

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 10:35 A.M. on February 16, 2005 in Room 519-S of the Capitol.

All members were present. Senator Jordan - excused

Committee staff present:

Chris Courtwright, Kansas Legislative Research
Martha Dorsey, Kansas Legislative Research
Gordon Self, Revisor of Statutes Office
Nancy Kirkwood, Secretary

Conferees appearing before the committee:

Senator Taddiken
Rachel Rubin, Las Animas, Johnson County Landfill
Charles Benjamin, Sierra Club
Colonel King, Adjutant General's Office

Others attending:

See attached list.

Hearing on:

SB 256 - Income tax exemption for amounts received for recruitment and student loan repayments by members of military

Senator Taddiken, recognized by Chairperson Allen, appeared before the Committee as a proponent of **SB 256**. The bill relates to members of the military, including the Kansas Air National Guard, being required to pay income tax on student loan repayments, and sign-up and retention bonuses (Attachment 1).

Colonel King, appearing on behalf of Major General Tod Bunting, gave testimony in support of **SB 256**. Major Bunting's testimony stated **SB 256** shows the commitment of the legislature to recognize guardsmen, and to provide them financial assistance in the form of tax relief for funds received as an incentive to enlist, or re-enlist, or to repay student loans. Colonel King stated he was speaking on behalf of the National Guard portion of **SB 256** as it stands now (Attachment 2).

The Chair requested KDOR furnish the Committee information on how other states handle this issue; particularly, exempting military bonuses and student loan payments. She stated her desire to work **SB 256** tomorrow, if the information and fiscal note are available. However, the Committee would have the option to work the bill on Monday.

There being no others wishing to testify on **SB 256**, Chairperson Allen closed the hearing.

SB 192 -an act concerning property taxation; relating to exemptions; renewable energy resources or technology

Rachel Rubin appeared before the Committee supporting **SB 192**. Ms. Rubin's testimony stated the initial purpose behind the enactment of 79-201 *Eleventh* was to foster investment in facilities and equipment utilizing renewable energy resources and technologies, in order to promote the use of renewable energy resources. Attached to the testimony was the support of EPA Landfill Methane Outreach Program (LMOP). LMOP also commented on the efforts of the high-Btu landfill gas project at the Johnson County Landfill located in Shawnee, Kansas. If uncontrolled, landfill gas can contribute to local smog and present health and safety hazards (Attachment 3).

CONTINUATION SHEET

MINUTES OF THE Senate Assessment and Taxation Committee at 10:35 A.M. on February 16, 2005 in Room 423-S of the Capitol.

Testimony in support of **SB 192** was presented by Charles Benjamin, on behalf of the Kansas Chapter of the Sierra Club. Mr. Benjamin stated the Kansas Chapter of Sierra Club has just launched a campaign to promote both energy efficiency and renewable energy, especially wind power, in Kansas (Attachment 4).

There being no others wishing to testify on the bill, Chairperson Allen closed the hearing.

Final action on:

SB 195 - Concerning the disposition of seized firearms

Chairperson Allen called for discussion and final action on **SB 195**, stating there had been no amendments offered. Senator Lee made a motion to pass SB 195 out favorably. Senator Pine seconded the motion. The motion carried.

SB 209 - Transportation Development District Act, district sales tax

The Chair called for discussion and final action on **SB 209**. She explained the Committee had amended the bill and attempted to work the bill earlier. However, the Committee had raised several concerns, and no action was taken. Gary Anderson, who asked for introduction of the bill, subsequently worked with the revisor and agreed to an amendment to satisfy the concerns of the Committee. The Chair stated the change was to replace the word "estimate" with the word "maximum", allowing taxpayers to know their maximum exposure when signing petitions. Gordon Self explained the amendment clarifies that at the time of signing the petition and at the time of the public hearing, the financial information that is part of the petition and part of the public hearing would now reflect the "maximum" cost, not the "estimated" cost of the project. (Attachment 5)

Chairperson Allen called for a motion to adopt the balloon to **SB 209**. Senator Apple made a motion to adopt the proposed balloon. Senator Pine seconded the motion. The motion carried.

On the bill as amended, Senator Lee made a motion to pass the bill out favorably, as amended. Senator Bruce seconded the motion. The motion carried.

SB 158 - Property tax exemption for hay and cotton storage structures

Chairperson Allen called for discussion and final action on SB 158. Senator Lee made a motion to amend the bill by removing all reference to cotton storage structures. Senator Pine seconded the motion. The motion carried.

On SB 158, as amended, Senator Pine made a motion to pass the bill out of Committee favorably as amended. Senator Donovan seconded the motion. The motion carried

Further discussion

SB 13 - relating to confidentiality of information; disclosure

Chairperson Allen informed the Committee she had intended to work **SB 13** today. It was referred back to Committee from the Senate Committee of the Whole. Tuck Duncan, representing the Kansas Wine and Spirits Wholesalers Association, appeared before the Committee. He stated he had worked with KDOR, and KDOR and the liquor industry had come to an agreement regarding what information should be disclosed, and under what circumstances.

The Chair stated time did not allow the Committee to further discuss **SB 13** today. The Committee would hear three bills tomorrow, and then work **SB 13**.

The meeting adjourned at 11:55 a.m. The next meeting is scheduled for February 21, 2005

SENATE
ASSESSMENT & TAXATION COMMITTEE

GUEST LIST

DATE: Wed 2/16/05

NAME	REPRESENTING
JUCK DWAN	Ks wine/spirits wholesalers Assn.
Neal Whitaker	Ks Beer Wholesalers
David Corbin	KDOR
Steve Stotts	K
Mark Beck	TV D
Matt Jordan	Commerce
LARRY R BAER	LKM
BON GACHES	GBBA
ADAM KING	ADJ GEN Dept
Paula Kaffka	Intern (Wysong)
Rebecca Rice	Ks Beer Wholesalers, K Clubs & Assoc.
Kimberly Jensen	Aquila
Steve Johnson	Kansas Gas Service
Mark Tardien	2 nd Senate District
Robt J. Fisk	SBC
George Petersen	Ks Taxpayers Network
April Holman	Kansas Action for Children
Ann Burkes	Div. of the Budget

SENATE
ASSESSMENT & TAXATION COMMITTEE

GUEST LIST

DATE: Wed 2/16/05

NAME	REPRESENTING
Rachel Rubin	Las Animas Landfill Gas LLC
Luke Morrow	Las Animas Landfill Gas, LLC
Brend Smoot	Las Animas
Christine Shively	
Charles Benjamin	KS Sierra Club



TOPEKA

SENATE CHAMBER

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SENATOR, 21ST DISTRICT
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MARSHALL, NEMAHA, REPUBLIC, RILEY,
AND WASHINGTON COUNTIES
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taddiken@senate.state.ks.us

COMMITTEE ASSIGNMENTS
CHAIR: AGRICULTURE
MEMBER: NATURAL RESOURCES
UTILITIES
WAYS & MEANS
JOINT COMMITTEE ON SPECIAL
CLAIMS AGAINST THE STATE
LEGISLATIVE EDUCATIONAL
PLANNING

TESTIMONY IN SUPPORT OF SENATE BILL 256

February 16, 2005

SENATE ASSESSMENT AND TAXATION COMMITTEE

by

Senator Mark Taddiken

Thank you Chairperson Allen and committee members for the opportunity to testify in support of Senate Bill 256 today.

A constituent who had recently received her W-2 brought this issue to me. She inquired why she was required to pay income tax on the amount of money the Kansas Air National Guard paid for her schooling in the form of student loan repayments. In researching the matter, I learned that we also tax the income that members of the military receive on recruitment, sign up, and retention bonuses.

The members of our armed services, as well as their families, make commitments and sacrifices to provide our liberty and freedom. With minimal pay the members of our armed forces stand ready to give their lives for our country.

It seems odd that on one hand our government provides incentives and bonuses to encourage these individuals to serve their country and then turns around and takes a good portion of it away from them.

I respectfully request that you allow the members of our armed services to retain more of their incentives and assure them they have the full support of the people of Kansas.

Assessment & Taxation
Date 02-16-05
Attachment # 1

Senate Committee on Assessment and Taxation
Testimony supporting Senate Bill 256
Major General Tod Bunting, The Adjutant General
February 16, 2005

Madam Chairman, thank you for the opportunity to testify today on Senate bill 256.

We applaud the outstanding and continued support of the legislature for our over 7,000 National Guard men and women. Repeatedly they have been called on to serve our state and nation. Today we see large numbers of our personnel proudly serving throughout the world on extended periods of active duty.

Senate bill 256 shows the commitment of the legislature to recognize guardsmen and provide them financial assistance in the form of tax relief for funds received as an incentive to enlist, reenlist or to repay student loans. These incentives help us to attract and retain quality personnel to serve our state and country. Additionally, the student loan repayment program helps our citizen soldiers and airmen to achieve a quality post secondary education at Kansas institutions which enhances the state's work force.

Your initiative to make these funds state tax exempt not only shows your appreciation for their service, but will greatly assist our recruiting and retention efforts as well.

I'll stand for any questions you may have.

**Las Animas Landfill Gas, LLC
P. O. Box 60480
Midland, TX 79711-0480
(432) 563-2766**

Statement of Rachel Rubin
Attorney for Las Animas Landfill Gas, LLC
Senate Assessment and Taxation Committee
2005 Senate Bill 192
February 16, 2005

Madam Chair and Members of the Committee,

I am Rachel Rubin, an Overland Park based Attorney for Las Animas Landfill Gas, LLC. With me today is Luke Morrow, Vice President for Las Animas Landfill Gas, LLC. We are pleased to have the opportunity to appear before you today in support of SB 192.

The initial purpose behind the enactment of 79-201 *Eleventh* was to foster investment in facilities and equipment utilizing renewable energy resources and technologies in order to promote the use of renewable energy resources. We support the clarification proposed in SB 192 in order to promote the continued development of landfill gas technologies in Kansas.

According to the EPA, municipal solid waste landfills are the largest human-generated source of methane emissions in the United States. Given that all landfills generate methane, it makes sense to use the gas for the beneficial purpose of energy generation, rather than emitting it to the atmosphere. Methane is a very potent greenhouse gas that is a key contributor to local smog and global climate change, and is over 21 times more potent than carbon dioxide. The EPA estimates that a landfill gas project will capture roughly 60-90% of the methane emitted from a landfill. Instead of allowing these harmful gases to escape into the air causing pollution in Johnson County, our company, Las Animas Landfill Gas, LLC, captures the gases and converts them into a renewable energy source.

Landfill gas projects go hand-in-hand with Kansas' commitment to cleaner air, improved public welfare and safety, and reductions in greenhouse gases. Converting landfill gas to energy also offsets the need for non-renewable energy resources such as coal and oil, and thereby reduces emissions of air pollutants from conventional resources such as sulfur dioxide, a major contributor to acid rain.

Using landfill gas is a win-win opportunity that has already obtained the support of the State of Kansas. SB 192 simply clarifies the intent of the legislature to provide an exemption for landfill gas projects such as the one at the Johnson County Landfill. As the owner and operator of the landfill gas project, our company has made an investment of over \$8 million in renewable energy resources in Kansas, and wants to continue our

operations so long as we can remain financially viable. In addition to the environmental benefits that Las Animas provides in Johnson County and the surrounding area, we employ 10 full time employees locally, with a payroll of over \$500,000 annually. Las Animas buys pipe and other materials locally, uses local crews, and purchases over \$50,000 per month from Westar in utilities used in its collection and refining processes.

The Johnson County Appraiser has imposed an onerous tax burden on our company for its Johnson County Landfill gas project. We need to clarify that 79-201 *Eleventh* allows a property tax exemption for the collection and conversion of landfill gas to natural gas at the Johnson County Landfill. Due to regulatory constraints in Kansas regarding electricity sales, landfill gas is not converted to electricity *on site*; instead, our company employs a state of the art high BTU process that captures landfill gas, and converts it to natural gas that is funneled to the Kansas Gas Pipeline. Some of the end users use the Pipeline gas to produce and generate electricity.

The federal Environmental Protection Agency supports landfill gas projects, such as the one at the Johnson County Landfill. (see attached letter). Las Animas is a leader in the renewable energy field, and has a current affiliation with the Kansas Geological Survey to study carbon dioxide sequestration in underground coal seams at the Johnson County Landfill. Las Animas is also involved in a cutting edge project to convert animal waste into pipeline-grade natural gas. The United States Department of Energy, Kansas Geological Survey, and the University of Kansas are currently working on site, performing renewable energy research.

The landfill gas project enables the Johnson County Landfill to comply with federal clean air and other environmental standards. *Without the landfill gas project, Johnson County would face an extraordinary environmental problem due to methane emissions and would not be able to achieve compliance with federal and state environmental laws.*

There is certainly a clear public policy in 79-201 *Eleventh* in favor of encouraging the development of economically viable use of renewable energy resources such as landfill gas. It makes no sense to favor the generation of electricity over the generation of natural gas. Heating homes and businesses is an equally, if not preferred, environmentally sound use of renewable energy resources.

Without the clarification, Johnson County will effectively tax Las Animas out of business. Johnson County's imposed tax for *one year alone* would literally wipe out the company's profits over the last 4 years. The clarification suggested for 79-201 *Eleventh* will have minimal effect on current property tax revenues. In fact, the landfill gas recovery project at the Johnson County Landfill is the only one of its kind in Kansas, and one of 3 in the United States, that converts landfill gas into high BTU natural gas. This is the type of project that Kansas should encourage, and one that provides immeasurable benefits to the residents of Kansas. Thank you.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

May 11, 2004

Mr. Luke Morrow
South Texas Treaters
P.O. Box 60480
Midland, Texas 79711

OFFICE OF
AIR AND RADIATION

RE: Johnson County Landfill Gas Project Benefits

Dear Mr. Morrow,

The U.S. EPA Landfill Methane Outreach Program (LMOP) is writing to support and commend the efforts of the high-Btu landfill gas project at the Johnson County Landfill located in Shawnee, Kansas. Landfill gas is approximately 50 percent methane, a potent greenhouse gas that contributes to global climate change. If uncontrolled, landfill gas can also contribute to local smog and present health and safety hazards. The methane found in landfill gas, however, is a reliable and renewable fuel source that can be collected and used in a variety of applications.

The Johnson County project is a prime example of landfill gas being utilized to benefit the local community and the environment. Our records indicate the project captures approximately 5 million standard cubic feet per day of landfill gas. Since the inception of this project, this is equivalent to removing the CO₂ emissions of 28,000 cars, planting 38,000 acres of trees, or heating approximately 74,000 homes. The use of landfill gas from the Johnson County Landfill helps reduce reliance on fossil fuels for Kansas residents.

Regarding your question as to whether landfill gas is the same as natural gas: In the energy industry, natural gas is commonly understood to be a distinct commodity compared to landfill gas. Natural gas is commonly understood to be a product formed over millions of years by a natural process acting on natural materials in a natural environment, none of which are in any way attributable to the efforts or activities of mankind. Natural gas is thermogenic gas and is produced from organic material that was deposited naturally millions of years ago.

Landfill gas is produced as a result of the decomposition of solid waste that is generated by human activity. This decomposition occurs only after the solid waste has been placed and processed in a man-made facility commonly referred to as a "sanitary landfill". Landfill gas consists of about 50 percent methane (CH₄), about 50 percent carbon dioxide (CO₂), and a small amount of non-methane organic compounds. It is classified as a medium-Btu gas with a heating value of 500 Btu per cubic foot.

As you know, the U.S. EPA Landfill LMOP is a voluntary assistance and partnership program that promotes the use of landfill gas as a renewable energy source. LMOP helps businesses, states, and communities protect the environment and build a sustainable energy future. If you should have any questions or need additional assistance please do not hesitate to contact me at (202)343-9406.

Sincerely,

A handwritten signature in black ink that reads "Chris Voell".

Chris Voell
U.S. EPA Landfill Methane Outreach Program

CC: Rachel Rubin, Lathrop & Gage L.C.

Testimony in Favor of S.B. 192
Exempting renewable energy resources from property taxation

Before the Kansas Senate Committee on Assessment and Taxation
February 16, 2005

Charles M. Benjamin, Ph.D., J.D.

Attorney at Law
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Lawrence, Kansas 66044-8642
(785) 841-5902
(785) 841-5922 facsimile
chasbenjamin@sbcglobal.net

On Behalf of the Kansas Chapter of the Sierra Club

Thank you for the opportunity to testify in favor of S.B. 192 that would exempt renewable energy resources from property taxation.

The Sierra Club is the largest grass roots environmental organization in the world with almost 800,000 members including over 4,000 in Kansas. The Kansas Chapter of Sierra Club has just launched a campaign to promote both energy efficiency and renewable energy, especially wind power, in Kansas. Attached to this testimony the February/March 2005 Planet Kansas that elaborates on that campaign and which can also be found on-line at <http://kansas.sierraclub.org/>.

S.B. 192 would show that Kansas is committed to developing its vast renewable energy resources. Kansas has been ranked from first to third as the state with the most wind development potential. If you factor in biomass and solar, Kansas is considered the number one state in the U.S. based on a 1999 Union of Concerned Scientists study on renewable potential.

For many years Kansas and the federal government have given various kinds of tax incentives to encourage non-renewable energy development in Kansas - coal in southeast Kansas, natural gas in western Kansas and petroleum all over the state. As a result Kansas become a net energy exporting state. Energy was exported out of the state and dollars, from all over the U.S., were imported into Kansas. Those dollars coming into Kansas from outside the state created jobs and economic opportunity for Kansans.

Now the coal in southeast Kansas is depleted or too high in sulfur to use. The Hugoton natural gas field is 2/3 depleted. The remaining petroleum reserves are largely "stripper" wells. Starting in the mid-1990s Kansas become a net energy importing state. Now dollars, not energy, are being exported out of Kansas to buy energy and not staying in the state to create jobs and economic prosperity. According to the Kansas Energy Council, Kansas sent \$1.89 billion out of state in

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2004 alone, largely to buy coal from places like Wyoming that is burned in Kansas power plants to make electricity.

It is time to develop the remaining energy resources in the Kansas. Those remaining energy resources in Kansas happen to be renewable energy resources. If we can successfully develop those resources Kansas can again become energy independent. Let's stop sending \$1.89 billion out of state every year to buy energy. Let's develop Kansas' renewable energy resources and keep that money in Kansas to create jobs and economic prosperity. A small property tax incentive now will reap large economic development benefits in the future, for our families and our future.

Thank you for your time and attention. I will stand for questions.

SENATE BILL No. 209

By Committee on Assessment and Taxation

2-7

Proposed Amendments to
Senate Bill No. 209

Assessment & Taxation
Date 02-16-05
Attachment # 5

9 AN ACT concerning the transportation development district act; relating
10 to district sales tax; amending K.S.A. 2004 Supp. 12-17,144 and 12-
11 17,145 and repealing the existing sections.

12-17,142,

12
13 *Be it enacted by the Legislature of the State of Kansas:*

Section 1. K.S.A. 2004 Supp. 12-17,142
is hereby amended to read as follows:
12-17,142.
See attachment

2. 14 Section 1. K.S.A. 2004 Supp. 12-17,144 is hereby amended to read
15 as follows: 12-17,144. (a) Upon filing a petition in accordance with K.S.A.
16 2004 Supp. 12-17,142 and amendments thereto for a district financed in
17 whole or in part by a proposed transportation development district sales
18 tax authorized by K.S.A. 2004 Supp. 12-17,145 and amendments thereto,
19 the municipality shall adopt a resolution stating its intention to levy such
20 transportation development district sales tax, and give notice of the public
21 hearing on the advisability of creating the district, *its intention to levy*
22 *such transportation development district sales tax* and financing of the
23 project. Such notice shall be published at least once each week for two
24 consecutive weeks in the newspaper and shall be sent by certified mail
25 to all owners. The second notice shall be published at least seven days
26 prior to the date of hearing and the certified mailed notice shall be sent
27 at least 10 days prior to the date of hearing. Such notice shall contain the
28 following information:

- 29 (1) The time and place of the hearing;
- 30 (2) the general nature of the proposed project;
- 31 (3) the ~~estimated~~ cost of the project;
- 32 (4) the proposed method of financing of the project;
- 33 (5) the proposed amount of the transportation development district
34 sales tax;
- 35 (6) the proposed amount and method of assessment, if any; and
- 36 (7) a map or boundary description of the proposed district.

maximum

37 (b) The hearing on the advisability of the creating of the district, *the*
38 *intention to levy the transportation development district sales tax* and the
39 financing of the project may be adjourned from time to time. Following
40 the hearing or any continuation thereof, the governing body may create
41 the district, authorize the project and, approve the estimated cost of the
42 project; and the boundaries of the district, *levy the transportation devel-*
43 *opment district sales tax* and *approve* the method of financing by adoption

1 of the appropriate ordinance or resolution. Such ordinance or resolution
 2 shall become effective upon publication once in the newspaper, ~~unless,~~
 3 ~~within 30 days after the commencement of the hearing, a petition re-~~
 4 ~~questing an election upon such question and signed by at least 5% of the~~
 5 ~~owners is submitted to the clerk of the municipality. An election of the~~
 6 ~~owners shall then be called and held thereon, in accordance with subsec-~~
 7 ~~tion (b) of K.S.A. 2004 Supp. 12-17,145 and amendments thereto.~~

3. ~~Sec. 21~~ K.S.A. 2004 Supp. 12-17,145 is hereby amended to read as
 8 follows: 12-17,145. (a) In addition to and notwithstanding any limitations
 9 on the aggregate amount of the retailers' sales tax contained in K.S.A. 12-
 10 187 through 12-197, and amendments thereto, any municipality may im-
 11 pose a transportation development district sales tax on the selling of tan-
 12 gible personal property at retail or rendering or furnishing services taxable
 13 pursuant to the provisions of the Kansas retailers' sales tax act, and
 14 amendments thereto, within a transportation development district for
 15 purposes of financing a project in such district in any increment of .10%
 16 or .25% not to exceed 1% and pledging the revenue received therefrom
 17 to pay the bonds issued for the project. Any transportation development
 18 district sales tax imposed pursuant to this section shall expire no later than
 19 the date the bonds issued to finance such project or refunding bonds
 20 issued therefore shall mature.

21
 22 (b) ~~Any municipality proposing to impose a transportation develop-~~
 23 ~~ment district sales tax authorized by this section shall adopt a resolution~~
 24 ~~stating its intention to levy such tax. Such notice shall contain the infor-~~
 25 ~~mation for notices set forth in subsections (a)(2), (a)(3), (a)(4), (a)(5),~~
 26 ~~(a)(6) and (a)(7) of K.S.A. 2004 Supp. 12-17,144 and amendments thereto~~
 27 ~~and shall be published at least once each week for two consecutive weeks~~
 28 ~~in the newspaper. If within 30 days after the last publication of the notice~~
 29 ~~a petition signed by at least 5% of the owners is submitted to the clerk~~
 30 ~~of the municipality requesting an election upon such question, an election~~
 31 ~~of the owners shall be called and held thereon. If the information in such~~
 32 ~~notice is identical to the information included in such categories in the~~
 33 ~~notice provided in subsection (a) of K.S.A. 2004 Supp. 12-17,144 and~~
 34 ~~amendments thereto, the notice and protest requirements set forth in~~
 35 ~~this section are deemed satisfied by compliance with the notice, hearing~~
 36 ~~and protest requirement of K.S.A. 2004 Supp. 12-17,144 and amend-~~
 37 ~~ments thereto. Such election shall be called and held in the manner pro-~~
 38 ~~vided by K.S.A. 25-431 et seq., and amendments thereto. If no protest or~~
 39 ~~no sufficient protest is filed or if an election is held and the proposition~~
 40 ~~carries by a majority of the owners voting thereon, the governing body,~~
 41 ~~by resolution or ordinance, may levy such tax. Except as provided in this~~
 42 ~~act, the tax authorized by this section shall be administered, collected and~~
 43 ~~subject to provisions of K.S.A. 12-187 to 12-197, inclusive, and amend-~~

Adopted by Committee 02-10-2005

Except as otherwise provided by the provisions of K.S.A. 12-17,141 et seq., and amendments thereto, the tax authorized by this section shall be administered, collected and subject to the provisions of K.S.A. 12-187 to 12-197, inclusive, and amendments thereto.

1 ments thereto.
 2 —(c) Upon receipt of a certified copy of the resolution or ordinance
 3 authorizing the levy of the transportation development district sales tax
 4 pursuant to this section, the state director of taxation shall cause such tax
 5 to be collected in the district at the same time and in the same manner
 6 provided for the collection of the state retailers' sales tax. All of the taxes
 7 collected under the provisions of this act shall be remitted by the secretary
 8 of revenue to the state treasurer in accordance with the provisions of
 9 K.S.A 75-4215, and amendments thereto. Upon receipt of each such re-
 10 mittance, the state treasurer shall deposit the entire amount in the state
 11 treasury. The remainder of such taxes shall be credited to the transpor-
 12 tation development district sales tax fund, which fund is hereby estab-
 13 lished in the state treasury. All moneys in the transportation development
 14 district sales tax fund shall be remitted at least quarterly by the state
 15 treasurer, on instruction from the secretary of revenue, to the treasurers
 16 of those municipalities which are qualified to receive disbursements from
 17 such fund the amount collected within such municipality. Any refund due
 18 on any transportation development district sales tax collected pursuant to
 19 this section shall be paid out of the transportation development district
 20 sales tax refund fund which is hereby established in the state treasury and
 21 reimbursed by the director of taxation from collections of the transpor-
 22 tation development district sales tax authorized by this section. Trans-
 23 portation development district sales tax received by a municipality pur-
 24 suant to this section shall be deposited in the transportation development
 25 district sales tax fund created pursuant to K.S.A. 2004 Supp. 12-17,148,
 26 and amendments thereto.

4.] 27 Sec. [3] K.S.A. 2004 Supp. 12-17,144 and 12-17,145 are hereby [12-17,142,
 28 repealed.

5.] 29 Sec. [4] This act shall take effect and be in force from and after its
 30 publication in the statute book.

Section 1. K.S.A. 2004 Supp. 12-17,142 is hereby amended to read as follows:

12-17,142. (a) In addition to any other power provided by law and as a complete alternative to all other methods provided by law, the governing body of any municipality may create a district as provided by this act for the purpose of financing projects. A municipality may create a district, or may modify a previously created district, upon receipt of a petition signed by the owners of all of the land area within the proposed district. The petition shall contain: (1) The general nature of the proposed project;

(2) the ~~estimated~~ maximum cost of the project;

(3) the proposed method of financing the project;

(4) the proposed amount and method of assessment;

(5) the proposed amount of transportation development district sales tax; and

(6) a map or boundary description of the proposed district.

(b) Names may not be withdrawn from the petitions by the signers thereof after the governing body commences consideration of the petitions or later than seven days after such filing, whichever occurs first. The petition shall contain a notice that: (1) The names of the signers may not be withdrawn after such a period of time; and (2) the signers consent to any assessments to the extent described therein without regard to benefits conferred by the project.

(c) Upon filing of the petition for a district financed only by assessments, the governing body may proceed without notice or a hearing to make findings by resolution or ordinance as to the nature, advisability and estimated cost of the project, the boundaries of the district and the amount and method of assessment. Upon making such findings the governing body may authorize the project in

accordance with such findings as to the advisability of the project. The resolution or ordinance shall be effective upon publication once in a newspaper.

(d) The district boundaries and the method of financing for the project shall not require that all property that is benefited by the project, whether the benefited property is within or without the district, be included in the district or be subject to an assessment or the transportation development district sales tax.

(e) Following authorization of the project, the petition shall be submitted for recording in the office of the register of deeds of the county in which the district is located.