

HOUSE BILL No. 2873

By Representatives McKinney, Barnes, Burroughs, Crow, Findley, Garner, Gatewood, Gilbert, Goering, Kirk, Klein, Kuether, Larkin, Levinson, Loganbill, McClure, Minor, Nichols, E. Peterson, Phelps, Ruff, Sharp, Showalter, Spangler, Thimesch, Toelkes and Wilson

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AN ACT concerning state finance; relating to revenues credited to the state general fund; establishing the state debt reduction fund and the Kansas tax rebate fund; providing for transfers of moneys to such funds.

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

Section 1. (a) In any calendar year in which the sum of the amount by which the actual amount of state general fund receipts for the fiscal year ending in such calendar year exceeds the original joint estimate of revenue to the state general fund for that fiscal year prepared pursuant to K.S.A. 75-6701, and amendments thereto, as adjusted for laws enacted by the legislature during the regular legislative session in such calendar year, by more than \$50,000,000, 20% of such amount shall be transferred from the state general fund to the state debt reduction fund established by section 2, and amendments thereto, and 40% of such amount shall be transferred from the state general fund to the Kansas tax rebate fund established by section 3, and amendments thereto.

(b) On or before July 1 of each calendar year, the director of the budget and the director of the legislative research department shall prepare a joint estimate of the amount, if any, by which the actual amount of state general fund receipts for the state fiscal year ending in such calendar year exceeds the original joint estimate of revenue to the state general fund for that state fiscal year pursuant to K.S.A. 75-6701 and amendments thereto, adjusted for laws enacted by the legislature during the regular legislative session in such calendar year, by more than \$50,000,000 and, if such revenues exceed such estimate by more than \$50,000,000, shall prepare a joint certification to the director of accounts and reports of the amount to be transferred from the state general fund to the state debt reduction fund and the amount to be transferred from the state general fund to the Kansas tax rebate fund pursuant to this section.

(c) If the director of accounts and reports receives a certification un-

1 der this section in any calendar year, the director of accounts and reports
2 shall transfer the amounts specified in such certification from the state
3 general fund in the amounts specified to the state debt reduction fund
4 and the Kansas tax rebate fund in accordance with the certification on
5 July 1 of such calendar year.

6 Sec. 2. (a) There is hereby established in the state treasury the state
7 debt reduction fund which shall be administered by the state treasurer.
8 All expenditures from the state debt reduction fund shall be for the pur-
9 pose of providing funding for retirement or defeasement of bonds issued
10 for programs and capital improvement projects for state agencies which
11 bonds become defeasible or callable during the fiscal year for which the
12 fund is appropriated or to otherwise offset outstanding state debt to be
13 retired from payments from the state general fund. Such expenditures
14 shall be made by the state treasurer in consultation with the Kansas de-
15 velopment finance authority upon warrants of the director of accounts
16 and reports issued pursuant to vouchers approved by the state treasurer
17 or the treasurer's designee.

18 (b) On or before the 10th day of each month, the director of accounts
19 and reports shall transfer from the state general fund to the state debt
20 reduction fund interest earnings based on: (1) The average daily balance
21 of moneys in the state debt reduction fund for the preceding month; and
22 (2) the net earnings rate of the pooled money investment portfolio for
23 the preceding month.

24 Sec. 3. There is hereby established in the state treasury the Kansas
25 tax rebate fund which shall be administered by the secretary of revenue.
26 All expenditures from the Kansas tax rebate fund shall be made in ac-
27 cordance with the provisions of appropriation acts upon warrants of the
28 director of accounts and reports issued pursuant to vouchers approved
29 by the secretary of revenue or by the secretary's designee. All expendi-
30 tures from the Kansas tax rebate fund shall be for tax refunds, rebates,
31 reimbursements or other payments to taxpayers as provided by laws en-
32 acted by the legislature for such purposes after the effective date of this
33 act.

34 Sec. 4. This act shall take effect and be in force from and after its
35 publication in the statute book.

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