

SENATE BILL No. 698

By Committee on Federal and State Affairs

3-26

9 AN ACT concerning Wilson county; relating to certain capital improve-
10 ment projects; financing thereof through issuance of revenue bonds
11 by the Kansas development finance authority; countywide retailers
12 sales tax authority; distribution of moneys from oil and gas depletion
13 trust fund; amending K.S.A. 2007 Supp. 12-187, 12-189, 12-192 and
14 79-4231 and repealing the existing sections.
15

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

17 New Sec. 1. (a) For the purpose of financing certain capital improve-
18 ment projects the Kansas development finance authority is hereby au-
19 thorized to issue one or more series of revenue bonds pursuant to the
20 Kansas development finance authority act, K.S.A. 74-8901 et seq., and
21 amendments thereto, in an amount necessary to provide a deposit or
22 deposits to the state general fund in a total amount not to exceed
23 \$8,000,000, plus all amounts required for costs of bond issuance, costs of
24 insurance or credit enhancement, costs of interest on the bonds issued
25 for such capital improvement projects during the construction of such
26 project and any required reserves for the payment of principal and inter-
27 est on the bonds, for capital improvement projects relating to certain
28 transportation and utility and infrastructure facilities located in Wilson
29 county, Kansas: *Provided*, That such capital improvement project is
30 hereby approved for the Kansas department of administration for the
31 purposes of subsection (b) of K.S.A. 74-8905, and amendments thereto,
32 and the authorization of the issuance of bonds by the Kansas development
33 finance authority in accordance with those statutes: *Provided further*,
34 That the department of administration may make expenditures from the
35 moneys received from the issuance of any such bonds for such capital
36 improvement projects: *And provided further*, That debt service for any
37 such bonds shall be financed by transfers, by order of the secretary, from
38 the state general fund or any appropriate special revenue fund or funds:
39 *And provided further*, That the date of maturity on bonds issued pursuant
40 to this section shall not be fixed for a period of time which exceeds twenty
41 years from the date of issuance.

42 (b) The proceeds from the sale of any bonds, other than refunding
43 bonds, issued pursuant to this section, after payment of any costs related

1 to the issuance of such bonds, shall be used by the department of admin-
2 istration to finance the costs of capital improvements in Wilson county as
3 authorized and requested by the secretary of the department of
4 administration.

5 (c) The secretary of administration shall enter into an agreement with
6 the Kansas development finance authority which provides that pursuant
7 to any pledges and covenants the authority enters into with the holders
8 of any bonds issued pursuant to the provisions of this section, that the
9 department will not limit or alter the rights or powers vested in the Kansas
10 development finance authority by this section, nor limit or alter the rights
11 or powers of the authority, or the department of administration in any
12 manner which would jeopardize the interest of the holders or any trustee
13 of such holders or inhibit or prevent performance or fulfillment by the
14 Kansas development finance authority or the department of administra-
15 tion with respect to the terms of any agreement made with the holders
16 of bonds or agreements made pursuant to this section. The secretary of
17 administration is hereby specifically authorized to include this pledge and
18 covenant in any agreement with the Kansas development finance author-
19 ity. The Kansas development finance authority is hereby specifically au-
20 thorized to include this pledge and covenant in any bond resolution, trust
21 indenture or agreement for the benefit of the holders of the bonds.

22 (d) Neither the state nor the department of administration shall have
23 the power to pledge the full faith and credit or taxing power of the state
24 of Kansas for such purposes and any payment by the department for such
25 purpose shall be subject to and dependent on appropriations by the leg-
26 islature. Any obligation of the state or the department for payment of
27 debt service on bonds issued pursuant to this section shall not be consid-
28 ered a debt or obligation of the state for the purpose of section 6 of article
29 11 of the constitution of the state of Kansas.

30 (e) The department of administration may enter into loan agreements
31 with Wilson county. The agreements shall provide for repayment by Wil-
32 son county of any and all moneys expended from the state general fund
33 to pay debt service on any bonds issued by Kansas development finance
34 authority pursuant to this section, including all costs of issuance paid from
35 the state general fund. All moneys received pursuant to such agreements
36 shall be deposited in the state treasury in accordance with provisions of
37 K.S.A. 75-4215, and amendments thereto, and shall be credited to the
38 state general fund.

39 (f) The secretary of administration shall enter into pledge agreements
40 with the Kansas development finance authority to pledge moneys for the
41 payment of any bonds issued pursuant to this act.

42 (g) The activities of the secretary in administering and performing
43 the powers, duties and functions prescribed by the provisions of this act

1 are hereby approved for purposes of subsection (b) of K.S.A. 74-8905,
2 and amendments thereto, and the authorization of issuance of one or
3 more series of revenue bonds by the Kansas development finance au-
4 thority in accordance with the Kansas development finance act, K.S.A.
5 74-8901 et seq., and amendments thereto. The provisions of subsection
6 (a) of K.S.A. 74-8905, and amendments thereto, shall not prohibit the
7 issuance of bonds for such purposes when so authorized and any such
8 issuance of bonds is exempt from the provisions of subsection (a) of K.S.A.
9 74-8905, and amendments thereto.

10 New Sec. 2. There is hereby created in the state treasury the Wilson
11 county capital improvements fund. The director of taxation shall admin-
12 ister the Wilson county capital improvements fund. In addition to any
13 other source of moneys provided by law, any moneys received by the
14 director of taxation from Wilson county or any other source for the pur-
15 poses of the Wilson county capital improvements fund shall be deposited
16 in the state treasury and credited to the fund. All expenditures from such
17 fund shall be made to pay all costs associated with the special revenue
18 bonds issued by the Kansas development finance authority pursuant to
19 the provisions of section 1, and amendments thereto. All expenditures
20 from such fund shall be made in accordance with appropriation acts upon
21 warrants of the director of accounts and reports issued pursuant to vouch-
22 ers approved by the director of taxation.

23 Sec. 3. K.S.A. 2007 Supp. 12-187 is hereby amended to read as fol-
24 lows: 12-187. (a) No city shall impose a retailers' sales tax under the
25 provisions of this act without the governing body of such city having first
26 submitted such proposition to and having received the approval of a ma-
27 jority of the electors of the city voting thereon at an election called and
28 held therefor. The governing body of any city may submit the question
29 of imposing a retailers' sales tax and the governing body shall be required
30 to submit the question upon submission of a petition signed by electors
31 of such city equal in number to not less than 10% of the electors of such
32 city.

33 (b) (1) The board of county commissioners of any county may submit
34 the question of imposing a countywide retailers' sales tax to the electors
35 at an election called and held thereon, and any such board shall be re-
36 quired to submit the question upon submission of a petition signed by
37 electors of such county equal in number to not less than 10% of the
38 electors of such county who voted at the last preceding general election
39 for the office of secretary of state, or upon receiving resolutions request-
40 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
41 governing body of each of one or more cities within such county which
42 contains a population of not less than 25% of the entire population of the
43 county, or upon receiving resolutions requesting such an election passed

1 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
2 taxing subdivisions within such county which levy not less than 25% of
3 the property taxes levied by all taxing subdivisions within the county.

4 (2) The board of county commissioners of Anderson, Atchison, Bar-
5 ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Franklin, Jeffer-
6 son, Linn, Lyon, Marion, Miami, Montgomery, Neosho, Osage, Ottawa,
7 Reno, Riley, Saline, Seward, Sumner, Wabaunsee, Wilson and Wyandotte
8 counties may submit the question of imposing a countywide retailers' sales
9 tax and pledging the revenue received therefrom for the purpose of fi-
10 nancing the construction or remodeling of a courthouse, jail, law enforce-
11 ment center facility or other county administrative facility, to the electors
12 at an election called and held thereon. The tax imposed pursuant to this
13 paragraph shall expire when sales tax sufficient to pay all of the costs
14 incurred in the financing of such facility has been collected by retailers
15 as determined by the secretary of revenue. Nothing in this paragraph
16 shall be construed to allow the rate of tax imposed by Butler, Chase,
17 Cowley, Lyon, Montgomery, Neosho, Riley, Sumner or Wilson county
18 pursuant to this paragraph to exceed or be imposed at any rate other than
19 the rates prescribed in K.S.A. 12-189, and amendments thereto.

20 (3) (A) Except as otherwise provided in this paragraph, the result of
21 the election held on November 8, 1988, on the question submitted by
22 the board of county commissioners of Jackson county for the purpose of
23 increasing its countywide retailers' sales tax by 1% is hereby declared
24 valid, and the revenue received therefrom by the county shall be ex-
25 pended solely for the purpose of financing the Banner Creek reservoir
26 project. The tax imposed pursuant to this paragraph shall take effect on
27 the effective date of this act and shall expire not later than five years after
28 such date.

29 (B) The result of the election held on November 8, 1994, on the
30 question submitted by the board of county commissioners of Ottawa
31 county for the purpose of increasing its countywide retailers' sales tax by
32 1% is hereby declared valid, and the revenue received therefrom by the
33 county shall be expended solely for the purpose of financing the erection,
34 construction and furnishing of a law enforcement center and jail facility.

35 (C) Except as otherwise provided in this paragraph, the result of the
36 election held on November 2, 2004, on the question submitted by the
37 board of county commissioners of Sedgwick county for the purpose of
38 increasing its countywide retailers' sales tax by 1% is hereby declared
39 valid, and the revenue received therefrom by the county shall be used
40 only to pay the costs of: (i) Acquisition of a site and constructing and
41 equipping thereon a new regional events center, associated parking and
42 infrastructure improvements and related appurtenances thereto, to be
43 located in the downtown area of the city of Wichita, Kansas, (the "down-

1 town arena”); (ii) design for the Kansas coliseum complex and construc-
2 tion of improvements to the pavilions; and (iii) establishing an operating
3 and maintenance reserve for the downtown arena and the Kansas colise-
4 um complex. The tax imposed pursuant to this paragraph shall com-
5 mence on July 1, 2005, and shall terminate not later than 30 months after
6 the commencement thereof.

7 (4) The board of county commissioners of Finney and Ford counties
8 may submit the question of imposing a countywide retailers’ sales tax at
9 the rate of .25% and pledging the revenue received therefrom for the
10 purpose of financing all or any portion of the cost to be paid by Finney
11 or Ford county for construction of highway projects identified as system
12 enhancements under the provisions of paragraph (5) of subsection (b) of
13 K.S.A. 68-2314, and amendments thereto, to the electors at an election
14 called and held thereon. Such election shall be called and held in the
15 manner provided by the general bond law. The tax imposed pursuant to
16 this paragraph shall expire upon the payment of all costs authorized pur-
17 suant to this paragraph in the financing of such highway projects. Nothing
18 in this paragraph shall be construed to allow the rate of tax imposed by
19 Finney or Ford county pursuant to this paragraph to exceed the maximum
20 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
21 remain upon the payment of all costs authorized pursuant to this para-
22 graph in the financing of such highway projects in Finney county, the
23 state treasurer shall remit such funds to the treasurer of Finney county
24 and upon receipt of such moneys shall be deposited to the credit of the
25 county road and bridge fund. If any funds remain upon the payment of
26 all costs authorized pursuant to this paragraph in the financing of such
27 highway projects in Ford county, the state treasurer shall remit such funds
28 to the treasurer of Ford county and upon receipt of such moneys shall
29 be deposited to the credit of the county road and bridge fund.

30 (5) The board of county commissioners of any county may submit the
31 question of imposing a retailers’ sales tax at the rate of .25%, .5%, .75%
32 or 1% and pledging the revenue received therefrom for the purpose of
33 financing the provision of health care services, as enumerated in the ques-
34 tion, to the electors at an election called and held thereon. Whenever any
35 county imposes a tax pursuant to this paragraph, any tax imposed pursuant
36 to paragraph (2) of subsection (a) by any city located in such county shall
37 expire upon the effective date of the imposition of the countywide tax,
38 and thereafter the state treasurer shall remit to each such city that portion
39 of the countywide tax revenue collected by retailers within such city as
40 certified by the director of taxation. The tax imposed pursuant to this
41 paragraph shall be deemed to be in addition to the rate limitations pre-
42 scribed in K.S.A. 12-189, and amendments thereto. As used in this para-
43 graph, health care services shall include but not be limited to the follow-

1 ing: Local health departments, city or county hospitals, city or county
2 nursing homes, preventive health care services including immunizations,
3 prenatal care and the postponement of entry into nursing homes by home
4 care services, mental health services, indigent health care, physician or
5 health care worker recruitment, health education, emergency medical
6 services, rural health clinics, integration of health care services, home
7 health services and rural health networks.

8 (6) The board of county commissioners of Allen county may submit
9 the question of imposing a countywide retailers' sales tax at the rate of
10 .5% and pledging the revenue received therefrom for the purpose of
11 financing the costs of operation and construction of a solid waste disposal
12 area or the modification of an existing landfill to comply with federal
13 regulations to the electors at an election called and held thereon. The tax
14 imposed pursuant to this paragraph shall expire upon the payment of all
15 costs incurred in the financing of the project undertaken. Nothing in this
16 paragraph shall be construed to allow the rate of tax imposed by Allen
17 county pursuant to this paragraph to exceed or be imposed at any rate
18 other than the rates prescribed in K.S.A. 12-189 and amendments
19 thereto.

20 (7) The board of county commissioners of Clay, Dickinson and Miami
21 county may submit the question of imposing a countywide retailers' sales
22 tax at the rate of .50% in the case of Clay and Dickinson county and at a
23 rate of up to 1% in the case of Miami county, and pledging the revenue
24 received therefrom for the purpose of financing the costs of roadway
25 construction and improvement to the electors at an election called and
26 held thereon. Except as otherwise provided, the tax imposed pursuant to
27 this paragraph shall expire after five years from the date such tax is first
28 collected. The result of the election held on November 2, 2004, on the
29 question submitted by the board of county commissioners of Miami
30 county for the purpose of extending for an additional five-year period the
31 countywide retailers' sales tax imposed pursuant to this subsection in Mi-
32 ami county is hereby declared valid. The countywide retailers' sales tax
33 imposed pursuant to this subsection in Clay and Miami county may be
34 extended or reenacted for additional five-year periods upon the board of
35 county commissioners of Clay and Miami county submitting such ques-
36 tion to the electors at an election called and held thereon for each addi-
37 tional five-year period as provided by law.

38 (8) The board of county commissioners of Sherman county may sub-
39 mit the question of imposing a countywide retailers' sales tax at the rate
40 of 1% and pledging the revenue received therefrom for the purpose of
41 financing the costs of street and roadway improvements to the electors
42 at an election called and held thereon. The tax imposed pursuant to this
43 paragraph shall expire upon payment of all costs authorized pursuant to

- 1 this paragraph in the financing of such project.
- 2 (9) The board of county commissioners of Cowley, Crawford, Russell
3 and Woodson county may submit the question of imposing a countywide
4 retailers' sales tax at the rate of .5% in the case of Crawford, Russell and
5 Woodson county and at a rate of up to .25%, in the case of Cowley county
6 and pledging the revenue received therefrom for the purpose of financing
7 economic development initiatives or public infrastructure projects. The
8 tax imposed pursuant to this paragraph shall expire after five years from
9 the date such tax is first collected.
- 10 (10) The board of county commissioners of Franklin county may sub-
11 mit the question of imposing a countywide retailers' sales tax at the rate
12 of .25% and pledging the revenue received therefrom for the purpose of
13 financing recreational facilities. The tax imposed pursuant to this para-
14 graph shall expire upon payment of all costs authorized in financing such
15 facilities.
- 16 (11) The board of county commissioners of Douglas county may sub-
17 mit the question of imposing a countywide retailers' sales tax at the rate
18 of .25% and pledging the revenue received therefrom for the purposes
19 of preservation, access and management of open space, and for industrial
20 and business park related economic development.
- 21 (12) The board of county commissioners of Shawnee county may sub-
22 mit the question of imposing a countywide retailers' sales tax at the rate
23 of .25% and pledging the revenue received therefrom to the city of To-
24 peka for the purpose of financing the costs of rebuilding the Topeka
25 boulevard bridge and other public infrastructure improvements associ-
26 ated with such project to the electors at an election called and held
27 thereon. The tax imposed pursuant to this paragraph shall expire upon
28 payment of all costs authorized in financing such project.
- 29 (13) The board of county commissioners of Jackson county may sub-
30 mit the question of imposing a countywide retailers' sales tax at a rate of
31 .4% and pledging the revenue received therefrom as follows: 50% of such
32 revenues for the purpose of financing for economic development initia-
33 tives; and 50% of such revenues for the purpose of financing public in-
34 frastructure projects to the electors at an election called and held thereon.
35 The tax imposed pursuant to this paragraph shall expire after seven years
36 from the date such tax is first collected.
- 37 (14) The board of county commissioners of Neosho county may sub-
38 mit the question of imposing a countywide retailers' sales tax at the rate
39 of .5% and pledging the revenue received therefrom for the purpose of
40 financing the costs of roadway construction and improvement to the elec-
41 tors at an election called and held thereon. The tax imposed pursuant to
42 this paragraph shall expire upon payment of all costs authorized pursuant
43 to this paragraph in the financing of such project.

1 (15) The board of county commissioners of Saline county may submit
2 the question of imposing a countywide retailers' sales tax at the rate of
3 up to .5% and pledging the revenue received therefrom for the purpose
4 of financing the costs of construction and operation of an expo center to
5 the electors at an election called and held thereon. The tax imposed pur-
6 suant to this paragraph shall expire after five years from the date such tax
7 is first collected.

8 (16) The board of county commissioners of Harvey county may sub-
9 mit the question of imposing a countywide retailers' sales tax at the rate
10 of 1.0% and pledging the revenue received therefrom for the purpose of
11 financing the costs of property tax relief, economic development initia-
12 tives and public infrastructure improvements to the electors at an election
13 called and held thereon.

14 (17) The board of county commissioners of Atchison county may sub-
15 mit the question of imposing a countywide retailers' sales tax at the rate
16 of .25% and pledging the revenue received therefrom for the purpose of
17 financing the costs of construction and maintenance of sports and rec-
18 reational facilities to the electors at an election called and held thereon.
19 The tax imposed pursuant to this paragraph shall expire upon payment
20 of all costs authorized in financing such facilities.

21 (18) The board of county commissioners of Wabaunsee county may
22 submit the question of imposing a countywide retailers' sales tax at the
23 rate of .5% and pledging the revenue received therefrom for the purpose
24 of financing the costs of bridge and roadway construction and improve-
25 ment to the electors at an election called and held thereon. The tax im-
26 posed pursuant to this paragraph shall expire after 15 years from the date
27 such tax is first collected.

28 (19) The board of county commissioners of Jefferson county may sub-
29 mit the question of imposing a countywide retailers' sales tax at the rate
30 of 1% and pledging the revenue received therefrom for the purpose of
31 financing the costs of roadway construction and improvement to the elec-
32 tors at an election called and held thereon. The tax imposed pursuant to
33 this paragraph shall expire after six years from the date such tax is first
34 collected. The countywide retailers' sales tax imposed pursuant to this
35 paragraph may be extended or reenacted for additional six-year periods
36 upon the board of county commissioners of Jefferson county submitting
37 such question to the electors at an election called and held thereon for
38 each additional six-year period as provided by law.

39 (20) The board of county commissioners of Riley county may submit
40 the question of imposing a countywide retailers' sales tax at the rate of
41 up to 1% and pledging the revenue received therefrom for the purpose
42 of financing the costs of bridge and roadway construction and improve-
43 ment to the electors at an election called and held thereon. The tax im-

1 posed pursuant to this paragraph shall expire after five years from the
2 date such tax is first collected.

3 (21) The board of county commissioners of Johnson county may sub-
4 mit the question of imposing a countywide retailers' sales tax at the rate
5 of .25% and pledging the revenue received therefrom for the purpose of
6 financing the construction and operation costs of public safety projects,
7 including, but not limited to, a jail, detention center, sheriff's resource
8 center, crime lab or other county administrative or operational facility
9 dedicated to public safety, to the electors at an election called and held
10 thereon. The tax imposed pursuant to this paragraph shall expire after 10
11 years from the date such tax is first collected. The countywide retailers'
12 sales tax imposed pursuant to this subsection may be extended or reen-
13 acted for additional periods not exceeding 10 years upon the board of
14 county commissioners of Johnson county submitting such question to the
15 electors at an election called and held thereon for each additional ten-
16 year period as provided by law.

17 (22) *The board of county commissioners of Wilson county may submit*
18 *the question of imposing a countywide retailers' sales tax at the rate of*
19 *up to 1% and pledging the revenue received therefrom for the purpose of*
20 *financing the costs of roadway construction and improvements to federal*
21 *highways, the development of a new industrial park and other public*
22 *infrastructure improvements to the electors at an election called and held*
23 *thereon. The tax imposed pursuant to this paragraph shall expire upon*
24 *payment of all costs authorized pursuant to this paragraph in the financ-*
25 *ing of such project or projects.*

26 (c) The boards of county commissioners of any two or more contig-
27 uous counties, upon adoption of a joint resolution by such boards, may
28 submit the question of imposing a retailers' sales tax within such counties
29 to the electors of such counties at an election called and held thereon
30 and such boards of any two or more contiguous counties shall be required
31 to submit such question upon submission of a petition in each of such
32 counties, signed by a number of electors of each of such counties where
33 submitted equal in number to not less than 10% of the electors of each
34 of such counties who voted at the last preceding general election for the
35 office of secretary of state, or upon receiving resolutions requesting such
36 an election passed by not less than $\frac{2}{3}$ of the membership of the governing
37 body of each of one or more cities within each of such counties which
38 contains a population of not less than 25% of the entire population of
39 each of such counties, or upon receiving resolutions requesting such an
40 election passed by $\frac{2}{3}$ of the membership of the governing body of each
41 of one or more taxing subdivisions within each of such counties which
42 levy not less than 25% of the property taxes levied by all taxing subdivi-
43 sions within each of such counties.

1 (d) Any city retailers' sales tax being levied by a city prior to July 1,
2 2006, shall continue in effect until repealed in the manner provided
3 herein for the adoption and approval of such tax or until repealed by the
4 adoption of an ordinance for such repeal. Any countywide retailers' sales
5 tax in the amount of .5% or 1% in effect on July 1, 1990, shall continue
6 in effect until repealed in the manner provided herein for the adoption
7 and approval of such tax.

8 (e) Any city or county proposing to adopt a retailers' sales tax shall
9 give notice of its intention to submit such proposition for approval by the
10 electors in the manner required by K.S.A. 10-120, and amendments
11 thereto. The notices shall state the time of the election and the rate and
12 effective date of the proposed tax. If a majority of the electors voting
13 thereon at such election fail to approve the proposition, such proposition
14 may be resubmitted under the conditions and in the manner provided in
15 this act for submission of the proposition. If a majority of the electors
16 voting thereon at such election shall approve the levying of such tax, the
17 governing body of any such city or county shall provide by ordinance or
18 resolution, as the case may be, for the levy of the tax. Any repeal of such
19 tax or any reduction or increase in the rate thereof, within the limits
20 prescribed by K.S.A. 12-189, and amendments thereto, shall be accom-
21 plished in the manner provided herein for the adoption and approval of
22 such tax except that the repeal of any such city retailers' sales tax may be
23 accomplished by the adoption of an ordinance so providing.

24 (f) The sufficiency of the number of signers of any petition filed un-
25 der this section shall be determined by the county election officer. Every
26 election held under this act shall be conducted by the county election
27 officer.

28 (g) The governing body of the city or county proposing to levy any
29 retailers' sales tax shall specify the purpose or purposes for which the
30 revenue would be used, and a statement generally describing such pur-
31 pose or purposes shall be included as a part of the ballot proposition.

32 Sec. 4. K.S.A. 2007 Supp. 12-189 is hereby amended to read as fol-
33 lows: 12-189. The rate of any city retailers' sales tax shall be fixed in
34 increments of .05% and in an amount not to exceed 2% for general pur-
35 poses and not to exceed 1% for special purposes which shall be deter-
36 mined by the governing body of the city. For any retailers' sales tax im-
37 posed by a city for special purposes, such city shall specify the purposes
38 for which such tax is imposed. All such special purpose retailers' sales
39 taxes imposed by a city shall expire after 10 years from the date such tax
40 is first collected. The rate of any countywide retailers' sales tax shall be
41 fixed in an amount of either .25%, .5%, .75% or 1% which amount shall
42 be determined by the board of county commissioners, except that:

43 (a) The board of county commissioners of Wabaunsee county, for the

1 purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-
2 ments thereto, may fix such rate at 1.25%; the board of county commis-
3 sioners of Osage or Reno county, for the purposes of paragraph (2) of
4 subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such
5 rate at 1.25% or 1.5%; the board of county commissioners of Cherokee,
6 Crawford, Ford, Saline, Seward or Wyandotte county, for the purposes
7 of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments
8 thereto, may fix such rate at 1.5%, the board of county commissioners of
9 Atchison county, for the purposes of paragraph (2) of subsection (b) of
10 K.S.A. 12-187, and amendments thereto, may fix such rate at 1.5% or
11 1.75%; the board of county commissioners of Anderson, Barton, Jefferson
12 or Ottawa county, for the purposes of paragraph (2) of subsection (b) of
13 K.S.A. 12-187, and amendments thereto, may fix such rate at 2%; the
14 board of county commissioners of Marion county, for the purposes of
15 paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments
16 thereto, may fix such rate at 2.5%; and the board of county commissioners
17 of Franklin, Linn and Miami counties, for the purposes of paragraph (2)
18 of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such
19 rate at a percentage which is equal to the sum of the rate allowed to be
20 imposed by the respective board of county commissioners on July 1, 2007,
21 plus up to 1.0%;

22 (b) the board of county commissioners of Jackson county, for the
23 purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-
24 ments thereto, may fix such rate at 2%;

25 (c) the boards of county commissioners of Finney and Ford counties,
26 for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and
27 amendments thereto, may fix such rate at .25%;

28 (d) the board of county commissioners of any county for the purposes
29 of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments
30 thereto, may fix such rate at a percentage which is equal to the sum of
31 the rate allowed to be imposed by a board of county commissioners on
32 the effective date of this act plus .25%, .5%, .75% or 1%, as the case
33 requires;

34 (e) the board of county commissioners of Dickinson county, for the
35 purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-
36 ments thereto, may fix such rate at 1.5%, and the board of county com-
37 missioners of Miami county, for the purposes of paragraph (7) of subsec-
38 tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at
39 1.25%, 1.5%, 1.75% or 2%;

40 (f) the board of county commissioners of Sherman county, for the
41 purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-
42 ments thereto, may fix such rate at 2.25%;

43 (g) the board of county commissioners of Crawford or Russell county

- 1 for the purposes of paragraph (9) of subsection (b) of K.S.A. 12-187, and
2 amendments thereto, may fix such rate at 1.5%;
- 3 (h) the board of county commissioners of Franklin county, for the
4 purposes of paragraph (10) of subsection (b) of K.S.A. 12-187, and
5 amendments thereto, may fix such rate at 1.75%;
- 6 (i) the board of county commissioners of Douglas county, for the
7 purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and
8 amendments thereto, may fix such rate at 1.25%;
- 9 (j) the board of county commissioners of Jackson county, for the pur-
10 poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,
11 may fix such rate at 1.4%;
- 12 (k) the board of county commissioners of Sedgwick county, for the
13 purposes of paragraph (3)(C) of subsection (b) of K.S.A. 12-187, and
14 amendments thereto, may fix such rate at 2%;
- 15 (l) the board of county commissioners of Neosho county, for the pur-
16 poses of paragraph (14) of subsection (b) of K.S.A. 12-187, and amend-
17 ments thereto, may fix such rate at 1.0% or 1.5%;
- 18 (m) the board of county commissioners of Saline county, for the pur-
19 poses of subsection (15) of subsection (b) of K.S.A. 12-187, and amend-
20 ments thereto, may fix such rate at up to 1.5%;
- 21 (n) the board of county commissioners of Harvey county, for the pur-
22 poses of paragraph (16) of subsection (b) of K.S.A. 12-187, and amend-
23 ments thereto, may fix such rate at 2.0%;
- 24 (o) the board of county commissioners of Atchison county, for the
25 purpose of paragraph (17) of subsection (b) of K.S.A. 12-187, and amend-
26 ments thereto, may fix such rate at a percentage which is equal to the
27 sum of the rate allowed to be imposed by the board of county commis-
28 sioners of Atchison county on the effective date of this act plus .25%;
- 29 (p) the board of county commissioners of Wabaunsee county, for the
30 purpose of paragraph (18) of subsection (b) of K.S.A. 12-187, and amend-
31 ments thereto, may fix such rate at a percentage which is equal to the
32 sum of the rate allowed to be imposed by the board of county commis-
33 sioners of Wabaunsee county on July 1, 2007, plus .5%;
- 34 (q) the board of county commissioners of Jefferson county, for the
35 purpose of paragraph (19) of subsection (b) of K.S.A. 12-187, and amend-
36 ments thereto, may fix such rate at 2.0%;
- 37 (r) the board of county commissioners of Riley county, for the pur-
38 pose of paragraph (20) of subsection (b) of K.S.A. 12-187, and amend-
39 ments thereto, may fix such rate at a percentage which is equal to the
40 sum of the rate allowed to be imposed by the board of county commis-
41 sioners of Riley county on July 1, 2007, plus up to 1%; ~~and~~
- 42 (s) the board of county commissioners of Johnson county for the pur-
43 poses of paragraph (18) of subsection (b) of K.S.A. 12-187, and amend-

1 ments thereto, may fix such rate at a percentage which is equal to the
2 sum of the rate allowed to be imposed by the board of county commis-
3 sioners of Johnson county on July 1, 2007, plus .25%; and

4 *(t) the board of county commissioners of Wilson county for the pur-*
5 *poses of paragraph (22) of subsection (b) of K.S.A. 12-187, and amend-*
6 *ments thereto, may fix such rate at up to 2%.*

7 Any county or city levying a retailers' sales tax is hereby prohibited
8 from administering or collecting such tax locally, but shall utilize the serv-
9 ices of the state department of revenue to administer, enforce and collect
10 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and
11 amendments thereto, such tax shall be identical in its application, and
12 exemptions therefrom, to the Kansas retailers' sales tax act and all laws
13 and administrative rules and regulations of the state department of rev-
14 enue relating to the Kansas retailers' sales tax shall apply to such local
15 sales tax insofar as such laws and rules and regulations may be made
16 applicable. The state director of taxation is hereby authorized to admin-
17 ister, enforce and collect such local sales taxes and to adopt such rules
18 and regulations as may be necessary for the efficient and effective ad-
19 ministration and enforcement thereof.

20 Upon receipt of a certified copy of an ordinance or resolution author-
21 izing the levy of a local retailers' sales tax, the director of taxation shall
22 cause such taxes to be collected within or without the boundaries of such
23 taxing subdivision at the same time and in the same manner provided for
24 the collection of the state retailers' sales tax. Such copy shall be submitted
25 to the director of taxation within 30 days after adoption of any such or-
26 dinance or resolution. All moneys collected by the director of taxation
27 under the provisions of this section shall be credited to a county and city
28 retailers' sales tax fund which fund is hereby established in the state treas-
29 ury, *except that all moneys collected by the director of taxation pursuant*
30 *to the authority granted in paragraph (22) of subsection (b) of K.S.A. 12-*
31 *187, and amendments thereto, shall be credited to the Wilson county*
32 *capital improvements fund.* Any refund due on any county or city retailers'
33 sales tax collected pursuant to this act shall be paid out of the sales tax
34 refund fund and reimbursed by the director of taxation from collections
35 of local retailers' sales tax revenue. Except for local retailers' sales tax
36 revenue required to be deposited in the redevelopment bond fund es-
37 tablished under K.S.A. 74-8927, and amendments thereto, all local re-
38 tailers' sales tax revenue collected within any county or city pursuant to
39 this act shall be apportioned and remitted at least quarterly by the state
40 treasurer, on instruction from the director of taxation, to the treasurer of
41 such county or city.

42 Revenue that is received from the imposition of a local retailers' sales
43 tax which exceeds the amount of revenue required to pay the costs of a

1 special project for which such revenue was pledged shall be credited to
2 the city or county general fund, as the case requires.

3 The director of taxation shall provide, upon request by a city or county
4 clerk or treasurer or finance officer of any city or county levying a local
5 retailers' sales tax, monthly reports identifying each retailer doing busi-
6 ness in such city or county or making taxable sales sourced to such city
7 or county, setting forth the tax liability and the amount of such tax re-
8 mitted by each retailer during the preceding month and identifying each
9 business location maintained by the retailer and such retailer's sales or
10 use tax registration or account number. Such report shall be made avail-
11 able to the clerk or treasurer or finance officer of such city or county
12 within a reasonable time after it has been requested from the director of
13 taxation. The director of taxation shall be allowed to assess a reasonable
14 fee for the issuance of such report. Information received by any city or
15 county pursuant to this section shall be confidential, and it shall be un-
16 lawful for any officer or employee of such city or county to divulge any
17 such information in any manner. Any violation of this paragraph by a city
18 or county officer or employee is a class A misdemeanor, and such officer
19 or employee shall be dismissed from office. Reports of violations of this
20 paragraph shall be investigated by the attorney general. The district at-
21 torney or county attorney and the attorney general shall have authority
22 to prosecute violations of this paragraph.

23 Sec. 5. K.S.A. 2007 Supp. 12-192 is hereby amended to read as fol-
24 lows: 12-192. (a) Except as otherwise provided by subsection (b), (d) or
25 (h), all revenue received by the director of taxation from a countywide
26 retailers' sales tax shall be apportioned among the county and each city
27 located in such county in the following manner: (1) One-half of all reve-
28 nue received by the director of taxation shall be apportioned among the
29 county and each city located in such county in the proportion that the
30 total tangible property tax levies made in such county in the preceding
31 year for all funds of each such governmental unit bear to the total of all
32 such levies made in the preceding year, and (2) $\frac{1}{2}$ of all revenue received
33 by the director of taxation from such countywide retailers' sales tax shall
34 be apportioned among the county and each city located in such county,
35 first to the county that portion of the revenue equal to the proportion
36 that the population of the county residing in the unincorporated area of
37 the county bears to the total population of the county, and second to the
38 cities in the proportion that the population of each city bears to the total
39 population of the county, except that no persons residing within the Fort
40 Riley military reservation shall be included in the determination of the
41 population of any city located within Riley county. All revenue appor-
42 tioned to a county shall be paid to its county treasurer and shall be cred-
43 ited to the general fund of the county.

1 (b) (1) In lieu of the apportionment formula provided in subsection
2 (a), all revenue received by the director of taxation from a countywide
3 retailers' sales tax imposed within Johnson county at the rate of .75%, 1%
4 or 1.25% after July 1, 2007, shall be apportioned among the county and
5 each city located in such county in the following manner: (A) The revenue
6 received from the first .5% rate of tax shall be apportioned in the manner
7 prescribed by subsection (a) and (B) the revenue received from the rate
8 of tax exceeding .5% shall be apportioned as follows: (i) One-fourth shall
9 be apportioned among the county and each city located in such county
10 in the proportion that the total tangible property tax levies made in such
11 county in the preceding year for all funds of each such governmental unit
12 bear to the total of all such levies made in the preceding year and (ii)
13 one-fourth shall be apportioned among the county and each city located
14 in such county, first to the county that portion of the revenue equal to
15 the proportion that the population of the county residing in the unincor-
16 porated area of the county bears to the total population of the county,
17 and second to the cities in the proportion that the population of each city
18 bears to the total population of the county and (iii) one-half shall be
19 retained by the county for its sole use and benefit.

20 (2) In lieu of the apportionment formula provided in subsection (a),
21 all money received by the director of taxation from a countywide sales tax
22 imposed within Montgomery county pursuant to the election held on
23 November 8, 1994, shall be remitted to and shall be retained by the
24 county and expended only for the purpose for which the revenue received
25 from the tax was pledged. All revenue apportioned and paid from the
26 imposition of such tax to the treasurer of any city prior to the effective
27 date of this act shall be remitted to the county treasurer and expended
28 only for the purpose for which the revenue received from the tax was
29 pledged.

30 (3) In lieu of the apportionment formula provided in subsection (a),
31 on and after the effective date of this act, all moneys received by the
32 director of taxation from a countywide retailers' sales tax imposed within
33 Phillips county pursuant to the election held on September 20, 2005, shall
34 be remitted to and shall be retained by the county and expended only for
35 the purpose for which the revenue received from the tax was pledged.

36 (c) (1) Except as otherwise provided by paragraph (2) of this subsec-
37 tion, for purposes of subsections (a) and (b), the term "total tangible
38 property tax levies" means the aggregate dollar amount of tax revenue
39 derived from ad valorem tax levies applicable to all tangible property
40 located within each such city or county. The ad valorem property tax levy
41 of any county or city district entity or subdivision shall be included within
42 this term if the levy of any such district entity or subdivision is applicable
43 to all tangible property located within each such city or county.

1 (2) For the purposes of subsections (a) and (b), any ad valorem prop-
2 erty tax levied on property located in a city in Johnson county for the
3 purpose of providing fire protection service in such city shall be included
4 within the term “total tangible property tax levies” for such city regardless
5 of its applicability to all tangible property located within each such city.
6 If the tax is levied by a district which extends across city boundaries, for
7 purposes of this computation, the amount of such levy shall be appor-
8 tioned among each city in which such district extends in the proportion
9 that such tax levied within each city bears to the total tax levied by the
10 district.

11 (d) (1) All revenue received from a countywide retailers’ sales tax
12 imposed pursuant to paragraphs (2), (3)(C), (6), (7), (8), (9), (12), (14),
13 (15), (16), (17), (18), (19) ~~or~~, (20) *or* (22) of subsection (b) of K.S.A. 12-
14 187, and amendments thereto, shall be remitted to and shall be retained
15 by the county and expended only for the purpose for which the revenue
16 received from the tax was pledged.

17 (2) Except as otherwise provided in paragraph (5) of subsection (b)
18 of K.S.A. 12-187, and amendments thereto, all revenues received from a
19 countywide retailers’ sales tax imposed pursuant to paragraph (5) of sub-
20 section (b) of K.S.A. 12-187, and amendments thereto, shall be remitted
21 to and shall be retained by the county and expended only for the purpose
22 for which the revenue received from the tax was pledged.

23 (e) All revenue apportioned to the several cities of the county shall
24 be paid to the respective treasurers thereof and deposited in the general
25 fund of the city. Whenever the territory of any city is located in two or
26 more counties and any one or more of such counties do not levy a coun-
27 tywide retailers’ sales tax, or whenever such counties do not levy coun-
28 tywide retailers’ sales taxes at a uniform rate, the revenue received by
29 such city from the proceeds of the countywide retailers’ sales tax, as an
30 alternative to depositing the same in the general fund, may be used for
31 the purpose of reducing the tax levies of such city upon the taxable tan-
32 gible property located within the county levying such countywide retail-
33 ers’ sales tax.

34 (f) Prior to March 1 of each year, the secretary of revenue shall advise
35 each county treasurer of the revenue collected in such county from the
36 state retailers’ sales tax for the preceding calendar year.

37 (g) Prior to December 31 of each year, the clerk of every county
38 imposing a countywide retailers’ sales tax shall provide such information
39 deemed necessary by the secretary of revenue to apportion and remit
40 revenue to the counties and cities pursuant to this section.

41 (h) The provisions of subsections (a) and (b) for the apportionment
42 of countywide retailers’ sales tax shall not apply to any revenues received
43 pursuant to a county or countywide retailers’ sales tax levied or collected

1 under K.S.A. 74-8929, and amendments thereto. All such revenue col-
2 lected under K.S.A. 74-8929, and amendments thereto, shall be deposited
3 into the redevelopment bond fund established by K.S.A. 74-8927, and
4 amendments thereto, for the period of time set forth in K.S.A. 74-8927,
5 and amendments thereto.

6 Sec. 6. K.S.A. 2007 Supp. 79-4231 is hereby amended to read as
7 follows: 79-4231. (a) There is hereby created in the state treasury the oil
8 and gas valuation depletion trust fund. The director of taxation shall ad-
9 minister the oil and gas valuation depletion trust fund. All amounts cred-
10 ited to the oil and gas valuation depletion trust fund pursuant to the
11 provisions of K.S.A. 79-4227, and amendments thereto, shall be credited
12 to a separate trust account which shall be established within such fund
13 for each county which in fiscal year 2005 or any fiscal year thereafter had
14 \$100,000 or more in receipts of the excise tax upon the severance and
15 production of oil and gas. Each county's trust account shall be credited
16 in the proportion that the amount of oil and gas valuation depletion trust
17 fund receipts collected from that county bears to the total amount of
18 moneys credited to the oil and gas valuation depletion trust fund pursuant
19 to K.S.A. 79-4227, and amendments thereto. Commencing July 1, 2008,
20 and thereafter on an annual basis, such moneys shall remain credited in
21 such account in trust for such county for distributions pursuant to this
22 section.

23 (b) For any tax year that the oil and gas leasehold ad valorem valuation
24 of any county, which has a trust account established and maintained in
25 the oil and gas valuation depletion trust fund as provided by this section,
26 is less than 50% of the oil and gas leasehold ad valorem valuation of such
27 county for the second succeeding tax year which commences January 1
28 following the end of the fiscal year in which the county had \$100,000 or
29 more in receipts of the excise tax upon the production of oil and gas and
30 the county had a trust account established in the oil and gas valuation
31 depletion trust fund as provided by this section, as certified by the prop-
32 erty valuation division, on or before January 15 of the year following such
33 tax year, the director of taxation shall distribute 20% of the moneys cred-
34 ited to such county's trust account to the county treasurer of such county,
35 *except that the director of taxation shall transfer all of the moneys credited*
36 *to the Wilson county trust account to the Wilson county capital improve-*
37 *ment fund in any such tax year until the payment of all costs of financing*
38 *projects authorized pursuant to section 1, and amendments thereto, has*
39 *been completed, and at that time the provisions of this subsection related*
40 *to distributions to the Wilson county treasurer shall be applicable as pro-*
41 *vided in this subsection.* In any year in which a county's oil and gas lease-
42 hold valuation is 50% or more of the oil and gas leasehold valuation of
43 such county for tax year as described in this subsection, such county shall

1 not receive a distribution of trust moneys pursuant to this section for such
2 tax year. On an annual basis, the director of taxation shall certify to the
3 director of accounts and reports the counties entitled to a distribution
4 pursuant to this section. The director of accounts and reports shall draw
5 warrants on the state treasurer payable to the county treasurer of each
6 county entitled to payment from such county's trust account in the oil
7 and gas valuation depletion trust fund upon vouchers approved by the
8 director of taxation.

9 Sec. 7. K.S.A. 2007 Supp. 12-187, 12-189, 12-192 and 79-4231 are
10 hereby repealed.

11 Sec. 8. This act shall take effect and be in force from and after its
12 publication in the Kansas register.