

SESSION OF 2010

**SUPPLEMENTAL NOTE ON HOUSE  
SUBSTITUTE FOR SENATE BILL NO. 312**

As Recommended by House Committee on  
Taxation

**Brief\***

House Sub. for SB 312 would authorize counties paying large property tax refunds relative to a single property whose value exceeds five percent of the total countywide tax base to request a loan from the Pooled Money Investment Board (PMIB) to assist in the payment of such refunds. The loans would bear interest equivalent to the PMIB investment portfolio earnings rate at the time of the loans; could not exceed an aggregate of \$50 million statewide; and would be required to be repaid within four years. Participating counties would be required to make equal annual tax levies sufficient to pay the loans within the four year period.

A separate statute providing a cap relative to the total amount of PMIB investments available for legislative mandates would be amended to change the current limitation from the lesser of 10 percent or \$140 million of state moneys invested to the greater of 10 percent or \$140 million of state moneys invested.

**Background**

The original SB 312 would have amended the definition of public utility in KSA 2008 Supp. 79-5a01 to include marketers and other entities which own, broker or market natural gas inventories stored for resale in underground formations in Kansas. The provisions of that bill ultimately were added to

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

current law in a different bill enacted during the 2009 Session (House Sub. for SB 98).

The House Taxation Committee on March 19 stripped the bill of its original language; inserted the aforementioned provisions from the House-passed version of HB 2578 relating to county payment of large property tax refunds; and recommended that a substitute bill be created.

According to the fiscal note on HB 2578, House Sub. for SB 312 would not be expected to have any fiscal impact on state revenues.