

SENATE BILL No. 309

By Committee on Ways and Means

Proposed amendment to SB 309
Senate Committee on Ways and Means
3/16/2023
Prepared by Office of Revisor of Statutes

1 AN ACT concerning cities and counties; relating to reductions in local
2 retailers' sales and compensating use tax revenues; local extraordinary
3 needs grants; creating the fixing instant revenue shock for taxpayers
4 fund and local extraordinary needs fund; authorizing certain transfers to
5 and payments from such funds; establishing the joint committee on
6 local extraordinary needs grants; providing powers, duties and
7 restrictions in reviewing and approving capital expenditure project
8 grants by such joint committee; abolishing the local ad valorem tax
9 reduction fund; amending K.S.A. 65-163j, 65-3306, 65-3327, 75-2556,
10 79-1479 and 79-2965 and K.S.A. 2022 Supp. 74-8768 and repealing
11 the existing sections; also repealing K.S.A. 19-2694, 79-2960, 79-2961
12 and 79-2962 and K.S.A. 2022 Supp. 79-2959.

to cities, counties or a municipal university with the authority to impose a
countywide retailers' sales tax

13
14 Be it enacted by the Legislature of the State of Kansas:

15 New Section 1. (a) There is hereby created in the state treasury the
16 fixing instant revenue shock for taxpayers fund. Such fund shall be
17 administered by the state treasurer subject to the provisions of this section.
18 All expenditures from the fixing instant revenue shock for taxpayers fund
19 shall be made in accordance with appropriation acts upon warrants of the
20 director of accounts and reports issued pursuant to vouchers approved by
21 the state treasurer or the state treasurer's designee. All expenditures from
22 the fixing instant revenue shock for taxpayers fund shall be for the
23 purposes of restoring to cities and counties the local retailers' sales or
24 compensating use tax revenue lost due to the enactment of legislation.

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25 (b) On July 1, 2023, or as soon thereafter as moneys are available, the
26 director of accounts and reports shall transfer \$220,000,000 from the state
27 general fund to the fixing instant revenue shock for taxpayers fund.

28 (c) When legislation is enacted into law that reduces a city's or,
29 county's tax revenue collected under a local retailers' sales or
30 compensating use tax imposed under the provisions of K.S.A. 12-187 et
31 seq., and amendments thereto, the state director of taxation shall certify to
32 the state treasurer the difference in the amount of such retailers' sales or
33 compensating use tax revenue actually collected on behalf of such city or,
34 county during the 12-month period immediately preceding the effective
35 date of such legislation and the amount of retailers' sales or compensating
36 use tax revenue actually collected on behalf of such city or, county during

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or 13-13a38 and 13-13a39

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1 the 12-month period immediately following the effective date of such  
 2 legislation. Upon receipt of each such certification from the state director  
 3 of taxation, the state treasurer shall notify the governing body of such city  
 4 ~~or county~~ of such determination by the state director of taxation and shall  
 5 require the governing body to certify that such governing body shall  
 6 comply with the provisions of K.S.A. 2022 Supp. 79-2988, and  
 7 amendments thereto, prior to receiving any moneys from the fixing instant  
 8 revenue shock for taxpayers fund. Upon receipt of such certification from  
 9 the governing body, the state treasurer shall pay from the fixing instant  
 10 revenue shock for taxpayers fund to the appropriate city ~~or county~~ fund the  
 11 amount determined by the state director of taxation to restore the local  
 12 retailers' sales or compensating use tax revenue lost following the  
 13 enactment of such legislation. The state treasurer shall transmit a copy of  
 14 certification of each payment from the fixing instant revenue shock for  
 15 taxpayers fund to the director of the budget and the director of legislative  
 16 research.

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17 (d) The state treasurer shall establish procedures to recapture moneys  
 18 paid from the fixing instant revenue shock for taxpayers fund if a city ~~or~~,  
 19 county ~~is not complying with the provisions of K.S.A. 2022 Supp. 79-~~  
 20 2988, and amendments thereto.

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21 New Sec. 2. (a) There is hereby created in the state treasury the local  
 22 extraordinary needs fund. Such fund shall be administered by the state  
 23 treasurer subject to the provisions of this section. All expenditures from  
 24 the local extraordinary needs fund shall be made in accordance with  
 25 appropriation acts upon warrants of the director of accounts and reports  
 26 issued pursuant to vouchers approved by the state treasurer or the state  
 27 treasurer's designee. All expenditures from the local extraordinary needs  
 28 fund shall be for the purpose of providing grants to cities and counties for  
 29 capital expenditure projects approved by the joint committee on local  
 30 extraordinary needs grants established in section 3, and amendments  
 31 thereto.

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32 (b) On July 1, 2023, or as soon thereafter as moneys are available, the  
 33 director of accounts and reports shall transfer \$50,000,000 from the state  
 34 general fund to the local extraordinary needs fund.

35 (c) A city or county may request a local extraordinary needs grant  
 36 application from the state treasurer. The state treasurer shall send an  
 37 application form to the requesting city or county. Such application form  
 38 shall require that the governing body of such city or county certify that  
 39 such governing body shall comply with the provisions of K.S.A. 2022  
 40 Supp. 79-2988, and amendments thereto, prior to the state treasurer  
 41 forwarding such application to the joint committee on local extraordinary  
 42 needs grants established in section 3, and amendments thereto.

43 (d) Upon receipt of a grant approval from the joint committee on