

HOUSE BILL No. 2806

By Representatives Barbieri-Lightner and Yonally

2-10

AN ACT concerning the state gaming revenues fund; relating to the use of moneys therein; amending K.S.A. 72-6438 and K.S.A. 2003 Supp. 79-4804 and repealing the existing sections.

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

Section 1. K.S.A. 72-6438 is hereby amended to read as follows: 72-6438. (a) The state school district finance fund, established by K.S.A. 1991 Supp. 72-7081 prior to its repeal by this act, is hereby continued in existence and shall consist of (1) all moneys credited to such fund under K.S.A. 72-6418 and 72-6431 and K.S.A. 72-6441, and amendments thereto, and (2) all amounts transferred to such fund.

(b) The state school district finance fund shall be used for the purpose of school district finance and for no other governmental purpose. It is the intent of the legislature that the fund shall remain intact and inviolate for such purpose, and moneys in the fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

(c) Amounts in the state school district finance fund shall be allocated and distributed to school districts as a portion of general state aid entitlements provided for under this act.

(d) *Any increase in the amount of the base state aid per pupil in school year 2004-2005, and each year thereafter, which is attributable to revenue transferred pursuant to K.S.A. 79-4804, and amendments thereto, shall be used for the enhancement of salaries and benefits of teachers. If the revenue derived from such taxes exceeds the statutory amount of the base state aid per pupil, the revenue in excess of such amount shall be transferred to the special education services aid account in the state department of education and shall be used for the enhancement of salaries and benefits of teachers who are qualified to provide special education or related services to exceptional children.*

Sec. 2. K.S.A. 2003 Supp. 79-4804 is hereby amended to read as follows: 79-4804. (a) After the transfer of moneys pursuant to *subsection (b) and (c) and* K.S.A. 2003 Supp. 79-4806, and amendments thereto, an amount equal to 85% of the balance of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state ~~ee~~

1 onomic development initiatives fund. Expenditures from the state eco-
2 nomic development initiatives fund shall be made in accordance with
3 appropriations acts for the financing of such programs supporting and
4 enhancing the existing economic foundation of the state and fostering
5 growth through the expansion of current, and the establishment and at-
6 traction of new, commercial and industrial enterprises as provided by this
7 section and as may be authorized by law and not less than ½ of such
8 money shall be distributed equally among the congressional districts of
9 the state. Except as provided by subsection (g), all moneys credited to
10 the state economic development initiatives fund shall be credited within
11 the fund, as provided by law, to an account or accounts of the fund which
12 are created by this section.

13 —(b)— There is hereby created the Kansas capital formation account in
14 the state economic development initiatives fund. All moneys credited to
15 the Kansas capital formation account shall be used to provide, encourage
16 and implement capital development and formation in Kansas.

17 —(c)— There is hereby created the Kansas economic development re-
18 search and development account in the state economic development in-
19 itiatives fund. All moneys credited to the Kansas economic development
20 research and development account shall be used to promote, encourage
21 and implement research and development programs and activities in Kan-
22 sas and technical assistance funded through state educational institutions
23 under the supervision and control of the state board of regents or other
24 Kansas colleges and universities.

25 —(d)— There is hereby created the Kansas economic development en-
26 dowment account in the state economic development initiatives fund. All
27 moneys credited to the Kansas economic development endowment ac-
28 count shall be accumulated and invested as provided in this section to
29 provide an ongoing source of funds which shall be used for economic
30 development activities in Kansas, including but not limited to continuing
31 appropriations or demand transfers for programs and projects which shall
32 include, but are not limited to, specific community infrastructure projects
33 in Kansas that stimulate economic growth.

34 —(e)— Except as provided in subsection (f), the director of investments
35 may invest and reinvest moneys credited to the state economic develop-
36 ment initiatives fund in accordance with investment policies established
37 by the pooled money investment board under K.S.A. 75-4232, and
38 amendments thereto, in the pooled money investment portfolio. All mon-
39 eys received as interest earned by the investment of the moneys credited
40 to the state economic development initiatives fund shall be deposited in
41 the state treasury and credited to the Kansas economic development en-
42 dowment account of such fund.

43 —(f)— Moneys credited to the Kansas economic development endow-

1 ~~ment account of the state economic development initiatives fund may be~~
2 ~~invested in government guaranteed loans and debentures as provided by~~
3 ~~law in addition to the investments authorized by subsection (c) or in lieu~~
4 ~~of such investments. All moneys received as interest earned by the in-~~
5 ~~vestment under this subsection of the moneys credited to the Kansas~~
6 ~~economic development endowment account shall be deposited in the~~
7 ~~state treasury and credited to the Kansas economic development endow-~~
8 ~~ment account of the state economic development initiatives fund school~~
9 ~~district finance fund described in K.S.A. 72-6438, and amendments~~
10 ~~thereto.~~

11 ~~(g)~~ (b) In each fiscal year, the director of accounts and reports shall
12 make transfers in equal amounts on July 15 and January 15 which in the
13 aggregate equal \$2,000,000 from the state economic development initia-
14 tives general fund to the state water plan fund created by K.S.A. 82a-951,
15 and amendments thereto, except that the aggregate amount of the trans-
16 fers on such dates during state fiscal year 2004 shall not exceed
17 \$1,900,000. No other moneys credited to the state economic development
18 initiatives fund shall be used for: (1) Water-related projects or programs,
19 or related technical assistance; or (2) any other projects or programs, or
20 related technical assistance, which meet one or more of the long-range
21 goals, objectives and considerations set forth in the state water resource
22 planning act.

23 (c) *On July 1 of each year or as soon thereafter as sufficient moneys*
24 *are available, \$10,000,000 shall be transferred and credited to the state*
25 *board of regents adult education fund created by section 3, and amend-*
26 *ments thereto.*

27 (d) *The state economic development initiatives fund is hereby abol-*
28 *ished. All moneys in such fund shall be transferred to the state general*
29 *fund.*

30 New Sec. 3. (a) There is hereby established in the state treasury the
31 state board of regents adult education fund. All moneys credited to such
32 fund shall be used only for adult basic education programs and the cost
33 of administration of such programs. Such fund shall be administered in
34 accordance with this section and the provisions of appropriation acts.

35 (b) All expenditures from the state board of regents adult education
36 fund shall be made in accordance with appropriation acts upon warrants
37 of the director of accounts and reports issued pursuant to vouchers ap-
38 proved in the manner prescribed by law.

39 Sec. 4. K.S.A. 72-6438 and K.S.A. 2003 Supp. 79-4804 are hereby
40 repealed.

41 Sec. 5. This act shall take effect and be in force from and after its
42 publication in the statute book.