

## HOUSE BILL No. 2396

By Committee on Appropriations

2-17

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AN ACT concerning tax increment financing and sales tax revenue bonds; relating to redevelopment of certain property located throughout the state; amending K.S.A. 12-1770a and 12-1774 and K.S.A. 2002 Supp. 79-3620 and repealing the existing sections.

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

Section 1. K.S.A. 12-1770a is hereby amended to read as follows: 12-1770a. As used in this act, unless the context clearly shows otherwise:

(a) "Auto race track facility" means: (1) An auto race track facility and facilities directly related and necessary to the operation of an auto race track facility, including, but not limited to, grandstands, suites and viewing areas, concessions, souvenir facilities, catering facilities, visitor and retail centers, signage and temporary hospitality facilities, but excluding (2) hotels, motels, restaurants and retail facilities, not directly related to or necessary to the operation of such facility.

(b) "Base year assessed valuation" means the assessed valuation of all real property within the boundaries of a redevelopment district on the date the redevelopment district was established.

(c) "Blighted area" means an area which:

(1) Because of the presence of a majority of the following factors, substantially impairs or arrests the development and growth of the municipality or constitutes an economic or social liability or is a menace to the public health, safety, morals or welfare in its present condition and use:

- (A) A substantial number of deteriorated or deteriorating structures;
- (B) predominance of defective or inadequate street layout;
- (C) unsanitary or unsafe conditions;
- (D) deterioration of site improvements;
- (E) tax or special assessment delinquency exceeding the fair market value of the real property;
- (F) defective or unusual conditions of title including but not limited to cloudy or defective titles, multiple or unknown ownership interests to the property;
- (G) improper subdivision or obsolete platting or land uses;
- (H) the existence of conditions which endanger life or property by

1 fire or other causes; or

2 (I) conditions which create economic obsolescence; or

3 (2) has been identified by any state or federal environmental agency  
4 as being environmentally contaminated to an extent that requires a re-  
5 medial investigation; feasibility study and remediation or other similar  
6 state or federal action; or

7 (3) previously was found by resolution of the governing body to be a  
8 slum or a blighted area under K.S.A. 17-4742 *et seq.*, and amendments  
9 thereto.

10 (d) "Conservation area" means any improved area comprising 15%  
11 or less of the land area within the corporate limits of a city in which 50%  
12 or more of the structures in the area have an age of 35 years or more,  
13 which area is not yet blighted, but may become a blighted area due to  
14 the existence of a combination of two or more of the following factors:

15 (1) Dilapidation, obsolescence or deterioration of the structures;

16 (2) illegal use of individual structures;

17 (3) the presence of structures below minimum code standards;

18 (4) building abandonment;

19 (5) excessive vacancies;

20 (6) overcrowding of structures and community facilities; or

21 (7) inadequate utilities and infrastructure.

22 (e) "De minimus" means an amount less than 15% of the land area  
23 within a redevelopment district.

24 (f) "Developer" means any person, firm, corporation, partnership or  
25 limited liability company, other than a city.

26 (g) "Eligible area" means a blighted area, conservation area, enter-  
27 prise zone, historic theater or major tourism area.

28 (h) "Enterprise zone" means an area within a city that was designated  
29 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107  
30 through 12-17,113, and amendments thereto, prior to its repeal and the  
31 conservation, development or redevelopment of the area is necessary to  
32 promote the general and economic welfare of such city.

33 (i) "Environmental increment" means the increment determined  
34 pursuant to subsection (b) of K.S.A. 12-1771a, and amendments thereto.

35 (j) "Environmentally contaminated area" means an area of land hav-  
36 ing contaminated groundwater or soil which is deemed environmentally  
37 contaminated by the department of health and environment or the United  
38 States environmental protection agency.

39 (k) "Feasibility study" means a study which shows whether a rede-  
40 velopment *or special bond* project's benefits and tax increment revenue  
41 and other available revenues under K.S.A. 12-1774 (a)(1), *and amend-*  
42 *ments thereto*, are expected to exceed or be sufficient to pay for the  
43 redevelopment *or special bond* project costs.

1 (l) “Historic theater” means a building constructed prior to 1940  
2 which was constructed for the purpose of staging entertainment, includ-  
3 ing motion pictures, vaudeville shows or operas, that is operated by a  
4 nonprofit corporation and is designated by the state historic preservation  
5 officer as eligible to be on the Kansas register of historic places or is a  
6 member of the Kansas historic theatre association.

7 (m) “Historic theater sales tax increment” means the amount of state  
8 and local sales tax revenue imposed pursuant to K.S.A. 12-187 *et seq.*, 79-  
9 3601 *et seq.* and 79-3701 *et seq.*, and amendments thereto, collected from  
10 taxpayers doing business within the historic theater that is in excess of  
11 the amount of such taxes collected prior to the designation of the building  
12 as a historic theater for purposes of this act.

13 (n) “Major tourism area” means an area for which the secretary has  
14 made a finding the capital improvements costing not less than  
15 \$100,000,000 will be built in the state to construct an auto race track  
16 facility.

17 (o) “Real property taxes” means all taxes levied on an ad valorem basis  
18 upon land and improvements thereon.

19 (p) “Redevelopment project area” or “project area” means an area  
20 designated by a city within a redevelopment district.

21 (q) “Redevelopment project costs” means those costs necessary to  
22 implement a redevelopment plan, including, but not limited to costs in-  
23 curred for:

- 24 (1) Acquisition of property within the redevelopment project area;
- 25 (2) payment of relocation assistance;
- 26 (3) site preparation including utility relocations;
- 27 (4) sanitary and storm sewers and lift stations;
- 28 (5) drainage conduits, channels and levees;
- 29 (6) street grading, paving, graveling, macadamizing, curbing, gutter-  
30 ing and surfacing;
- 31 (7) street light fixtures, connection and facilities;
- 32 (8) underground gas, water, heating and electrical services and con-  
33 nections located within the public right-of-way;
- 34 (9) sidewalks and pedestrian underpasses or overpasses;
- 35 (10) drives and driveway approaches located within the public right-  
36 of-way;
- 37 (11) water mains and extensions;
- 38 (12) plazas and arcades;
- 39 (13) parking facilities;
- 40 (14) landscaping and plantings, fountains, shelters, benches, sculp-  
41 tures, lighting, decorations and similar amenities; and
- 42 (15) all related expenses to redevelop and finance the redevelopment  
43 project.

1 Redevelopment project costs shall not include costs incurred in con-  
2 nection with the construction of buildings or other structures to be owned  
3 by or leased to a developer, however, the “redevelopment project costs”  
4 shall include costs incurred in connection with the construction of build-  
5 ings or other structures to be owned or leased to a developer which in-  
6 cludes an auto race track facility or is in a redevelopment district including  
7 some or all of the land and buildings comprising a state mental institution  
8 closed pursuant to section 2 of chapter 219 of the 1995 Session Laws of  
9 Kansas.

10 (r) “Redevelopment district” means the specific area declared to be  
11 an eligible area in which the city may develop one or more redevelopment  
12 projects.

13 (s) “Redevelopment district plan” or “district plan” means the pre-  
14 liminary plan that identifies all of the proposed redevelopment project  
15 areas and identifies in a general manner all of the buildings, facilities and  
16 improvements in each that are proposed to be constructed or improved  
17 in each redevelopment project area.

18 (t) “Redevelopment project” means the approved project to imple-  
19 ment a project plan for the development of the established redevelop-  
20 ment district.

21 (u) “Redevelopment project plan” or “project plan” means the plan  
22 adopted by a municipality for the development of a redevelopment pro-  
23 ject or projects which conforms with K.S.A. 12-1772, and amendments  
24 thereto, in a redevelopment district.

25 (v) “Secretary” means the secretary of commerce and housing.

26 (w) “Substantial change” means, as applicable, a change wherein the  
27 proposed plan or plans differ substantially from the intended purpose for  
28 which the district plan or project plan was approved.

29 (x) “Tax increment” means that amount of real property taxes col-  
30 lected from real property located within the redevelopment district that  
31 is in excess of the amount of real property taxes which is collected from  
32 the base year assessed valuation.

33 (y) “Taxing subdivision” means the county, city, unified school district  
34 and any other taxing subdivision levying real property taxes, the territory  
35 or jurisdiction of which includes any currently existing or subsequently  
36 created redevelopment district.

37 (z) “*Special bond project*” means a project with at least a \$50,000,000  
38 capital investment.

39 New Sec. 2. (a) The governing body of a city may establish one or  
40 more special bond projects in any area within such city. The special bond  
41 projects shall be eligible for financing by special obligation bonds payable  
42 from revenues described by subsection (a)(1)(D) of K.S.A. 12-1774, and  
43 amendments thereto. Each special bond project shall first be approved

1 by the secretary. A special bond project shall not be granted to any busi-  
2 ness that proposes to relocate its business from another area of the state  
3 into such city, for the purpose of consideration for a special bond project  
4 and shall not receive any of the benefits provided by K.S.A. 12-1770 *et*  
5 *seq.*, and amendments thereto.

6 (b) The maximum maturity of special obligation bonds payable pri-  
7 marily from revenues described by subsection (a)(1)(D) of K.S.A. 12-  
8 1744, and amendments thereto, to finance special bond projects pursuant  
9 to this section shall not exceed 20 years, unless the secretary shall find  
10 and determine that a maturity greater than 20 years, but in no event  
11 greater than 30 years, is necessary for the economic feasibility of any such  
12 special bond project.

13 New Sec. 3. (a) Any city proposing to undertake a special bond pro-  
14 ject established pursuant to section 2, and amendments thereto, shall  
15 prepare a project plan in consultation with the planning commission of  
16 the city. The project plan shall include:

17 (1) A summary of the feasibility study done as defined in K.S.A. 12-  
18 1770a, and amendments thereto, which will be an open record;

19 (2) a reference to the district plan established under K.S.A. 12-1771,  
20 and amendments thereto, that identifies the project area that is set forth  
21 in the project plan that is being considered;

22 (3) a description and map of the location of the facility that is the  
23 subject of the special bond project;

24 (4) the relocation assistance plan required by K.S.A. 12-1777, and  
25 amendments thereto;

26 (5) a detailed description of the buildings and facilities proposed to  
27 be constructed or improved; and

28 (6) any other information the governing body deems necessary to  
29 advise the public of the intent of the special bond project plan.

30 (b) *Resolution requirements.* A copy of the project plan shall be de-  
31 livered to the board of county commissioners of the county and the board  
32 of education of any school district levying taxes on property subject to the  
33 special bond project. Upon a finding by the planning commission that the  
34 project plan is consistent with the intent of the comprehensive plan for  
35 the development of the city, the governing body of the city shall adopt a  
36 resolution stating that the city is considering the adoption of the project  
37 plan. Such resolution shall:

38 (1) Give notice that a public hearing will be held to consider the  
39 adoption of the project plan and fix the date, hour and place of such  
40 public hearing;

41 (2) describe the boundaries of the area subject to the special bond  
42 project; and

43 (3) state that the project plan, including a summary of the feasibility

1 study, relocation assistance plan and financial guarantees of the prospec-  
2 tive developer and a description and map of the area to be developed are  
3 available for inspection during regular office hours in the office of the  
4 city clerk.

5 (c) (1) *Hearing.* The date fixed for the public hearing shall be not  
6 less than 30 nor more than 70 days following the date of the adoption of  
7 the resolution fixing the date of the hearing.

8 (2) A copy of the resolution providing for the public hearing shall be  
9 by certified mail, return receipt requested sent to the board of county  
10 commissioners of the county and the board of education of any school  
11 district levying taxes on property subject to the special bond project. The  
12 resolution shall be published once in the official city newspaper not less  
13 than one week nor more than two weeks preceding the date fixed for the  
14 public hearing. A description in sufficient detail to advise the reader of  
15 the particular proposed special bond project shall be published with the  
16 resolution.

17 (3) At the public hearing, a representative of the city shall present  
18 the city's proposed project plan. Following the presentation of the project  
19 plan, all interested persons shall be given an opportunity to be heard. The  
20 governing body for good cause shown may recess such hearing to a time  
21 and date certain, which shall be fixed in the presence of persons in at-  
22 tendance at the hearing.

23 (d) The public hearing records and feasibility study shall be subject  
24 to the open records act, K.S.A. 45-215, and amendments thereto.

25 (e) *Posthearing procedure.* Following the public hearing, the govern-  
26 ing body may adopt the project plan by ordinance passed upon a  $\frac{2}{3}$  vote.

27 (f) Any substantial changes as defined in K.S.A. 12-1770a, and  
28 amendments thereto, to the project plan as adopted shall be subject to a  
29 public hearing following publication of notice thereof at least twice in the  
30 official city newspaper.

31 (g) Any project shall be completed within 20 years from the date of  
32 the approval of the project plan.

33 Sec. 4. K.S.A. 12-1774 is hereby amended to read as follows: 12-  
34 1774. (a) (1) Any city shall have the power to issue special obligation bonds  
35 in one or more series to finance the undertaking of any redevelopment  
36 project in accordance with the provisions of this act. Such special obli-  
37 gation bonds shall be made payable, both as to principal and interest:

38 (A) From tax increments allocated to, and paid into a special fund of  
39 the city under the provisions of K.S.A. 12-1775, and amendments thereto;

40 (B) from revenues of the city derived from or held in connection with  
41 the undertaking and carrying out of any redevelopment project or projects  
42 under this act including historic theater sales tax increments and envi-  
43 ronmental increments;

1 (C) from any private sources, contributions or other financial assis-  
2 tance from the state or federal government;

3 (D) from a pledge of a portion or all of the revenue received by the  
4 city from transient guest, sales and use taxes collected pursuant to K.S.A.  
5 12-1696 *et seq.*, 79-3601 *et seq.*, 79-3701 *et seq.* and 12-187 *et seq.*, and  
6 amendments thereto, and which are collected from taxpayers doing busi-  
7 ness within that portion of the city's redevelopment district established  
8 pursuant to K.S.A. 12-1771, and amendments thereto, occupied by a re-  
9 development project if there first is a finding by the secretary of com-  
10 merce and housing that the redevelopment project will create a major  
11 tourism area for the state or if the project is the restoration of a historic  
12 theater as defined in subsection (l) of K.S.A. 12-1770a, and amendments  
13 thereto, *or the project has been designated as a special bond project as*  
14 *defined in subsection (z) of K.S.A. 12-1770a, and amendments thereto;*

15 (E) (i) from a pledge of a portion or all increased revenue received  
16 by the city from franchise fees collected from utilities and other busi-  
17 nesses using public right-of-way within the redevelopment district; (ii)  
18 from a pledge of a portion or all of the revenue received by the city from  
19 sales taxes collected pursuant to K.S.A. 12-187, and amendments thereto;  
20 or

21 (F) by any combination of these methods.

22 The city may pledge such revenue to the repayment of such special  
23 obligation bonds prior to, simultaneously with, or subsequent to the is-  
24 suance of such special obligation bonds.

25 (2) Bonds issued under paragraph (1) of subsection (a) shall not be  
26 general obligations of the city, nor in any event shall they give rise to a  
27 charge against its general credit or taxing powers, or be payable out of  
28 any funds or properties other than any of those set forth in paragraph (1)  
29 of this subsection and such bonds shall so state on their face.

30 (3) Bonds issued under the provisions of paragraph (1) of this sub-  
31 section shall be special obligations of the city and are declared to be  
32 negotiable instruments. They shall be executed by the mayor and clerk  
33 of the city and sealed with the corporate seal of the city. All details per-  
34 taining to the issuance of such special obligation bonds and terms and  
35 conditions thereof shall be determined by ordinance of the city. All special  
36 obligation bonds issued pursuant to this act and all income or interest  
37 therefrom shall be exempt from all state taxes except inheritance taxes.  
38 Such special obligation bonds shall contain none of the recitals set forth  
39 in K.S.A. 10-112, and amendments thereto. Such special obligation bonds  
40 shall, however, contain the following recitals, viz., the authority under  
41 which such special obligation bonds are issued, they are in conformity  
42 with the provisions, restrictions and limitations thereof, and that such  
43 special obligation bonds and the interest thereon are to be paid from the

1 money and revenue received as provided in paragraph (1) of this  
2 subsection.

3 (b) (1) Subject to the provisions of paragraph (2) of this subsection,  
4 any city shall have the power to issue full faith and credit tax increment  
5 bonds to finance the undertaking of any redevelopment project in ac-  
6 cordance with the provisions of K.S.A. 12-1770 *et seq.*, and amendments  
7 thereto other than a project that will create a major tourism area or result  
8 in the renovation of an historic theater. Such full faith and credit tax  
9 increment bonds shall be made payable, both as to principal and interest:  
10 (A) From the revenue sources identified in paragraph (1)(A), (B), (C),  
11 (D) and (E) of subsection (a) or by any combination of these sources; and  
12 (B) subject to the provisions of paragraph (2) of this subsection, from a  
13 pledge of the city's full faith and credit to use its ad valorem taxing au-  
14 thority for repayment thereof in the event all other authorized sources of  
15 revenue are not sufficient.

16 (2) Except as provided in paragraph (3) of this subsection, before the  
17 governing body of any city proposes to issue full faith and credit tax in-  
18 crement bonds as authorized by this subsection, the feasibility study re-  
19 quired by K.S.A. 12-1772, and amendments thereto, shall demonstrate  
20 that the benefits derived from the project will exceed the cost and that  
21 the income therefrom will be sufficient to pay the costs of the project.  
22 No full faith and credit tax increment bonds shall be issued unless the  
23 governing body states in the resolution required by K.S.A. 12-1772, and  
24 amendments thereto, that it may issue such bonds to finance the proposed  
25 redevelopment project. The governing body may issue the bonds unless  
26 within 60 days following the date of the public hearing on the proposed  
27 project plan a protest petition signed by 3% of the qualified voters of the  
28 city is filed with the city clerk in accordance with the provisions of K.S.A.  
29 25-3601 *et seq.*, and amendments thereto. If a sufficient petition is filed,  
30 no full faith and credit tax increment bonds shall be issued until the  
31 issuance of the bonds is approved by a majority of the voters voting at an  
32 election thereon. Such election shall be called and held in the manner  
33 provided by the general bond law. The failure of the voters to approve  
34 the issuance of full faith and credit tax increment bonds shall not prevent  
35 the city from issuing special obligation bonds in accordance with K.S.A.  
36 12-1774, and amendments thereto. No such election shall be held in the  
37 event the board of county commissioners or the board of education de-  
38 termines, as provided in K.S.A. 12-1771, and amendments thereto, that  
39 the proposed redevelopment district will have an adverse effect on the  
40 county or school district.

41 (3) As an alternative to paragraph (2) of this subsection, any city which  
42 adopts a project plan but does not state its intent to issue full faith and  
43 credit tax increment bonds in the resolution required by K.S.A. 12-1772,



1 and amendments thereto, and has not acquired property in the redevelop-  
2 opment project area may issue full faith and credit tax increment bonds  
3 if the governing body of the city adopts a resolution stating its intent to  
4 issue the bonds and the issuance of the bonds is approved by a majority  
5 of the voters voting at an election thereon. Such election shall be called  
6 and held in the manner provided by the general bond law. The failure of  
7 the voters to approve the issuance of full faith and credit tax increment  
8 bonds shall not prevent the city from issuing special obligation bonds  
9 pursuant to paragraph (1) of subsection (a). Any project plan adopted by  
10 a city prior to the effective date of this act in accordance with K.S.A. 12-  
11 1772, and amendments thereto, shall not be invalidated by any require-  
12 ments of this act.

13 (4) During the progress of any redevelopment project in which the  
14 redevelopment project costs will be financed, in whole or in part, with  
15 the proceeds of full faith and credit tax increment bonds, the city may  
16 issue temporary notes in the manner provided in K.S.A. 10-123, and  
17 amendments thereto, to pay the redevelopment project costs for the pro-  
18 ject. Such temporary notes shall not be issued and the city shall not ac-  
19 quire property in the redevelopment project area until the requirements  
20 of paragraph (2) or (3) of this subsection, whichever is applicable, have  
21 been met.

22 (5) Full faith and credit tax increment bonds issued under this sub-  
23 section shall be general obligations of the city and are declared to be  
24 negotiable instruments. They shall be issued in accordance with the gen-  
25 eral bond law. All such bonds and all income or interest therefrom shall  
26 be exempt from all state taxes except inheritance taxes. The amount of  
27 the full faith and credit tax increment bonds issued and outstanding which  
28 exceeds 3% of the assessed valuation of the city shall be within the bonded  
29 debt limit applicable to such city.

30 (6) Any city issuing special obligation bonds under the provisions of  
31 this act may refund all or part of such issue pursuant to the provisions of  
32 K.S.A. 10-116a, and amendments thereto.

33 (c) Any increment in ad valorem property taxes resulting from a re-  
34 development project in the established redevelopment district under-  
35 taken in accordance with the provisions of this act, shall be apportioned  
36 to a special fund for the payment of the redevelopment project costs,  
37 including the payment of principal and interest on any special obligation  
38 bonds or full faith and credit tax increment bonds issued to finance such  
39 project pursuant to this act and may be pledged to the payment of prin-  
40 cipal and interest on such bonds.

41 Sec. 5. K.S.A. 2002 Supp. 79-3620 is hereby amended to read as  
42 follows: 79-3620. (a) All revenue collected or received by the director of  
43 taxation from the taxes imposed by this act shall be remitted to the state

1 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
2 amendments thereto. Upon receipt of each such remittance, the state  
3 treasurer shall deposit the entire amount in the state treasury, less  
4 amounts withheld as provided in subsection (b) and amounts credited as  
5 provided in subsection (c) and (d), to the credit of the state general fund.

6 (b) A refund fund, designated as “sales tax refund fund” not to exceed  
7 \$100,000 shall be set apart and maintained by the director from sales tax  
8 collections and estimated tax collections and held by the state treasurer  
9 for prompt payment of all sales tax refunds including refunds authorized  
10 under the provisions of K.S.A. 79-3635, and amendments thereto. Such  
11 fund shall be in such amount, within the limit set by this section, as the  
12 director shall determine is necessary to meet current refunding require-  
13 ments under this act. In the event such fund as established by this section  
14 is, at any time, insufficient to provide for the payment of refunds due  
15 claimants thereof, the director shall certify the amount of additional funds  
16 required to the director of accounts and reports who shall promptly trans-  
17 fer the required amount from the state general fund to the sales tax refund  
18 fund, and notify the state treasurer, who shall make proper entry in the  
19 records.

20 (c) (1) The state treasurer shall credit  $\frac{5}{98}$  of the revenue collected  
21 or received from the tax imposed by K.S.A. 79-3603, and amendments  
22 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),  
23 exclusive of amounts credited pursuant to subsection (d), in the state  
24 highway fund.

25 (2) The state treasurer shall credit  $\frac{5}{104}$  of the revenue collected or  
26 received from the tax imposed by K.S.A. 79-3603, and amendments  
27 thereto, at the rate of 5.2%, and deposited as provided in subsection (a),  
28 exclusive of amounts credited pursuant to subsection (d), in the state  
29 highway fund.

30 (3) The state treasurer shall credit  $\frac{5}{106}$  of the revenue collected or  
31 received from the tax imposed by K.S.A. 79-3603, and amendments  
32 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),  
33 exclusive of amounts credited pursuant to subsection (d), in the state  
34 highway fund.

35 (4) The state treasurer shall credit  $\frac{1}{20}$  of the revenue collected and  
36 received from the tax imposed by K.S.A. 79-3603, and amendments  
37 thereto, at the rate of 5%, and deposited as provided by subsection (a),  
38 exclusive of amounts credited pursuant to subsection (d), in the state  
39 highway fund.

40 (d) The state treasurer shall credit all revenue collected or received  
41 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as  
42 certified by the director, from taxpayers doing business within that por-  
43 tion of a redevelopment district occupied by a redevelopment project *or*

1 *taxpayers doing business with such entity financed by a special bond*  
2 *project as defined in K.S.A. 12-1770a, and amendments thereto*, that was  
3 determined by the secretary of commerce and housing to be of statewide  
4 as well as local importance or will create a major tourism area for the  
5 state *or the project was designated as a special bond project* as defined  
6 in K.S.A. 12-1770a, and amendments thereto, to the city bond finance  
7 fund, which fund is hereby created. The provisions of this subsection shall  
8 expire when the total of all amounts credited hereunder and under sub-  
9 section (d) of K.S.A. 79-3710, and amendments thereto, is sufficient to  
10 retire the special obligation bonds issued for the purpose of financing all  
11 or a portion of the costs of such redevelopment *or special bond* project.

12 New Sec. 6. Notwithstanding any other provisions of law to the con-  
13 trary, copies of all retailers' sales, use and transient guest tax returns filed  
14 with the director of the department of revenue in connection with a re-  
15 development project area or special bond project for which sales, use and  
16 transient guest tax revenues are pledged or otherwise intended to be used  
17 in whole or in part for the payment of bonds issued to finance redevelop-  
18 ment or special bond project costs in such redevelopment or special  
19 bond project area, shall be provided by the director of the department of  
20 revenue to the bond trustee, escrow agent or paying agent for such bonds  
21 upon the written request of the municipality within 15 days of receipt by  
22 the director of the department of revenue. The bond trustee, escrow  
23 agent or paying agent shall keep such retailers' sales, use and transient  
24 guest tax returns and the information contained therein confidential, but  
25 may use such information for purposes of allocating and depositing such  
26 sales, use and transient guest tax revenues in connection with the bonds  
27 used to finance redevelopment or special bond project costs in such re-  
28 development or special bond project area. Except as otherwise provided  
29 herein, the sales, use and transient guest tax returns received by the bond  
30 trustee, escrow agent or paying agent shall be subject to the provisions  
31 of K.S.A. 79-3614, and amendments thereto.

32 Sec. 7. K.S.A. 12-1770a and 12-1774 and K.S.A. 2002 Supp. 79-3620  
33 are hereby repealed.

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

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