

## SENATE BILL No. 94

By Committee on Assessment and Taxation

1-24

1 AN ACT concerning property taxation; relating to tax levies; discontinuing  
2 the state tax levies for the Kansas educational building fund and the  
3 state institutions building fund; providing financing therefor from the  
4 state general fund; amending K.S.A. 76-6b01, 76-6b02, 76-6b04, 76-  
5 6b05 and 76-6b11 and repealing the existing sections.

6  
7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 76-6b01 is hereby amended to read as follows: 76-  
9 6b01. (a) There is hereby levied ~~an annual permanent state tax in the year~~  
10 ~~2023 a state tax of 1 mill~~ upon all tangible property in this state ~~which that~~  
11 ~~is subject to ad valorem taxation. The tax levy shall be 6 mill in the year~~  
12 ~~2003 and 1 mill in the year 2004 and each year thereafter until changed by~~  
13 ~~statute.~~ Such tax levy shall be in addition to all other state tax levies  
14 authorized by law. Such tax levy shall be for the use and benefit of the  
15 state institutions of higher education. The proceeds of such tax levy shall  
16 be apportioned in accordance with this act.

17 (b) The county treasurer of each county shall make the proceeds of  
18 the tax levy provided for in this section available to the state treasurer  
19 immediately upon collection. When available the state treasurer shall  
20 withdraw from each county the proceeds of the taxes raised by such tax  
21 levy. Upon such withdrawal the state treasurer shall deposit the same in the  
22 state treasury and shall credit the same as provided in K.S.A. 76-6b02, *and*  
23 *amendments thereto.*

24 Sec. 2. K.S.A. 76-6b02 is hereby amended to read as follows: 76-  
25 6b02. (a) All moneys received by the state treasurer under K.S.A. 76-6b01,  
26 and amendments thereto, *and pursuant to subsection (c)* shall be credited  
27 to the Kansas educational building fund to be used for the construction,  
28 reconstruction, equipment and repair of buildings and grounds at the state  
29 educational institutions under the control and supervision of the state  
30 board of regents and for payment of debt service on revenue bonds issued  
31 to finance such projects, all subject to appropriation by the legislature.

32 (b) Subject to any restrictions imposed by appropriation acts, the state  
33 board of regents is authorized to pledge funds appropriated to it from the  
34 Kansas educational building fund or from any other source and transferred  
35 to a special revenue fund of the state board of regents specified by statute  
36 for the payment of debt service on revenue bonds issued for the purposes

1 set forth in subsection (a). Subject to any restrictions imposed by  
2 appropriation acts, the state board of regents is also authorized to pledge  
3 any funds appropriated to it from the Kansas educational building fund or  
4 from any other source and transferred to a special revenue fund of the state  
5 board of regents specified by statute as a priority for the payment of debt  
6 service on such revenue bonds. Neither the state or the state board of  
7 regents shall have the power to pledge the faith and credit or taxing power  
8 of the state of Kansas for such purposes and any payment by the state  
9 board of regents for such purposes shall be subject to and dependent on  
10 appropriations being made from time to time by the legislature. Any  
11 obligation of the state board of regents for payment of debt service on  
12 revenue bonds and any such revenue bonds issued for the purposes set  
13 forth in subsection (a) shall not be considered a debt or obligation of the  
14 state for the purpose of section 6 of article 11 of the constitution of the  
15 state of Kansas.

16 *(c) On July 1, 2024, or as soon thereafter as moneys are available,*  
17 *\$41,800,000 shall be transferred by the director of accounts and reports*  
18 *from the state general fund to the Kansas educational building fund. On*  
19 *July 1, 2025, and on July 1 each year thereafter; or as soon thereafter as*  
20 *moneys are available, an amount equal to the amount pursuant to this*  
21 *subsection for the immediately preceding year plus 2% shall be*  
22 *transferred by the director of accounts and reports from the state general*  
23 *fund to the Kansas educational building fund.*

24 Sec. 3. K.S.A. 76-6b04 is hereby amended to read as follows: 76-  
25 6b04. (a) There is hereby levied ~~an annual permanent state tax in the year~~  
26 ~~2023 a state tax of 0.5 mill~~ upon all tangible property in this state ~~which~~  
27 ~~that is subject to ad valorem taxation. The tax levy shall be .3 mill in the~~  
28 ~~year 2003 and .5 mill in the year 2004 and each year thereafter until~~  
29 ~~changed by statute.~~ The tax levy shall be in addition to all other state tax  
30 levies authorized by law. The tax levy shall be for the use and benefit of  
31 state institutions caring for persons who are mentally ill, retarded, visually  
32 handicapped, with a handicapping hearing loss or tubercular or state  
33 institutions caring for children who are deprived, wayward, miscreant,  
34 delinquent, children in need of care or juvenile offenders and who are in  
35 need of residential care or treatment, or institutions designed primarily to  
36 provide vocational rehabilitation for handicapped persons. As used in this  
37 section, "state institutions" shall include, but not be limited to, those  
38 institutions under the authority of the commissioner of juvenile justice.  
39 The proceeds of such tax levy shall be apportioned in accordance with this  
40 act.

41 (b) The county treasurer of each county shall make the proceeds of  
42 the tax levy provided for in this section available to the state treasurer  
43 immediately upon collection. When available, the state treasurer shall

1 withdraw from each county the proceeds of the taxes raised by such tax  
2 levy. Upon such withdrawal the state treasurer shall deposit the same in the  
3 state treasury and shall credit the same as provided in K.S.A. 76-6b05, and  
4 amendments thereto.

5 Sec. 4. K.S.A. 76-6b05 is hereby amended to read as follows: 76-  
6 6b05. (a) All moneys received by the state treasurer under K.S.A. 76-6b04,  
7 and amendments thereto, *and pursuant to subsection (e)* shall be credited  
8 to the state institutions building fund, which is hereby created in the state  
9 treasury, to be used for the construction, reconstruction, equipment and  
10 repair of buildings and grounds at institutions specified in K.S.A. 76-6b04,  
11 and amendments thereto, and for payment of debt service on revenue  
12 bonds issued to finance such projects, all subject to appropriation by the  
13 legislature.

14 (b) Subject to any restrictions imposed by appropriation acts, the  
15 juvenile justice authority is authorized to pledge funds appropriated to it  
16 from the state institutions building fund or from any other source and  
17 transferred to a special revenue fund of the juvenile justice authority  
18 specified by statute for the payment of debt service on revenue bonds  
19 issued for the purposes set forth in subsection (a). Subject to any  
20 restrictions imposed by appropriation acts, the juvenile justice authority is  
21 also authorized to pledge any funds appropriated to it from the state  
22 institutions building fund or from any other source and transferred to a  
23 special revenue fund of the juvenile justice authority specified by statute as  
24 a priority for the payment of debt service on such revenue bonds. Neither  
25 the state or the juvenile justice authority shall have the power to pledge the  
26 faith and credit or taxing power of the state of Kansas for such purposes  
27 and any payment by the juvenile justice authority for such purposes shall  
28 be subject to and dependent on appropriations being made from time to  
29 time by the legislature. Any obligation of the juvenile justice authority for  
30 payment of debt service on revenue bonds and any such revenue bonds  
31 issued for the purposes set forth in subsection (a) shall not be considered a  
32 debt or obligation of the state for the purpose of section 6 of article 11 of  
33 the constitution of the state of Kansas.

34 (c) Subject to any restrictions imposed by appropriation acts, the  
35 Kansas department for aging and disability services is authorized to pledge  
36 funds appropriated to it from the state institutions building fund or from  
37 any other source and transferred to a special revenue fund of the Kansas  
38 department for aging and disability services specified by statute for the  
39 payment of debt service on revenue bonds issued for a new state security  
40 hospital on the Larned state hospital grounds or any other capital  
41 improvement projects at any other institution or facility of the Kansas  
42 department for aging and disability services. Subject to any restrictions  
43 imposed by appropriation acts, the Kansas department for aging and

1 disability services is also authorized to pledge any funds appropriated to it  
2 from the state institutions building fund or from any other source and  
3 transferred to a special revenue fund of the Kansas department for aging  
4 and disability services specified by statute as a priority for the payment of  
5 debt service on such revenue bonds. Neither the state or the Kansas  
6 department for aging and disability services shall have the power to pledge  
7 the faith and credit or taxing power of the state of Kansas for such  
8 purposes and any payment by the Kansas department for aging and  
9 disability services for such purposes shall be subject to and dependent on  
10 appropriations being made from time to time by the legislature. Any  
11 obligation of the Kansas department for aging and disability services for  
12 payment of debt service on revenue bonds and any such revenue bonds  
13 issued for a new state security hospital on the Larned state hospital  
14 grounds or any other capital improvement projects at any other institution  
15 or facility of the Kansas department for aging and disability services shall  
16 not be considered a debt or obligation of the state for the purpose of  
17 section 6 of article 11 of the constitution of the state of Kansas.

18 (d) Subject to any restrictions imposed by appropriation acts, the  
19 director of the Kansas commission on veterans affairs office is authorized  
20 to pledge funds appropriated to it from the state institutions building fund  
21 or from any other source and transferred to a special revenue fund of the  
22 Kansas commission on veterans affairs office specified by statute for the  
23 payment of debt service on revenue bonds issued for veterans' home  
24 HVAC system replacement. Subject to any restrictions imposed by  
25 appropriation acts, the director of the Kansas commission on veterans  
26 affairs office is also authorized to pledge any funds appropriated to it from  
27 the state institutions building fund or from any other source and transferred  
28 to a special revenue fund of the Kansas commission on veterans affairs  
29 office specified by statute as a priority for the payment of debt service on  
30 such revenue bonds. Neither the state nor the director of the Kansas  
31 commission on veterans affairs office shall have the power to pledge the  
32 faith and credit or taxing power of the state of Kansas for such purposes  
33 and any payment by the Kansas commission on veterans affairs office for  
34 such purposes shall be subject to and dependent on appropriations being  
35 made from time to time by the legislature. Any obligation of the Kansas  
36 commission on veterans affairs office for payment of debt service on  
37 revenue bonds and any such revenue bonds issued for veterans' home  
38 HVAC system replacement shall not be considered a debt or obligation of  
39 the state for the purpose of section 6 of article 11 of the constitution of the  
40 state of Kansas.

41 (e) *On July 1, 2024, or as soon thereafter as moneys are available,*  
42 *\$20,900,000 shall be transferred by the director of accounts and reports*  
43 *from the state general fund to the state institutions building fund. On July*

1 *I, 2025, and on July 1 each year thereafter; or as soon thereafter as*  
2 *moneys are available, an amount equal to the amount pursuant to this*  
3 *subsection for the immediately preceding year plus 2% shall be*  
4 *transferred by the director of accounts and reports from the state general*  
5 *fund to the state institutions building fund.*

6 Sec. 5. K.S.A. 76-6b11 is hereby amended to read as follows: 76-  
7 6b11. (a) ~~Except as provided in subsection (e),~~ On July 1 of each year, the  
8 director of accounts and reports shall record a debit to the state treasurer's  
9 receivables for the Kansas educational building fund, the state institutions  
10 building fund and the state general fund and shall record a corresponding  
11 credit to each such fund in an amount equal to 95% of the amount credited  
12 respectively to each such fund during the immediately preceding fiscal  
13 year, except that such amount shall be proportionally adjusted with respect  
14 to any such fund in any fiscal year for any change in the tax levy rate for  
15 any such fund.

16 (b) All taxes received by the state treasurer under K.S.A. 76-6b01,  
17 ~~and 76-6b04 and section 15 [L. 2003, ch. 146, § 15], and amendments~~  
18 ~~thereto, and the provisions of section 15 of chapter 146 of the 2023~~  
19 ~~Session Laws of Kansas during the current fiscal year shall be deposited in~~  
20 ~~the state treasury to the credit of the Kansas educational building fund, the~~  
21 ~~state institutions building fund and the state general fund, respectively, and~~  
22 ~~shall reduce the amount debited and credited to such funds under~~  
23 ~~subsection (a).~~

24 (c) On June 30 of each year, the director of accounts and reports shall  
25 adjust the amounts debited and credited to the state treasurer's receivables  
26 and to the Kansas educational building fund, the state institutions building  
27 fund and the state general fund pursuant to this section, to reflect the taxes  
28 actually received by the state treasurer and deposited during the fiscal year  
29 in the state treasury to the credit of each such fund.

30 (d) The director of accounts and reports shall notify the state treasurer  
31 of all amounts debited and credited to the Kansas educational building  
32 fund, the state institutions building fund and the state general fund  
33 pursuant to this section and all reductions and adjustments thereto made  
34 pursuant to this section. The state treasurer shall enter all such amounts  
35 debited and credited and shall make reductions and adjustments thereto on  
36 the books and records kept and maintained for such funds by the state  
37 treasurer in accordance with the notice thereof.

38 ~~(e) On October 1, 2003, the director of accounts and reports shall~~  
39 ~~make such adjustments and amendments as may be required to reflect and~~  
40 ~~account for the property tax imposed by K.S.A. 79-2976 as if such tax had~~  
41 ~~been in effect on July 1, 2003. The provisions of this section shall expire~~  
42 ~~on June 30, 2024.~~

43 Sec. 6. K.S.A. 76-6b01, 76-6b02, 76-6b04, 76-6b05 and 76-6b11 are

1 hereby repealed.

2       Sec. 7. This act shall take effect and be in force from and after its  
3 publication in the statute book.