 Supp. 12-17,148, and amendments thereto.

Sec. 6. K.S.A. 2008 Supp. 12-17,148 is hereby amended to read as follows: 12-17,148. A separate fund shall be created for each district and each project and such fund shall be identified by a suitable title. The proceeds from the sale of bonds, *any special assessment and transportation development district sales tax authorized, levied and collected under this act by the municipality* and any other moneys appropriated by the governing body for such purpose shall be credited to such fund. Such fund shall be used solely to pay the costs of the project. Upon payment of the principal and interest on the bonds, if any, the municipality shall have the authority to spend any moneys remaining in the fund for the purposes for which local sales tax receipts may be spent.

Sec. 7. K.S.A. 2008 Supp. 12-17,140, 12-17,141, 12-17,143, 12-17,145 and 12-17,148 are hereby repealed.

Sec. 8. This shall take effect and be in force from and after its publication in the statute book.

Approved April 7, 2009.
