

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 8:30 a.m. on March 30, 2010, in Room 152-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Office of the Revisor of Statutes
Jill Shelley, Kansas Legislative Research Department
Cindy Shepard, Committee Assistant

Others attending:

See attached list.

The Chairman called for action on proposed **S Sub for H 2650 - Transportation works for Kansas program, financing**. Bruce Kinzie reviewed the proposed bill draft (Attachment 1). Legislative Research provided an outline of the proposed bill (Attachment 2).

Chairman Umbarger noted his desire to recommend a comprehensive transportation plan and its funding before recess, allowing legislators to get opinions from their constituents during the break.

Senator Marshall requested discussion on the amendment that would protect the State Highway Fund by requiring a super majority vote by both houses to allow transfer of moneys out of the highway fund. Bruce Kinzie reviewed the proposed balloon amendment (Attachment 3).

Senator Marshall moved, Senator Huntington seconded, to amend S Sub for H 2650 as reflected in the balloon amendment. Motion failed.

Senator Schmidt moved, Senator Petersen seconded, to amend S Sub for H 2650 by removing the 0.3% sales tax increase. Motion failed.

Senator Petersen moved, Senator Donovan seconded, to recommend limiting the spending in any one district, to 45 percent of the total program costs. Motion carried.

Senator Marshall moved, Senator Kultala seconded, to amend S Sub for H 2650 with the spending limitation proposal. Motion carried.

Senator Huntington moved, Senator Marshall seconded, to recommend S Sub for H 2650, as amended, favorably for passage. Motion carried. Senators Apple and Petersen voted no and requested their votes recorded.

The meeting was adjourned at 9:23 a.m. No other meetings are scheduled.

SENATE TRANSPORTATION COMMITTEE GUEST LIST

DATE: 3/30/10

NAME	REPRESENTING
DAN RAMLOW	KS CONTRACTORS ASSN
Allan Johnson	KDOT
Patrick Hurley	Economic Lifelines
Bernie Koch	Ks. Economic Progress Council
Tom Whitaker	KMCA
KEVIN GREGG	KMCA
Scott Heidner	ACEC Kansas
Kent Eckles	KS Chamber of Commerce
N. Zogelman	Polsinelli
Kait Dannon	Strat. Comm.
Wigh Keck	Main Law firm
Terry Heidner	KDOT
Lindsey Douglas	KDOT
Jared Fizzell	Strategic Coms of Kansas
Maji Fanimokun	LKM
Bob Totten	KS Contractors
Doug Mays	KS Contractor Assn
Tom Stanton	N. Natural Gas
Mick Urban	ONEOK, Inc.
Leslie Kaufman	Ks Corp Council

SENATE TRANSPORTATION COMMITTEE GUEST LIST

DATE: 3/30/10

NAME	REPRESENTING
TUCK DUNCAN KS	PUBLIC TRANSIT ASSN
Woody Moses	KAPP - KRMCA

SENATE Substitute for HOUSE BILL NO. 2650

By Committee on Transportation

AN ACT relating to transportation; providing for a transportation works for Kansas program; relating to the financing thereof; amending K.S.A. 8-143b, 8-143c, 8-143g, 8-143h, 8-143i, 8-143k, 8-195, 8-234b, 8-2409, 12-1775, 68-416, 68-20,120, 68-2316, 68-2320, 68-2321 and 68-2328 and K.S.A. 2009 Supp. 8-142, 8-143, 8-143j, 8-143l, 8-145, 8-172, 8-2406, 8-2425, 12-6a35, 12-6a36, 12-1774, 12-1774a, 12-17,148, 12-17,149, 68-2315, 68-2331, 75-5035, 75-5048, 75-5061, 75-5063, 75-5064, 75-5160, 79-3492b, 79-34,141, 79-34,142, 79-3603, 79-3620, 79-3703 and 79-3710 and repealing the existing sections; also repealing K.S.A. 68-2314a.

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

New Section 1. (a) In order to plan, develop and operate or coordinate the development and operation of the various modes and systems of transportation within the state, the secretary of transportation is hereby authorized and directed to initiate a transportation works for Kansas program.

(b) The transportation works for Kansas program shall provide for the construction, improvement, reconstruction and maintenance of the state highway system. The program shall provide for the selection of projects which will allow for the flexibility to meet emerging and economic needs. Program expenditures may include, but not be limited to, the following:

(1) Preservation projects to efficiently maintain a safe state highway system in its original or improved condition. It is the intent of the legislature that bridges and pavement condition of the state highway system be maintained or improved as determined by the Kansas department of transportation's performance measures;

(2) expansion and economic opportunity projects, which include additions to the transportation system or which improve access, relieve congestion and enhance economic development opportunities. The Kansas department of transportation shall develop and utilize criteria for the selection of expansion and economic opportunity projects. The selection criteria shall include, but not be limited to, engineering and traffic data, local consultation, geographic distribution and an economic impact analysis evaluation; and

(3) modernization projects, which include improvements to the transportation system by widening lanes or shoulders, making geometric improvements, upgrading interchanges or building rail grade separations to improve the safety, condition or service of the highway system. The Kansas department of transportation shall develop and utilize criteria for the selection of modernization projects. The selection criteria shall include, but not be limited to, engineering data, local consultation and geographic distribution.

The department of transportation shall develop criteria for the incorporation of practical improvements into designs of the projects specified in this subsection.

(c) The transportation works for Kansas program shall provide for assistance, including credit and credit enhancements, to cities and counties in meeting their responsibilities for the construction, improvement, reconstruction and maintenance of the roads and bridges not on the state highway system. These

expenditures may include, but not be limited to, the following:

(1) Apportionment of the special city and county highway fund to assist cities and counties with their responsibilities for roads and bridges not on the state highway system;

(2) programs to share federal aid with cities and counties to assist with their responsibilities for roads and bridges not on the state highway system;

(3) programs to assist cities with the maintenance of city connecting links as specified in K.S.A. 68-416, and amendments thereto, and local partnership programs to resurface or geometrically improve city connecting links or to promote economic development;

(4) programs to assist cities and counties with railroad crossings of roads not on the state highway system; or

(5) programs that allow local governments to exchange federal aid funds for state funds.

(d) The transportation works for Kansas program shall provide for a railroad program to provide assistance in accordance with K.S.A. 75-5040 through 75-5050, and amendments thereto, for the preservation and revitalization of rail service in the state.

(e) The transportation works for Kansas program shall provide for an aviation program to provide assistance for the planning, constructing, reconstructing or rehabilitating the facilities of public use general aviation airports, in accordance with K.S.A. 75-5061, and amendments thereto.

(f) The transportation works for Kansas program shall provide for public transit programs to aid elderly persons, persons with disabilities and the general public, in accordance with K.S.A. 75-5032 through 75-5038, and amendments thereto, and K.S.A. 75-5051 through 75-5058, and amendments thereto.

(g) The transportation works for Kansas program shall provide for a multimodal economic development program to provide transportation improvement assistance for transportation-sensitive economic opportunities on a local or a regional basis.

(h) The secretary of transportation shall, using the department of transportation selection methods and criteria, determine the projects to be selected for inclusion under the transportation works for Kansas program.

New Sec. 2. (a) On and after January 1, 2013, the division of vehicles shall provide for the registration of and the issuance of license plates for trailers which are registered for a gross weight of 54,000 pounds or more in accordance with the provisions of this section. License plates issued under this section shall be permanent in nature and designed in such a manner as to remain with the trailer for the duration of the life span of the trailer or until the title to the trailer is transferred by the owner. Such license plates shall be distinctive and there shall be no year date thereon. Trailers registered under the provisions of this section shall pay a one-time registration fee of \$10 and shall be issued a permanent

registration cab card for the duration of the life span of the trailer or until the title to the trailer is transferred by the owner. License plates issued under this section shall not be transferable to any other trailer.

(b) The secretary of revenue may adopt rules and regulations in order to administer the provisions of this section.

(c) This section shall be part of and supplemental to article 1 of chapter 8 of the Kansas Statutes Annotated.

Sec. 3. K.S.A. 2009 Supp. 8-142 is hereby amended to read as follows: 8-142. It shall be unlawful for any person to commit any of the following acts and except as otherwise provided, violation is subject to penalties provided in K.S.A. 8-149, and amendments thereto:

First: To operate, or for the owner thereof knowingly to permit the operation, upon a highway of any vehicle, as defined in K.S.A. 8-126, and amendments thereto, which is not registered, or for which a certificate of title has not been issued or which does not have attached thereto and displayed thereon the license plate or plates assigned thereto by the division for the current registration year, including any registration decal required to be affixed to any such license plate pursuant to K.S.A. 8-134, and amendments thereto, subject to the exemptions allowed in K.S.A. 8-135, 8-198 and 8-1751a, and amendments thereto. A violation of this First by a person unlawfully claiming that a motor vehicle is exempt from registration as a self-propelled crane under subsection (b) of K.S.A. 8-128, and amendments

thereto, shall constitute an unclassified misdemeanor punishable by a fine of not less than \$500.

Second: To display or cause or permit to be displayed, or to have in possession, any registration receipt, certificate of title, registration license plate, registration decal, accessible parking placard or accessible parking identification card knowing the same to be fictitious or to have been canceled, revoked, suspended or altered. A violation of this part Second shall constitute an unclassified misdemeanor punishable by a fine of not less than \$100 and forfeiture of the item. A mandatory court appearance shall be required of any person violating this part Second. This part Second shall not apply to the possession of: (a) Model year license plates displayed on antique vehicles as allowed under K.S.A. 8-172, and amendments thereto; or (b) distinctive license plates allowed under K.S.A. 8-1,147, and amendments thereto.

Third: To lend to or knowingly permit the use by one not entitled thereto any registration receipt, certificate of title, registration license plate or registration decal issued to the person so lending or permitting the use thereof.

Fourth: To fail or refuse to surrender to the division, upon demand, any registration receipt, certificate of title, registration license plate or registration decal which has been suspended, canceled or revoked.

Fifth: To use a false or fictitious name or address in any application for a certificate of title, the registration of any

vehicle or for any renewal or duplicate thereof, or knowingly to make a false statement or knowingly to conceal a material fact or otherwise commit a fraud in any such application.

Sixth: For the owner of a motor vehicle to file application for the registration thereof, in any county other than the county in which the owner of the vehicle resides or has a bona fide place of business, which place is not an office or facility established or maintained solely for the purpose of obtaining registration.

Seventh: To operate on the highways of this state a vehicle or combination of vehicles whose weight with cargo is in excess of the gross weight for which the truck or truck tractor propelling the same is registered, except as provided by K.S.A. 8-143, and amendments thereto, and subsections (a) to (f), inclusive, of K.S.A. 8-1911, and amendments thereto. Such gross weight shall not be required to be in excess of the limitations described by K.S.A. 8-1908 and 8-1909, and amendments thereto, for such vehicle or combination of vehicles of which it is a part. Any person or owner who operates a vehicle in this state with a registration in violation of subsection ~~(2)~~ (b) of K.S.A. 8-143, and amendments thereto, shall be required to pay the additional fee equal to the fee required by the applicable registration fee schedule, less the amount of the fee required for the gross weight for which the vehicle is registered to obtain the proper registration therewith. A fine of \$75 shall be assessed for all such gross weight registration violations.

Eighth: To operate a local truck or truck tractor which is registered for a gross weight of more than 12,000 pounds as a common carrier outside a radius of three miles beyond the corporate limits of the city in which such vehicle was based when registered and licensed or to operate any other local truck or truck tractor licensed for a gross weight of more than 12,000 pounds outside a radius of 25 miles beyond the corporate limits of the city in which such vehicle was based when registered and licensed, except as provided in subsection ~~(2)~~ (b) of K.S.A. 8-143 or 8-143i, and amendments thereto.

Ninth: To operate on the highways of this state a farm truck or farm trailer other than to transport: (a) Agricultural products produced by such owner; (b) commodities purchased by the owner for use on the farm owned or rented by the owner of such vehicles; (c) commodities for religious or educational institutions being transported by the owner of such vehicles for charity and without compensation of any kind, except as provided in subsection (c) of K.S.A. 66-1,109, and amendments thereto; or (d) sand, gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill material to a township road maintenance or construction site of the township in which the owner of such truck resides.

Tenth: To operate a farm truck or truck tractor used in combination with a trailer or semitrailer for a gross weight which does not include the empty weight of the truck or truck tractor or of the combination of any truck or truck tractor and

any type of trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same; and such farm truck or farm truck tractor used to transport a gross weight of more than 54,000 pounds shall have durably lettered on the side of the motor vehicle the words "farm vehicle--not for hire."

Eleventh: To operate on the highways of this state any truck or truck tractor without the current quarter of license fees being paid thereon.

Twelfth: To operate on the highways of this state a truck or truck tractor without carrying in the cab a copy of the registration receipt for such vehicle or without having painted or otherwise durably marked on said vehicle on both sides thereof, the gross weight for which said vehicle is licensed and the name and address of the owner thereof, except as provided in K.S.A. 8-143e, and amendments thereto.

Thirteenth: To operate on the highways of this state a farm trailer carrying more than 6,000 pounds without being registered and the registration fees paid thereon.

Fourteenth: To operate more than 6,000 miles in any calendar year any truck or truck tractor which has been registered and licensed to operate not more than 6,000 miles in such calendar year, as provided in subsection ~~(2)~~ (b) of K.S.A. 8-143, and amendments thereto, unless the additional fee required by ~~said~~ such subsection ~~(2)~~ (b) has been paid.

Fifteenth: For any owner who has registered a truck or truck tractor on the basis of operating not more than 6,000 miles to

fail to keep the records required by the director of vehicles, or to fail to comply with rules and regulations of the secretary of revenue relating to such registration.

Sixteenth: To operate a vehicle or combination of vehicles on the national system of interstate and defense highways with a gross weight greater than permitted by the laws of the United States Congress.

Sec. 4. K.S.A. 2009 Supp. 8-143 is hereby amended to read as follows: 8-143. ~~(i)~~ (a) All applications for the registration of motorcycles, motorized bicycles and passenger vehicles other than trucks and truck tractors, except as otherwise provided, shall be accompanied by an annual license fee as follows: ~~For motorized bicycles, \$11; for motorcycles, \$16; for passenger vehicles, other than motorcycles, used solely for the carrying of persons for pleasure or business, and for hearses and ambulances a fee of (i) \$30 for those having a gross weight of 4,500 pounds or less; (ii) \$40 for those having a gross weight of more than 4,500 pounds;~~

(1) For motorized bicycles, \$11, on January 1, 2013, \$21, on January 1, 2014, \$31;

(2) for motorcycles, \$16, on January 1, 2013, \$26, on January 1, 2014, \$36;

(3) for passenger vehicles, other than motorcycles, used solely for the carrying of persons for pleasure or business, and for hearses and ambulances a fee of:

(A) For those having a gross weight of 4,500 pounds or less,

\$30, on January 1, 2013, \$40, on January 1, 2014, \$50; and

(B) for those having a gross weight of more than 4,500 pounds, \$40, on January 1, 2013, \$50, on January 1, 2014, \$60;

(4) for each electrically propelled motor vehicle, except electrically propelled vehicles intended for the purpose of transporting any commodity, goods, merchandise, produce or freight, or passengers for hire, a fee of \$14, on January 1, 2013, \$24, on January 1, 2014, \$34.

(5) Except for motor vehicles, trailers or semitrailers registered under the provisions of K.S.A. 8-1,134, and amendments thereto, the annual registration fee for each motor vehicle, trailer or semitrailer owned by any political or taxing subdivision of this state or by any agency or instrumentality of any one or more political or taxing subdivisions of this state and used exclusively for governmental purposes and not for any private or utility purposes, which is not otherwise exempt from registration, shall be \$2.

~~(2)~~ (b) (1) As used in this subsection, the term "gross weight" shall mean and include the empty weight of the truck, or combination of the truck or truck tractor and any type trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same, except when the empty weight of a truck plus the maximum weight of cargo which will be transported thereon is 12,000 pounds or less. The term gross weight shall not include: The weight of any travel trailer propelled thereby which is being used for private recreational

purposes; or the weight of any vehicle or combination of vehicles for which wrecker or towing service, as defined in K.S.A. 66-1329, and amendments thereto, is to be provided by a wrecker or tow truck, as defined in K.S.A. 66-1329, and amendments thereto. Such wrecker or tow truck shall be registered for the empty weight of such vehicle fully equipped for the recovery or towing of vehicles. The gross weight license fees hereinafter prescribed shall only apply to the truck or truck tractor used as the propelling unit for the cargo and vehicle propelled, either as a single vehicle or combination of vehicles. On application for the registration of a truck or truck tractor, the owner thereof shall declare as a part of such application the maximum gross weight the owner desires to be applicable to such vehicle, which declared gross weight in no event shall be in excess of the limitations described by K.S.A. 8-1908 and 8-1909, and amendments thereto, for such vehicle or combination of vehicles of which it will be a part. All applications for the registration of trucks or truck tractors, except as otherwise provided herein, shall be accompanied by an annual license fee as follows:

(A) Prior to January 1, 2013:

For a gross weight of 12,000 lbs. or less	\$40
For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	102
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	132
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	197
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	312
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.....	312
For a gross weight of more than 30,000 lbs. and not	

more than 36,000 lbs.	375
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	475
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	605
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	805
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	1,010
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	1,210
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	1,535
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	1,735
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,935

(B) On January 1, 2013, through December 31, 2013:

<u>For a gross weight of 12,000 lbs. or less</u>	<u>\$50</u>
<u>For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.</u>	<u>152</u>
<u>For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.</u>	<u>182</u>
<u>For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.</u>	<u>247</u>
<u>For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.</u>	<u>362</u>
<u>For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.</u>	<u>362</u>
<u>For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.</u>	<u>425</u>
<u>For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.</u>	<u>525</u>
<u>For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.</u>	<u>655</u>
<u>For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.</u>	<u>855</u>
<u>For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.</u>	<u>1,095</u>
<u>For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.</u>	<u>1,295</u>
<u>For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.</u>	<u>1,620</u>
<u>For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.</u>	<u>1,820</u>
<u>For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.</u>	<u>2,020</u>

(C) On January 1, 2014:

For a gross weight of 12,000 lbs. or less	\$60
For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	202
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	232
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	297
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	412
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	412
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	475
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	575
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	705
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	905
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	1,145
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	1,345
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	1,670
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	1,870
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	2,070

(2) If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds is the state of Kansas or any political or taxing subdivision or agency of the state, except a city or county, whose truck or truck tractor is not otherwise entitled to the \$2 license fee or otherwise exempt from all fees, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors.

(3) If the applicant for registration of any truck or truck tractor for a gross weight of more than 12,000 pounds shall under oath state in writing on a form prescribed and furnished by the

director of vehicles that the applicant does not expect to operate it more than 6,000 miles in the calendar year for which the applicant seeks registration, and that if the applicant shall operate it more than 6,000 miles during such registration year such applicant will pay an additional fee equal to the fee required by the preceding schedule under paragraph (1), less the amount of the fee paid at time of registration, such vehicle may be licensed for a fee in accordance with the schedule hereinafter prescribed for local trucks or truck tractors;--and--whenever--the same. Whenever a truck or truck tractor is registered on a local truck or truck tractor fee basis a tab or marker shall be issued in connection with the regular license plate, which tab or marker shall be attached or affixed to and displayed with the regular license plate and the failure to have the same attached, affixed or displayed shall be subject to the same penalties as provided by law for the failure to display the regular license plate; and the secretary of revenue may adopt rules and regulations requiring the owners of trucks and truck tractors so registered on a local truck or truck tractor fee basis to keep such records and make such reports of mileage of such vehicles as the secretary of revenue shall deem proper.

(4) A transporter delivering vehicles not the transporter's own by the driveaway method where such vehicles are being driven, towed, or transported singly, or by the saddlemount, towbar, or fullmount methods, or by any lawful combination thereof, may apply for license plates which may be transferred from one such

vehicle or combination to another for each delivery without further registration, and the annual license fee for such license plate shall be as follows:

(A) Prior to January 1, 2013:

For the first such set of license plates	\$44
For each additional such set of license plates	18

(B) On January 1, 2013, through December 31, 2013:

For the first such set of license plates	\$54
For each additional such set of license plates	28

(C) On January 1, 2014:

For the first such set of license plates	\$64
For each additional such set of license plates	38

(5) A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is operated wholly within the corporate limits of a city or village or within a radius of 25 miles beyond the corporate limits, shall be classified as a local truck except that in no event shall such vehicles operated as contract or common carriers outside a radius of three miles beyond the corporate limits of the city or village in which such vehicles were based when registered and licensed be considered local trucks or truck tractors. The secretary of revenue is hereby authorized and directed to adopt rules and regulations prescribing a procedure for the issuance of permits by the division of vehicles whereby owners of local trucks or truck tractors may operate any such vehicle, empty, beyond the radius hereinbefore prescribed, when such operation is solely for the purpose of having such vehicle repaired, painted or serviced or

for adding additional equipment thereto. The annual license fee for a local truck or truck tractor, except as otherwise provided herein, shall be as follows:

(A) Prior to January 1, 2013:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$62
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	102
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	132
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	177
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	177
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	215
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	245
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	315
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	415
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	480
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	580
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	760
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	890
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,010

(B) On January 1, 2013, through December 31, 2013:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$112
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	152
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	182
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	227
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	227
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	265
For a gross weight of more than 36,000 lbs. and not	

more than 42,000 lbs.	295
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	365
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	465
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	565
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	665
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	845
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	975
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,095

(C) On January 1, 2014:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$162
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	202
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	232
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	277
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	277
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	315
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	345
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	415
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	515
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	615
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	715
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	895
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	1,025
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,145

(6) A truck or truck tractor registered for a gross weight of more than 12,000 pounds, which is owned by a person engaged in

farming and which truck or truck tractor is used by such owner to transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such farm truck or truck tractor, shall be classified as a farm truck or truck tractor and the annual license fee for such farm truck shall be as follows:

(A) Prior to January 1, 2013:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$37
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	42
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	52
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	72
For a gross weight of more than 26,000 lbs. and not more than 36,000 lbs.	72
For a gross weight of more than 36,000 lbs. and not more than 54,000 lbs.	75
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	190
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	370
For a gross weight of more than 66,000 lbs.	610

(B) On January 1, 2013, through December 31, 2013:

<u>For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.</u>	<u>\$47</u>
<u>For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.</u>	<u>92</u>
<u>For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.</u>	<u>102</u>
<u>For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.</u>	<u>122</u>
<u>For a gross weight of more than 26,000 lbs. and not more than 36,000 lbs.</u>	<u>122</u>
<u>For a gross weight of more than 36,000 lbs. and not more than 54,000 lbs.</u>	<u>125</u>
<u>For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.</u>	<u>275</u>
<u>For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.</u>	<u>455</u>
<u>For a gross weight of more than 66,000 lbs.</u>	<u>695</u>

(C) On January 1, 2014:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$57
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	142
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	152
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	172
For a gross weight of more than 26,000 lbs. and not more than 36,000 lbs.	172
For a gross weight of more than 36,000 lbs. and not more than 54,000 lbs.	175
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	325
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	505
For a gross weight of more than 66,000 lbs.	745

A vehicle licensed as a farm truck or truck tractor may be used by the owner thereof to transport, for charity and without compensation of any kind, commodities for religious or educational institutions. A truck which is licensed as a farm truck may also be used for the transportation of sand, gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill material to a township road maintenance or construction site of the township in which the owner of such truck resides. Any applicant for registration of any farm truck or farm truck tractor used in combination with a trailer or semitrailer shall register the farm truck or farm truck tractor for a gross weight which shall include the empty weight of the truck or truck tractor or of the combination of any truck or truck tractor and any type of trailer or semitrailer, plus the maximum weight of cargo which will be transported on or with the same. The applicant for registration of any farm truck or farm truck

tractor used to transport a gross weight of more than 54,000 pounds shall durably letter on the side of the motor vehicle the words "farm vehicle--not for hire." If an applicant for registration of any farm truck or farm truck tractor operates such vehicle for any use or purpose not authorized for a farm truck or farm truck tractor, such applicant shall pay an additional fee equal to the fee required for the registration of all trucks or truck tractors not registered as local, 6,000-mile or farm truck or farm truck tractor motor vehicles, less the amount of the fee paid at time of registration. Nothing in this or the preceding paragraph shall authorize a gross weight of a vehicle or combination of vehicles on the national system of interstate and defense highways greater than permitted by laws of the United States congress.

(7) Except as hereinafter provided, the annual license fee for each local urban transit bus used in local urban transit operations exempted under the provisions of subsection (a) of K.S.A. 66-1,109, and amendments thereto, shall be based on the passenger seating capacity of the bus and shall be as follows:

(A) Prior to January 1, 2013:

8 or more, but less than 31 passengers	\$15
31 or more, but less than 40 passengers	30
More than 39 passengers	60

(B) On January 1, 2013, through December 31, 2013:

8 or more, but less than 31 passengers	\$25
31 or more, but less than 40 passengers	40
More than 39 passengers	70

(C) On January 1, 2014:

8 or more, but less than 31 passengers	\$35
31 or more, but less than 40 passengers	50
More than 39 passengers	80

~~except--that~~ The annual license fee for each local urban transit bus which is owned by a metropolitan transit authority established pursuant to articles 25 and 28 of chapter 12 or pursuant to article 31 of chapter 13 of the Kansas Statutes Annotated shall be \$2.

(8) For licensing purposes, station wagons with a carrying capacity of less than 10 passengers shall be subject to registration fees based on the weight of the vehicles, as provided in subsection ~~(1)~~ (a). Station wagons with a carrying capacity of 10 or more passengers shall be subject to the truck classifications and license fees ~~therefor--shall--be~~ as herein provided.

~~(a)~~ (9) For any trailer, semitrailer, travel trailer or pole trailer the annual license fee shall be as follows:

(A) (i) Until January 1, 2013, for any such vehicle with a gross weight of more than 12,000 pounds the annual fee shall be \$35;

(ii) On January 1, 2013, for any such vehicle with a gross weight of more than 12,000 pounds but less than 54,000 pounds the annual fee shall be \$45, on January 1, 2014, \$55;

(B) any such vehicle grossing more than 8,000 pounds but not over 12,000 pounds, the annual fee shall be \$25, on January 1, 2013, \$35, on January 1, 2014, \$45;

(C) for any such vehicle grossing more than 2,000 pounds but

not over 8,000 pounds, the annual fee shall be \$15, on January 1, 2013, \$25, on January 1, 2014, \$35.

Any such vehicle having a gross weight of 2,000 pounds or less may, at the owner's option, be registered and the fee for such registration shall be \$15 as provided in paragraph (C).

Any trailer, semitrailer or travel trailer owned by a nonresident of this state and based in another state, which is properly registered and licensed in the state of residence of the owner or in the state where based, may be operated in this state without being registered or licensed in this state if the truck or truck tractor propelling the same is properly registered and licensed in this state, or is registered and licensed in some other state and is entitled to reciprocal privileges of operation in this state, but this provision shall not apply to any trailer or semitrailer owned by a nonresident of this state when such trailer or semitrailer is owned by a person who has proportionately registered and licensed a fleet of vehicles under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto, or under the terms of any reciprocal or proration agreement made pursuant thereto.

At the option of the owner, any trailer, semitrailer or pole trailer, with a gross weight of more than 12,000 pounds, may be issued a multi-year registration for a five-year period upon payment of the appropriate registration fee. The fee for a five-year registration of such trailer shall be five times the annual fee for such trailer. If the annual registration fee is

increased during the multi-year registration period, the owner of the trailer with such multi-year registration shall be subject to the amount of the increase of the annual registration fee for the remaining calendar years of such multi-year registration. When the owner of any trailer, semitrailer or pole trailer registered under this multi-year provision transfers or assigns the title, or interest thereto, the registration of such trailer shall expire. The owner shall remove the license plate from such trailer and forward the license plate to the division of vehicles or may have such license plate assigned to another trailer, semitrailer or pole trailer upon the payment of fees required by law. Any owner of a trailer, semitrailer or pole trailer where the multi-year registration fee has been paid and the trailer is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another trailer, may secure a refund for the registration fee for the remaining calendar years by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles. The secretary of revenue may adopt such rules and regulations necessary to implement the multi-year registration of such trailers, semitrailers and pole trailers.

~~(b)~~ (c) Any truck or truck tractor having a gross weight of 4,000 pounds or over, using solid tires, shall pay a license fee of double the amount herein charged. The annual fees herein provided for trucks, truck tractors and trailers not subject to

K.S.A. 8-134a, and amendments thereto, shall be due January 1 of each year and payable on or before the last day of February in each year. If the fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof and until December 31 of each registration year. The annual registration fee for all passenger vehicles and vehicles subject to K.S.A. 8-134a, and amendments thereto, shall be due on or before the last day of the month in which the registration plate expires and shall be due for other vehicles as provided by K.S.A. 8-134, and amendments thereto. If the registration fee is not paid by such date a penalty of \$1 shall be added to the fee charged herein for each month or fraction thereof until such registration fee is paid. Members of the armed forces of the United States shall be permitted to apply for registration at any time and be subject to registration fee, less penalties, applicable at the time the application is made. If any motorcycle, motorized bicycle, trailer, semitrailer, travel trailer, or pole trailer is either purchased or acquired after the anniversary or renewal date in any registration year there shall immediately become due and payable a registration fee as follows: If purchased or acquired between the anniversary or renewal date of any registration year and the first six months of such registration year, the annual fee hereinbefore provided; if purchased or acquired during the last six months of any registration year, 50% of such annual fee. If any truck or truck tractor, except trucks subject to K.S.A. 8-134a, and amendments

thereto, is purchased or acquired prior to April 1 of any year the fee shall be the annual fee hereinbefore provided, but if such truck or truck tractor is purchased or acquired after the end of March of any year, the license fee for such year shall be reduced 1/12 for each calendar month which has elapsed since the beginning of the year. If any truck registered for a gross weight of 12,000 pounds or less or passenger vehicle is purchased or acquired and less than 12 months remain in the registration period, the fee shall be 1/12 of the annual fee for each calendar month remaining in the registration period.

~~(e)~~ (d) The owner of any motorcycle, motorized bicycle, passenger vehicle, truck, truck tractor, trailer, semitrailer, or electrically propelled vehicle who fails to pay the registration fee or fees herein provided on the date when the same become due and payable shall be guilty of a misdemeanor, and upon conviction thereof shall be subject to a penalty in the sum of \$1 for each month or fraction thereof during which such fee has remained unpaid after it became due and payable; and in addition thereto shall be subject to such other punishment as is provided in this act. Upon the transfer of motorcycles, motorized bicycles, passenger vehicles, trailers, semitrailers, trucks or truck tractors, on which registration fees have been paid for the year in which the transfer is made, either ~~(A)~~ (1) to a corporation by one or more persons, solely in exchange for stock or securities in such corporation, or ~~(B)~~ (2) by one corporation to another corporation when all of the assets of such corporation are

transferred to the other corporation, then in either case ~~(A)~~ (1) or case ~~(B)~~ (2) the corporation shall be exempt from the payment of registration fees on such vehicles for the year in which such transfer is made. Applications for transfer or registration shall be accompanied by a fee of \$1.50. When the registration of a vehicle has expired at midnight on the last day of any registration year, and such vehicle is not thereafter operated upon the highways, any application for renewal of registration made subsequent to the anniversary or renewal date of any registration year following the expiration of such registration and for succeeding registration years in which such vehicle has not been registered shall be accompanied by an affidavit of nonoperation and nonuse, and such application for renewal or registration shall be received by the division of vehicles upon payment of the proper fees for the current registration year and without penalty.

~~(3)~~ (e) Any nonresident of Kansas purchasing a vehicle from a Kansas resident and desiring to secure registration on the vehicle in the state of such person's residence may make application in the office of any county treasurer for a thirty-day temporary registration. The county treasurer upon presentation of evidence of ownership in the applicant and evidence the sales tax has been paid, if due, shall charge and collect a fee of ~~\$3~~ \$10 for each thirty-day temporary license and issue a sticker or paper registration as may be determined by the director of vehicles, and the registration so issued shall be

valid for a period of 30 days from the date of issuance.

(4) (f) Any owner of any motor vehicle which is subject to taxation under the provisions of article 51 of chapter 79 of the Kansas Statutes Annotated or any other truck or truck tractor where the annual registration fee has been paid and the vehicle is sold, junked, repossessed, foreclosed by a mechanic's lien or title transferred by operation of law, and the registration thereon is not going to be transferred to another vehicle may secure a refund for the registration fee for the remaining portion of the year by making application to the division of vehicles on a form and in the manner prescribed by the director of vehicles, accompanied by all license plates and attachments issued in connection therewith. If the owner of the registration becomes deceased and the vehicle is not going to be used on the highway, and title is not being currently transferred, the proper representative of the estate shall be entitled to the refund. The refund shall be made only for the period of time remaining in the registration year from the date of completion and filing of the application with and delivery of the license plate and attachments to the division of vehicles. Where the registration is secured under a quarterly payment annual registration fee, as provided for in K.S.A. 8-143a, and amendments thereto, such refund shall be made on the quarterly fee paid and unused and all remaining quarterly payments shall be canceled. Any truck or truck tractor having the registration fee paid on quarterly payment basis, all quarterly payments due or a fraction of

quarterly payment due shall be paid before title may be transferred, except that in case of death, the filing of the application and returning of the license plate and attachment shall cancel the remaining annual payments due. Whenever a truck or truck tractor, where the registration is secured on a quarterly payment of the annual registration, the one repossessing the truck or truck tractor, or foreclosing by a mechanic's lien, or securing title by court order, the mortgagor or the assigns of the mortgagor, or the one securing title may pay the balance due on date of application for title, but the payments for the remaining portion of the year shall not be canceled unless application is made and the license plate and attachments are surrendered. Nothing in this subsection shall apply when registration is secured under the provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto. Notwithstanding any of the foregoing provisions of this section, no refund shall be made under the provisions of this section where the amount thereof does not exceed \$5. The division of vehicles shall furnish such blank forms as may be required under the provisions of this subsection as it deems necessary to be completed by the applicant. Whenever a registration which has been secured on a quarterly basis shall be canceled as provided in this subsection, the division of vehicles shall notify the county treasurer issuing the original registration of such cancellation so that the county treasurer may, and the county treasurer shall cancel the registration of such vehicle in the

county treasurer's office and release any lien issued in connection with such registration.

~~(5)~~ (g) Every owner of a travel trailer designed for or intended to be moved upon any highway in this state shall, before the same is so moved, apply for and obtain the proper registration thereof as provided in this act, except when such unit is permitted to be moved under the special provisions relating to secured parties, manufacturers, dealers and nonresidents contained in this act. At the time of registering any travel trailer for the purpose of moving any such vehicle upon any highway in this state, the owner thereof shall indicate on the registration form whether or not such vehicle is being moved permanently to a location outside of the county in which such vehicle is being registered. No such vehicle which the owner thereof intends to move to a permanent location outside the boundaries of such county shall be registered for movement on the highways of this state until all taxes levied against such vehicle have been paid. A copy of such registration form shall be sent to the county clerk or assessor of the county to which such vehicle is being moved. When such travel trailer is used for living quarters and not operated on the highways, the owner shall be exempt from the license fees as provided in ~~paragraph--(a)--of subsection--(2)~~ subsection (b)(9) so long as such travel trailer is not operated on the highway.

Sec. 5. K.S.A. 8-143b is hereby amended to read as follows:
8-143b. (a) Except as provided in K.S.A. 8-143k, and amendments

thereto, and subsection (b), the owner of any truck or truck tractor which is duly registered and licensed in some other state, desiring to operate in intrastate commerce in this state for a temporary period only, in lieu of payment of the annual license fee, may register such truck or truck tractor and obtain either: (1) A ~~seventy-two-hour~~ 72-hour temporary registration; or (2) a thirty-day license authorizing operation on the highways of this state for a period not to exceed 30 days from the date of issuance of such license. The fee for: The ~~seventy-two-hour~~ 72-hour temporary registration shall be \$26, on January 1, 2013, \$36, on January 1, 2014, \$46 and the fee for the thirty-day license shall be \$26, on January 1, 2013, \$36, on January 1, 2014, \$46 or 1/8 of the annual license fee for such vehicle, whichever sum is the larger. Where either fee is paid on a truck or truck tractor no registration or fee shall be required for a trailer or semitrailer duly registered in this or another state and propelled by such truck or truck tractor. Application for such temporary registration or license shall be made to the division in the manner and form prescribed by the director and shall be accompanied by the required fee, which shall be deposited by the director as provided by K.S.A. 8-146, and amendments thereto.

(b) Whenever any natural catastrophe or disaster, civil riot or disorder or any other condition exists in this state that requires or necessitates emergency assistance or aid from persons owning ambulances, rescue vehicles or utility vehicles which are

subject to the provisions of this section, such persons shall be exempt from the payment of the fee required in subsection (a) for any such ambulance, rescue vehicle or utility vehicle that is operated in this state for the purpose of or in connection with rendering such emergency assistance or aid.

Sec. 6. K.S.A. 8-143c is hereby amended to read as follows:
8-143c. The owner of any truck or truck tractor, which is registered and licensed in some other state, not entitled to reciprocal privileges while being operated in interstate commerce on the highways of this state, and which truck or truck tractor has a gross weight, as defined in subsection ~~(2)~~ (b) of K.S.A. 8-143, and amendments thereto, in excess of 12,000 pounds, in lieu of payment of the annual license fee for such vehicle pursuant to the provisions of K.S.A. 8-143, and amendments thereto, or K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto, may register such vehicle and obtain temporary registration from the division of vehicles authorizing operation of such vehicle on the highways of this state in interstate commerce for a period of not to exceed 72 hours. The fee for such temporary registration is \$26, on January 1, 2013, \$36, on January 1, 2014, \$46, which shall be deposited by the division as provided by K.S.A. 8-146, and amendments thereto. Where such fee is paid on a truck or truck tractor no registration or fee shall be required for a trailer or semitrailer duly registered in this or another state and propelled by such truck or truck tractor. The secretary of revenue shall adopt rules and regulations to

effectuate the purpose of this section. A temporary registration as provided in this section is not required for a truck or truck tractor which is registered and licensed in some other state and which operates between cities and villages in this state and cities and villages in another state which are within territory designated as a commercial zone by the interstate commerce commission.

Sec. 7. K.S.A. 8-143g is hereby amended to read as follows:
8-143g. A motor vehicle dealer licensed in this state or in a state contiguous to this state, who is the owner of a truck or truck tractor which the owner desires to demonstrate under actual working conditions by having it operated by the prospective purchaser in interstate or intrastate commerce on the highways of this state, in lieu of obtaining a regular registration for such vehicle, may obtain from the division, or an agent designated by director of vehicles, a trip permit authorizing such demonstration and operation for a period of: (a) Seventy-two hours upon making proper application and the payment of a fee of \$26, on January 1, 2013, \$36, on January 1, 2014, \$46; or (b) fifteen days upon making proper application and the payment of a fee of \$100, on January 1, 2013, \$110, on January 1, 2014, \$120. A dealer may purchase such demonstration permits in multiples of three upon making proper application and the payment of required fees. The application shall be to the division on a form prescribed and furnished by the director of vehicles. The name of the prospective purchaser must be shown on the application. A

dealer purchasing permits in multiples, shall complete the application and permit as required by the division and mail a copy of such application to the division within 24 hours from the date of issuance of such permit. Only one such permit may be used by the same prospective purchaser on the same truck or truck tractor. Whenever a truck or truck tractor is operated under the authority of a trip permit issued hereunder it also shall have displayed thereon a dealer's registration plate which has been issued by this state or a state contiguous to this state to the dealer who is the owner of such truck or truck tractor. The provision of K.S.A. 8-136, and amendments thereto, prohibiting the hauling of commodities in excess of two tons by a vehicle displaying a dealer plate shall not apply to a truck or truck tractor being operated under a trip permit as authorized by this section. This section shall be construed as a part of and supplementary to the motor vehicle registration law of this state. The division shall remit all fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund.

Sec. 8. K.S.A. 8-143h is hereby amended to read as follows: 8-143h. Except as provided in K.S.A. 8-143k, the owner of any duly registered and licensed farm truck in this state, engaged in the hauling of grain as provided by subsection (h) of K.S.A.

66-1,109, and amendments thereto, or chopped forage, and desiring to operate in intrastate commerce in this state for a temporary period only, in lieu of payment of the annual license fee, may register such farm truck and obtain a thirty-day license authorizing operation on the highways of this state for a period of only 30 days from the date of issuance of such license. The fee for such license shall be \$26, on January 1, 2013, \$36, on January 1, 2014, \$46. Where such fee is paid on a farm truck no registration or fee shall be required for a trailer duly registered in this or another state and propelled by such farm truck. Application for such license shall be made to the division of vehicles on such form as the director of vehicles shall prescribe and shall be accompanied by the required fee, which shall be deposited by the division as provided by K.S.A. 8-146, and amendments thereto. The director of vehicles may designate agents to issue the licenses authorized by this act so that such licenses will be obtainable at convenient locations. This section shall be construed as supplemental to and a part of the motor vehicle registration laws of this state.

Sec. 9. K.S.A. 8-143i is hereby amended to read as follows: 8-143i. The owner of any truck or truck tractor which is properly registered and licensed in this state as a local truck or truck tractor as provided in K.S.A. 8-143, and amendments thereto, may secure a temporary permit authorizing operation of such vehicle on the highways of this state beyond the local radius authorized by such annual registration for a period only of 72 hours from

the time of issuance of such permit. The fee for such permit shall be \$26, on January 1, 2013, \$36, on January 1, 2014, \$46. Application for such permit shall be made to the division of vehicles on such form as the director of vehicles shall prescribe and shall be accompanied by the required fee, except that such owner shall not be entitled to more than 10 such permits in any calendar year. All such fees shall be deposited by the division as provided by K.S.A. 8-146, and amendments thereto. The division shall issue appropriate identification for such vehicle to authorize its operation under provisions of this act and to specify the expiration time of such permit. No truck or truck tractor shall be authorized to leave the territory of this state under any such 72-hour permit, nor shall any permit issued under authority of this act entitle any truck or truck tractor or the owner to reciprocity in any other state. Nothing in this act shall be construed to authorize the movement of any truck or truck tractor on the highways of this state in violation of any size, weight, safety or insurance requirement of the laws of this state applicable to such truck or truck tractor. Nothing in this act shall be construed to authorize the operation of any motor vehicle in violation of K.S.A. 66-1,111, and amendments thereto.

Sec. 10. K.S.A. 2009 Supp. 8-143j is hereby amended to read as follows: 8-143j. (a) On and after January 1, 1991, any truck or truck tractor registered for a gross weight of more than 12,000 pounds which is engaged in farm custom harvesting operations may be registered in accordance with the schedule for

such farm custom harvesting vehicles, but shall not be registered as a farm truck or farm truck tractor. The annual license fee for a farm custom harvesting truck or truck tractor shall be as follows:

(1) Prior to January 1, 2013:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$62
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	102
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	132
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	177
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	177
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	215
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	245
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	315
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	415
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	480
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	580
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	760
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	890
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,010

(2) On January 1, 2013, through December 1, 2013:

<u>For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.</u>	<u>\$72</u>
<u>For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.</u>	<u>152</u>
<u>For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.</u>	<u>182</u>
<u>For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.</u>	<u>227</u>
<u>For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.</u>	<u>227</u>
<u>For a gross weight of more than 30,000 lbs. and not</u>	

more than 36,000 lbs.	265
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	295
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	365
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	465
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	565
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	665
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	845
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	875
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,095

(3) On January 1, 2014:

For a gross weight of more than 12,000 lbs. and not more than 16,000 lbs.	\$82
For a gross weight of more than 16,000 lbs. and not more than 20,000 lbs.	202
For a gross weight of more than 20,000 lbs. and not more than 24,000 lbs.	232
For a gross weight of more than 24,000 lbs. and not more than 26,000 lbs.	277
For a gross weight of more than 26,000 lbs. and not more than 30,000 lbs.	277
For a gross weight of more than 30,000 lbs. and not more than 36,000 lbs.	315
For a gross weight of more than 36,000 lbs. and not more than 42,000 lbs.	345
For a gross weight of more than 42,000 lbs. and not more than 48,000 lbs.	415
For a gross weight of more than 48,000 lbs. and not more than 54,000 lbs.	515
For a gross weight of more than 54,000 lbs. and not more than 60,000 lbs.	615
For a gross weight of more than 60,000 lbs. and not more than 66,000 lbs.	715
For a gross weight of more than 66,000 lbs. and not more than 74,000 lbs.	895
For a gross weight of more than 74,000 lbs. and not more than 80,000 lbs.	1,025
For a gross weight of more than 80,000 lbs. and not more than 85,500 lbs.	1,145

(b) A tab or marker shall be issued and displayed in

connection with the regular license plate for a truck or truck tractor registered as a farm custom harvesting truck or truck tractor.

(c) Trucks or truck tractors registered under this section shall be eligible for apportioned registration under the provisions of K.S.A. 8-1,100 et seq., and amendments thereto.

(d) As used in this section, "farm custom harvesting operations" means a person, firm, partnership, association or corporation engaged in farm custom harvesting operations if a truck or truck tractor is used to:

(1) Transport farm machinery, supplies, or both, to or from a farm, for custom harvesting operations on a farm;

(2) transport custom harvested crops only from a harvested field to initial storage or to initial market locations; or

(3) transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such vehicle.

Sec. 11. K.S.A. 8-143k is hereby amended to read as follows:
8-143k. (a) The owner of any truck or truck tractor which is duly registered and licensed in some other state and is engaged in farm custom harvesting operations and desiring to operate in intrastate commerce in this state for a temporary period only, may obtain a harvest permit, in lieu of the thirty-day license in K.S.A. 8-143b or 8-143h, and amendments thereto, authorizing the operation of such truck or truck tractor on the highways of this state for a period of not to exceed 60 days from the date of

issuance of such permit. For a foreign-based truck or truck tractor, the fee for each permit shall be \$26, on January 1, 2013, \$36, on January 1, 2014, \$46 or 1/6 of the annual license fee for such vehicle, whichever sum is the larger. Where such fee is paid on a truck or truck tractor, no registration or fee shall be required for a trailer or semitrailer duly registered in this or another state and propelled by such truck or truck tractor. Application for such harvest permit shall be made to the division of vehicles of the department of revenue. The secretary of revenue may adopt rules and regulations to implement the provisions of this section.

(b) For the purpose of this section, "farm custom harvesting operations" means a person, firm, partnership, association or corporation engaged in farm custom harvesting operations if the truck or truck tractor is used to:

(1) Transport farm machinery, supplies, or both, to or from a farm, for custom harvesting operations on a farm;

(2) transport custom harvested crops only from a harvested field to initial storage or to initial market locations; or

(3) transport agricultural products produced by such owner or commodities purchased by such owner for use on the farm owned or rented by the owner of such vehicle.

Sec. 12. K.S.A. 2009 Supp. 8-1431 is hereby amended to read as follows: 8-1431. (a) Any auctioneer conducting auctions under subparagraphs (D) or (E) of paragraph (2) of subsection (a) of K.S.A. 8-2401, and amendments thereto, may obtain from the

division, or an agent designated by the director of vehicles, a 72-hour transport permit authorizing the purchaser of a vehicle at an auction conducted by such auctioneer, to operate such vehicle for a period of 72 hours. In addition to the 72-hour transport permit, the purchaser shall have the bill of sale. The fee for each 72-hour transport permit shall be ~~\$3~~ \$10.

(b) An auctioneer under subsection (a) who is a Kansas resident, whose primary place of business is in Kansas and only for the purpose of conducting auctions in Kansas, may purchase such 72-hour transport permits in multiples of three upon making proper application and the payment of required fees. The application shall be to the division on a form prescribed and furnished by the director of vehicles. The name of the purchaser of the vehicle at the auction shall be shown on the 72-hour permit issued. An auctioneer purchasing permits shall complete the application and permit as required by the division and mail a copy of such application to the division within 24 hours from the date of issuance of such permit. Only one such permit may be used by the same purchaser on the same vehicle. The division of vehicles may deny any auctioneer the authority to purchase 72-hour transport permits if the auctioneer is found to have issued more than one 72-hour transport permit to the purchaser of a vehicle. This section shall be construed as a part of and supplementary to the motor vehicle registration law of this state. The division shall remit all fees collected under this section to the state treasurer in accordance with the provisions

of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund.

Sec. 13. K.S.A. 2009 Supp. 8-145 is hereby amended to read as follows: 8-145. (a) All registration and certificates of title fees shall be paid to the county treasurer of the county in which the applicant for registration resides or has an office or principal place of business within this state, and the county treasurer shall issue a receipt in triplicate, on blanks furnished by the division of vehicles, one copy of which shall be filed in the county treasurer's office, one copy shall be delivered to the applicant and the original copy shall be forwarded to the director of vehicles.

(b) The county treasurer shall deposit \$.75 of each license application, \$.75 out of each application for transfer of license plate and \$2 out of each application for a certificate of title, collected by such treasurer under this act, in a special fund, which fund is hereby appropriated for the use of the county treasurer in paying for necessary help and expenses incidental to the administration of duties in accordance with the provisions of this law and extra compensation to the county treasurer for the services performed in administering the provisions of this act, which compensation shall be in addition to any other compensation provided by any other law, except that the county treasurer shall receive as additional compensation for administering the motor

vehicle title and registration laws and fees, a sum computed as follows: The county treasurer, during the month of December, shall determine the amount to be retained for extra compensation not to exceed the following amounts each year for calendar year 2006 or any calendar year thereafter: The sum of \$110 per hundred registrations for the first 5,000 registrations; the sum of \$90 per hundred registrations for the second 5,000 registrations; the sum of \$5 per hundred for the third 5,000 registrations; and the sum of \$2 per hundred registrations for all registrations thereafter. In no event, however, shall any county treasurer be entitled to receive more than \$15,000 additional annual compensation.

If more than one person shall hold the office of county treasurer during any one calendar year, such compensation shall be prorated among such persons in proportion to the number of weeks served. The total amount of compensation paid the treasurer together with the amounts expended in paying for other necessary help and expenses incidental to the administration of the duties of the county treasurer in accordance with the provisions of this act, shall not exceed the amount deposited in such special fund. Any balance remaining in such fund at the close of any calendar year shall be withdrawn and credited to the general fund of the county prior to June 1 of the following calendar year.

(c) The county treasurer shall remit the remainder of all such fees collected, together with the original copy of all applications, to the secretary of revenue. The secretary of

revenue shall remit all such fees remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state highway fund, except as provided in subsection (d).

(d) (1) Three dollars and fifty cents of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3.50 to the Kansas highway patrol motor vehicle fund. Three dollars of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the VIPS/CAMA technology hardware fund.

(2) For repossessed vehicles, \$3 of each certificate of title fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the repossessed certificates of title fee fund.

(3) Three dollars and fifty cents of each reassignment form fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3.50 to the Kansas highway patrol motor vehicle fund. Three dollars of each reassignment form fee collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$3 to the VIPS/CAMA technology hardware fund.

(4) ~~Four-dollars~~ Until January 1, 2013, \$4 of each division of vehicles modernization surcharge collected and remitted to the secretary of revenue, shall be remitted to the state treasurer who shall credit such \$4 to the division of vehicles modernization fund, on and after January 1, 2013, the state treasurer shall credit such \$4 to the state highway fund.

Sec. 14. K.S.A. 2009 Supp. 8-172 is hereby amended to read as follows: 8-172. (a) Except as provided in subsection (c), license plates issued for antique vehicles shall be distinctive and shall contain the words "Kansas" and "antique" and there shall be no year date thereon. The numbering system shall consist of combinations of not more than seven letters of the alphabet or numerals or a combination of such letters and numerals. The combinations of such letters and numerals shall be at the direction of the director of vehicles, except that any person owning an antique vehicle, other than an antique motorcycle, may make application for a special combination of letters and numerals not exceeding seven. Antique motorcycle license plates shall be the same as other antique vehicle license plates, except the numbering system shall consist of not more than five letters of the alphabet or numerals or a combination of letters and numerals. Such application shall be made in a manner prescribed by the director of vehicles and shall be accompanied by a special combination fee of \$40. Unless the combination of letters or numerals designated by the applicant have been assigned to another antique vehicle registered in this state, or unless the

combination of letters or numerals designated by the applicant have a profane, vulgar, lewd or indecent meaning or connotation, as determined by the director, the division shall assign such combination of letters to the applicant's vehicle.

(b) In addition to the fees required under subsection (b) of K.S.A. 8-167, and amendments thereto, and subsection (a) or (c) of this section, the registration fee for any antique vehicle shall be \$40, on January 1, 2013, \$50, on January 1, 2014, \$60 and once paid shall not be required to be renewed.

(c) In lieu of the license plate issued under subsection (a), a person who owns an antique vehicle who wants to display a model year license plate on the vehicle shall make application in a manner prescribed by the director of vehicles, including the execution of an affidavit setting forth that the model year license plate the person wants to display on the person's antique vehicle is a legible and serviceable license plate that originally was issued by this state or a license plate originally issued by a Kansas city or a reproduction of such city issued license plate. Except for license plates issued prior to 1921, such license plate shall be inscribed with the date of the year corresponding to the model year when the vehicle was manufactured. For license plates issued prior to 1921, such license plate shall be the license plate issued by the state or a Kansas city or a reproduction of such city issued license plate corresponding to the model year when the vehicle was manufactured. Duplicate numbers for any year shall not be allowed

for any model year license plate under the provisions of this subsection. Upon application to display a reproduction of a city issued license plate, the division of vehicles shall issue a number to be used for such reproduction license plate. The model year license plate fee shall be \$40.

(d) In addition to the license plates authorized under subsection (a) or (c), a person who owns an antique vehicle may display a model year license plate originally issued by the state of Kansas or a Kansas city or a reproduction of such city issued license plate on the front of an antique vehicle. Except for license plates issued prior to 1921, such license plate shall be inscribed with the date of the year corresponding to the model year when the vehicle was manufactured. For license plates issued prior to 1921, such license plate shall be the license plate issued by the state or a Kansas city or a reproduction of such city issued license plate corresponding to the model year when the vehicle was manufactured.

Sec. 15. K.S.A. 8-195 is hereby amended to read as follows:
8-195. (a) Any person who is the owner of a special interest vehicle or street rod vehicle at the time of making application for registration or transfer of title of the vehicle may upon application register the same as a special interest vehicle or street rod vehicle upon payment of an annual fee of \$26, on January 1, 2013, \$36, on January 1, 2014, \$46 and be furnished each year upon the payment of such fee license plates of a distinctive design in lieu of the usual license plates which

shall show in addition to the identification number, that the vehicle is a special interest vehicle or that the vehicle is a special interest vehicle and it meets the qualifications of a street rod, as the case may be, owned by a Kansas collector. The registration shall be valid for one year and may be renewed by payment of such annual fee. Special interest vehicles including street rod vehicles may be used as are other vehicles of the same type, except that special interest vehicles including street rod vehicles may not transport passengers for hire, nor haul material weighing more than 500 pounds.

(b) Each collector applying for special interest vehicle or street rod vehicle license plates will be issued a collector's identification number which will appear on each license plate. Second and all subsequent registrations under this section by the same collector will bear the same collector's identification number followed by a suffix letter for vehicle identification.

(c) A collector must own and have registered one or more vehicles with regular license plates which are used for regular transportation.

Sec. 16. K.S.A. 8-234b is hereby amended to read as follows:
8-234b. (a) Every original driver's license issued by the division shall indicate the class or classes of motor vehicles which the licensee is entitled to drive. For this purpose the following classes are established:

(1) Commercial class A motor vehicles include any combination of vehicles with a gross combination weight rating of

26,001 pounds or more, providing the gross vehicle weight rating of the vehicle or vehicles being towed is in excess of 10,000 pounds;

(2) commercial class B motor vehicles include any single vehicle with a gross vehicle weight rating of 26,001 pounds or more, or any such vehicle towing a vehicle not in excess of 10,000 pounds gross vehicle weight rating;

(3) commercial class C motor vehicles include any single vehicle less than 26,001 pounds gross vehicle weight rating, or any such vehicle towing a vehicle not in excess of 10,000 pounds, or any vehicle less than 26,001 pounds gross vehicle weight rating towing a vehicle in excess of 10,000 pounds gross vehicle weight rating, provided the gross combination weight rating of the combination is less than 26,001 pounds comprising:

(A) Vehicles designed to transport 16 or more passengers, including the driver; or

(B) vehicles used in the transportation of hazardous materials which requires the vehicle to be placarded;

(4) class A motor vehicles include any combination of vehicles with a gross combination weight rating of 26,001 pounds or more, provided the gross combination weight rating of the vehicle or vehicles being towed is in excess of 10,000 pounds, and all other lawful combinations of vehicles with a gross combination weight rating of 26,001 pounds, or more; except that, class A does not include a combination of vehicles that has a truck registered as a farm truck under ~~subsection-(2)~~ of K.S.A.

8-143, and amendments thereto;

(5) class B motor vehicles include any single vehicle with a gross vehicle weight rating of 26,001 pounds or more, or any such vehicle towing a vehicle not in excess of 10,000 pounds gross vehicle weight rating. Class B motor vehicles do not include a single vehicle registered as a farm truck under ~~subsection-(2)-of~~ K.S.A. 8-143, and amendments thereto, when such farm truck has a gross vehicle weight rating of 26,001 pounds, or more; or any fire truck operated by a volunteer fire department;

(6) class C motor vehicles include any single vehicle with a gross vehicle weight rating less than 26,001 pounds, or any such vehicle towing a vehicle not in excess of 10,000 pounds gross vehicle weight rating, or any vehicle with a less than 26,001 gross vehicle weight rating towing a vehicle in excess of 10,000 pounds gross vehicle weight rating, provided the gross combination weight rating of the combination is less than 26,001 pounds, or any single vehicle registered as a farm truck under ~~subsection-(2)-of~~ K.S.A. 8-143, and amendments thereto, when such farm truck has a gross vehicle weight rating of 26,001 pounds, or more, or any fire truck operated by a volunteer fire department; and

(7) class M motor vehicles includes motorcycles.

As used in this subsection, "gross vehicle weight rating" means the value specified by the manufacturer as the maximum loaded weight of a single or a combination (articulated) vehicle. The gross vehicle weight rating of a combination (articulated)

vehicle, commonly referred to as the gross combination weight rating, is the gross vehicle weight rating of the power unit plus the gross vehicle weight rating of the towed unit or units.

(b) Every applicant for an original driver's license shall indicate on such person's application the class or classes of motor vehicles for which the applicant desires a license to drive, and the division shall not issue a driver's license to any person unless such person has demonstrated satisfactorily ability to exercise ordinary and reasonable control in the operation of motor vehicles in the class or classes for which the applicant desires a license to drive. The division shall administer an appropriate examination of each applicant's ability to drive such motor vehicles. Except as provided in K.S.A. 8-2,125 through 8-2,142, and amendments thereto, the director of vehicles may accept a copy of the certificate of a person's road test issued to an individual under the regulatory requirements of the United States department of transportation, in lieu of requiring the person to demonstrate ability to operate any motor vehicle or combination of vehicles, if such certificate was issued not more than three years prior to the person's application for a driver's license.

(c) Any person who is the holder of a valid driver's license which entitles the person to drive class A motor vehicles may also drive class B and C motor vehicles. Any person who is the holder of a valid driver's license which entitles the person to drive class B motor vehicles may also drive class C motor

vehicles.

(d) The secretary of revenue shall adopt rules and regulations establishing qualifications for the safe operation of the various types, sizes and combinations of vehicles in each class of motor vehicles established in subsection (a). Such rules and regulations shall include the adoption of at least the minimum qualifications for commercial drivers' licenses contained in the commercial motor vehicle safety act of 1986.

(e) Any reference in the motor vehicle drivers' license act to a class or classes of motor vehicles is a reference to the classes of motor vehicles established in subsection (a), and any reference in the motor vehicle drivers' license act to a classified driver's license or a class of driver's license means a driver's license which restricts the holder thereof to driving one or more of such classes of motor vehicles.

(f) The secretary of revenue may enter into a contract with any person, who meets the qualifications imposed on persons regularly employed by the division as drivers' license examiners, to accept applications for drivers' licenses and to administer the examinations required for the issuance of drivers' licenses.

(g) Notwithstanding the provisions of subsection (a), any person employed as an automotive mechanic who possesses a valid class C driver's license may drive any class A or class B motor vehicle on the highways for the purpose of determining the proper performance of the vehicle, except that this does not include commercial class A, B or C vehicles.

Sec. 17. K.S.A. 2009 Supp. 8-2406 is hereby amended to read as follows: 8-2406. (a) The annual fee for the first dealer license plate is \$275, on January 1, 2013, \$285, on January 1, 2014, \$295 and the annual fee for additional dealer license plates shall be an amount equal to the amount required to register a passenger vehicle having a gross weight of less than 4,500 pounds, except that the annual fee for dealer license plates used by trailer dealers on trailers which they have purchased or own and are holding for resale shall be \$25, on January 1, 2013, \$35, on January 1, 2014, \$45 for each plate. To determine the number of dealer license plates the dealer needs, the director may base the decision on the dealer's past sales, inventory and any other pertinent factors as the director may determine. After the end of the first year of licensure as a dealer, not more than one dealer license plate shall be issued to any dealer who has not reported to the division the sale of at least five motor vehicles in the preceding year. There shall be no refund of fees for dealer license plates in the event of suspension, revocation or voluntary cancellation of a license. The director is hereby authorized to designate by identifying symbols on a dealer's license plate the type of dealer's license that the person has been issued. If a dealer has an established place of business in more than one county, such dealer shall secure a separate and distinct dealer's license and dealer license plates for each established place of business.

(b) New motor vehicle dealers and used motor vehicle dealers

may authorize use of dealer license plates assigned to such motor vehicle dealers as follows:

(1) The licensed motor vehicle dealer and such dealer's spouse;

(2) the sales manager and all other sales personnel when such manager and sales personnel are properly licensed in Kansas, except that no dealer license plate shall be assigned to sales personnel who are working at the established place of business of the dealer less than 20 hours per week;

(3) any employee of such motor vehicle dealer when the use thereof is directly connected to a particular business transaction of such motor vehicle dealer;

(4) the customer when operating a motor vehicle in connection with negotiations to purchase such motor vehicle or during a demonstration of such motor vehicle;

(5) any school district and any accredited nonpublic school which has entered into an agreement with a dealer to use a motor vehicle as a driver training motor vehicle, as defined in K.S.A. 72-5015, and amendments thereto, in an approved driver training course.

(c) A wholesaler dealer may authorize the use of dealer license plates on vehicles purchased by the wholesaler for resale to a retail vehicle dealer as follows:

(1) To transport or operate a vehicle to or from a licensed retail or wholesale vehicle dealer for the purpose of buying, selling, or offering or attempting to negotiate a sale of the

vehicle to a licensed vehicle dealer;

(2) to deliver a vehicle purchased from the wholesale vehicle dealer to a purchasing vehicle dealer.

(d) Salvage vehicle dealers may use dealer license plates only on vehicles which they have purchased for salvage, including dismantling, disassembling or recycling.

(e) Insurance companies may use dealer license plates only on vehicles purchased or acquired for salvage in the course of business of the insurance company.

(f) Lending agencies may use dealer license plates only on vehicles which they have repossessed or are holding for disposition due to repossession.

(g) Trailer dealers may use dealer license plates only on trailers which they have purchased or own and are holding for resale.

(h) Brokers are not entitled to be assigned or to use any dealer license plates.

(i) Except as provided above, dealer license plates shall be used only in accordance with the provisions of K.S.A. 8-136, and amendments thereto. This subsection (i) does not apply to K.S.A. 8-2425, and amendments thereto, or full-privilege license plates or dealer-hauler full-privilege trailer license plates issued thereunder.

Sec. 18. K.S.A. 8-2409 is hereby amended to read as follows: 8-2409. (a) Any dealer may purchase from the division of vehicles thirty-day temporary registration permits, in multiples of five

permits valid for 30 days at a cost of \$3 \$10 each. Such dealer shall have completed the application and permit as required by the division and mail a copy of such application to the division within 24 hours from the date of issuance. Such registration shall not extend the date when registration fees are due, but shall be valid registration for a period of 30 days from date of issuance. The dealer upon presentation of evidence of ownership in the applicant and evidence that the sales tax has been paid, if due, shall issue a sticker or paper registration as determined by the division. No dealer, or county treasurer, as authorized by K.S.A. 8-143, and amendments thereto, shall issue more than one thirty-day temporary registration permit to the purchaser of a vehicle.

(b) The division of vehicles may deny any dealer the authority to purchase thirty-day temporary permits if the vehicle dealer is delinquent in monthly sales reports to the division for two months or more or if the vehicle dealer is found to have issued more than one thirty-day permit to the purchaser of a vehicle.

(c) The temporary registration authorized by this section shall not entitle a truck, truck tractor or any combination of truck or truck tractor and any type of trailer or semitrailer to be operated under laden conditions, except that such temporary registration shall authorize any such vehicle or combination of vehicles to be operated under laden conditions for 48 hours after the time of issuance of the temporary permit.

Sec. 19. K.S.A. 2009 Supp. 8-2425 is hereby amended to read as follows: 8-2425. (a) When a first dealer license plate has been issued under K.S.A. 8-2406, and amendments thereto, the secretary of revenue may issue full-privilege license plates or dealer-hauler full-privilege trailer license plates, in accordance with the provisions of this section, to a licensed manufacturer of or licensed dealer in vehicles. In no calendar year shall the secretary issue in excess of 10 of each type of such license plates to any licensed manufacturer or dealer.

(b) The annual fee for each: (1) Full-privilege license plate shall be \$350.50, on January 1, 2013, \$360.50, on January 1, 2014, \$370.50; and (2) dealer-hauler full-privilege trailer license plate shall be \$350.50, on January 1, 2013, \$360.50, on January 1, 2014, \$370.50.

(c) The secretary shall, upon application provided by the secretary and payment of the fee required in subsection (b), issue to the applicant the appropriate full-privilege license plate, which shall expire on the January 31 next following its issuance, except that the dealer shall have until and including the last day of February of each year within which to make application for renewal.

(d) Subject to subsection (e), a full-privilege license plate may be used in lieu of regular vehicle registration and license plate. A full-privilege license plate may be used on passenger cars or trucks. A full-privilege license plate may be transferred from one vehicle to another owned or in inventory of

such manufacturer or dealer and may be assigned for use by any person, at the discretion of the manufacturer or dealer to whom it is issued. The person to whom a full-privilege license plate is assigned for use shall be only a person who is: (1) A member of the immediate family of the licensed manufacturer of or licensed dealer in vehicles; (2) a corporate officer of the licensed manufacturer of or licensed dealer in vehicles; or (3) an employee of the licensed manufacturer of or licensed dealer in vehicles.

(e) A full-privilege license plate shall not be used on a lease or rental vehicle. A full-privilege license plate shall not permit any vehicle to be operated or moved upon a highway to haul commodities weighing in excess of two tons. A full-privilege license plate shall not be used on a wrecker or tow truck when providing wrecker or towing service as defined by K.S.A. 66-1329, and amendments thereto.

(f) A dealer-hauler full-privilege trailer license plate may be used by a trailer manufacturer or trailer dealer in lieu of a regular trailer registration and license plate. A dealer-hauler full-privilege trailer license plate may be used only on trailers. A dealer-hauler full-privilege trailer license plate may be transferred from one trailer to another owned or in inventory of the trailer manufacturer or trailer dealer to whom issued. A dealer-hauler full-privilege trailer license plate may be used by a trailer manufacturer or trailer dealer to haul nonhighway equipment, as defined in rules and regulations, for

either demonstration purposes or delivery, if the weight of the trailer and nonhighway equipment does not exceed 85,500 pounds. The dealer-hauler full-privilege trailer license plate shall expire on the January 31 next following its issuance, except that the dealer shall have until and including the last day of February of each year within which to make application for renewal.

(g) Fees received under this section shall be divided equally between the county treasurer in which the licensed manufacturer or dealer has its established place of business and the secretary of revenue. Amounts allotted to the secretary of revenue shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the vehicle dealers and manufacturers fee fund which fund is hereby created in the state treasury. Expenditures from the vehicle dealers and manufacturers fee fund shall be made on vouchers approved by the secretary of revenue, or a person designated by the secretary, for enforcement of the vehicle dealers and manufacturers licensing act in accordance with appropriations therefor. Amounts allotted to the county treasurers shall be credited to the county treasurers' vehicle licensing fee fund which fund is hereby created in the state treasury. Amounts due each county treasurer shall be paid quarterly from such fund upon vouchers approved by the secretary

of revenue or a person designated by the secretary. Amounts received by each county treasurer shall be deposited, appropriated and used as provided by K.S.A. 8-145, and amendments thereto.

(h) The provisions of K.S.A. 8-136 and 8-2406, and amendments thereto, shall not apply to full-privilege license plates or dealer-hauler full-privilege trailer license plates or the use thereof.

Sec. 20. K.S.A. 2009 Supp. 12-6a35 is hereby amended to read as follows: 12-6a35. (a) Any municipality may issue special obligation bonds in one or more series to finance any project in accordance with the provisions of this act. Such bonds shall be made payable, both as to principal and interest solely from a pledge of the sources of funds described in subsections (a), (b), (c) and (e) of K.S.A. 2009 Supp. 12-6a33, and amendments thereto. Any municipality may also execute and deliver a loan with respect to any project from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto. The municipality may pledge such revenue to the repayment of such bonds or such loans prior to, simultaneously with or subsequent to the issuance of such bonds, except for any revenues received under the provisions of subsection (e) of K.S.A. 2009 Supp. 12-6a33 and amendments thereto, which revenues are subject to annual appropriation.

(b) Bonds issued pursuant to this section shall not be general obligations of the municipality, give rise to a charge

against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in subsections (a), (b), (c) and (e) of K.S.A. 2009 Supp. 12-6a33, and amendments thereto, and such bonds shall so state on their face. This subsection shall not apply to loans from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.

(c) Bonds issued pursuant to this section shall be special obligations of the municipality and are declared to be negotiable instruments. Such bonds shall be executed by the authorized representatives of the municipality and sealed with the corporate seal of the municipality. All details pertaining to the issuance of the bonds and terms and conditions thereof shall be determined by ordinance or resolution of the municipality. The provisions of K.S.A. 10-106, and amendments thereto, requiring a public sale of bonds shall not apply to bonds issued under this section. All bonds issued pursuant to this section and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes. Such bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such bonds shall contain the following recitals: The authority under which such bonds are issued; that such bonds are in conformity with the provisions, restrictions and limitations thereof and that such bonds and the interest thereon are to be paid from the money and revenue received as provided in this section. Such bonds shall mature in no more than 22 years.

(d) Any municipality issuing bonds under the provisions of this section may refund all or part of such bonds pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(e) Bonds issued under the provisions of this section or loans incurred from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such municipality.

Sec. 21. K.S.A. 2009 Supp. 12-6a36 is hereby amended to read as follows: 12-6a36. (a) Any municipality may issue full faith and credit bonds in one or more series to finance any project in accordance with the provisions of this act and to refinance or refund any notes or bonds issued pursuant to this act. Bonds issued pursuant to this section shall be general obligations of the municipality and give rise to a charge against its general credit and taxing powers, and such bonds shall so state on their face. Such bonds shall be made payable, both as to principal and interest solely from a pledge of the sources of funds described in K.S.A. 2009 Supp. 12-6a33, and amendments thereto, including a pledge of a municipality's full faith and credit to use its ad valorem taxing authority for the repayment thereof in the event all other authorized sources of revenue are not sufficient. The municipality may pledge such revenue to the repayment of such bonds prior to, simultaneously with or subsequent to the issuance of such bonds.

(b) Bonds issued pursuant to this section shall be general

obligations of the municipality and are declared to be negotiable instruments. Such bonds shall be executed by the authorized representatives of the municipality and sealed with the corporate seal of the municipality. All details pertaining to the issuance of the bonds and terms and conditions thereof shall be determined by ordinance or resolution of the municipality. The provisions of K.S.A. 10-106, and amendments thereto, requiring a public sale of bonds shall not apply to bonds issued under this section. All bonds issued pursuant to this section and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes. Such bonds shall contain the recitals set forth in K.S.A. 10-112, and amendments thereto. Such bonds shall mature in no more than 22 years. Any municipality issuing bonds under the provisions of this section may refund all or part of such bonds pursuant to the provisions of K.S.A. 10-427, and amendments thereto.

(c) The amount of the full faith and credit bonds issued and outstanding under this act which exceeds 3% of the assessed valuation of the municipality shall be within the bonded debt limit applicable to such municipality.

(d) If, within 60 days following the date of the public hearing described in K.S.A. 2009 Supp. 12-6a29, and amendments thereto, a protest petition signed by 5% of the qualified voters of the municipality is filed with the municipality's clerk in accordance with the provisions of K.S.A. 25-3601 et seq., and amendments thereto, no full faith and credit bonds shall be

issued until the issuance of the full faith and credit bonds is approved by a majority of the voters voting at an election thereon. The failure of the voters to approve the issuance of full faith and credit bonds shall not prevent a municipality from issuing special obligation bonds.

(e) The provisions of subsections (b), (c) and (d) shall not apply to loans from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.

Sec. 22. K.S.A. 2009 Supp. 12-1774 is hereby amended to read as follows: 12-1774. (a) (1) Any city shall have the power to issue special obligation bonds in one or more series and/or execute and deliver a loan from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, to finance the undertaking of any redevelopment project or bioscience development project in accordance with the provisions of this act. Such special obligation bonds or loans shall be made payable, both as to principal and interest:

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

(B) from revenues of the city derived from or held in connection with the undertaking and carrying out of any redevelopment project or projects or bioscience development project or projects under this act including environmental

increments;

(C) from any private sources, contributions or other financial assistance from the state or federal government;

(D) from a pledge of all of the revenue received by the city from any transient guest and local sales and use taxes which are collected from taxpayers doing business within that portion of the city's redevelopment district or bioscience development district established pursuant to K.S.A. 12-1771, and amendments thereto, occupied by a redevelopment project or bioscience development project. A city proposing to finance a major motorsports complex pursuant to this paragraph shall prepare a project plan which shall include:

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

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

(iii) a description and map of the location of the facility that is the subject of the special bond project or major motorsports complex;

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

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

(vi) any other information the governing body deems necessary to advise the public of the intent of the special bond project or major motorsports complex plan.

The project plan shall be prepared in consultation with the planning commission of the city. Such project plan shall also be prepared in consultation with the planning commission of the county, if any, if a major motorsports complex is located wholly outside the boundaries of the city.

(E) from a pledge of a portion or all increased revenue received by the city from: (i) Franchise fees collected from utilities and other businesses using public right-of-way within the redevelopment district; (ii) from a pledge of all or a portion of the revenue received by the city from sales taxes; or (iii) both of the above;

(F) with the approval of the county, from a pledge of all of the revenues received by the county from any transient guest, local sales and use taxes which are collected from taxpayers doing business within that portion of the redevelopment district established pursuant to K.S.A. 12-1771, and amendments thereto;

(G) if a project is financed in whole or in part with the proceeds of a loan to the municipality from the Kansas transportation revolving fund, such loan shall also be payable from amounts available pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto;

~~(G)~~ (H) by any combination of these methods.

The city may pledge such revenue to the repayment of such

special obligation bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

(2) Bonds issued under paragraph (1) of subsection (a) shall not be general obligations of the city, nor in any event shall they give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in paragraph (1) of this subsection and such bonds shall so state on their face. This paragraph shall not apply to loans from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.

(3) Bonds issued under the provisions of paragraph (1) of this subsection shall be special obligations of the city and are declared to be negotiable instruments. They shall be executed by the mayor and clerk of the city and sealed with the corporate seal of the city. All details pertaining to the issuance of such special obligation bonds and terms and conditions thereof shall be determined by ordinance of the city. All special obligation bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes. Such special obligation bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such special obligation bonds shall, however, contain the following recitals, viz., the authority under which such special obligation bonds are issued, they are in conformity with the provisions, restrictions and limitations thereof, and that such special

obligation bonds and the interest thereon are to be paid from the money and revenue received as provided in paragraph (1) of this subsection.

(b) (1) Subject to the provisions of paragraph (2) of this subsection, any city shall have the power to issue full faith and credit tax increment bonds to finance the undertaking of any redevelopment project in accordance with the provisions of K.S.A. 12-1770 et seq., and amendments thereto, other than a project that will create a major tourism area. Such full faith and credit tax increment bonds shall be made payable, both as to principal and interest: (A) From the revenue sources identified in paragraph (1) of subsection (a) or by any combination of these sources; and (B) subject to the provisions of paragraph (2) of this subsection, from a pledge of the city's full faith and credit to use its ad valorem taxing authority for repayment thereof in the event all other authorized sources of revenue are not sufficient.

(2) Except as provided in paragraph (3) of this subsection, before the governing body of any city proposes to issue full faith and credit tax increment bonds as authorized by this subsection, the feasibility study required by K.S.A. 12-1772, and amendments thereto, shall demonstrate that the benefits derived from the project will exceed the cost and that the income therefrom will be sufficient to pay the costs of the project. No full faith and credit tax increment bonds shall be issued unless the governing body states in the resolution required by K.S.A.

12-1772, and amendments thereto, that it may issue such bonds to finance the proposed redevelopment project.

The governing body may issue the bonds unless within 60 days following the date of the public hearing on the proposed project plan a protest petition signed by 3% of the qualified voters of the city is filed with the city clerk in accordance with the provisions of K.S.A. 25-3601 et seq., and amendments thereto. If a sufficient petition is filed, no full faith and credit tax increment bonds shall be issued until the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law.

The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds in accordance with this section.

No such election shall be held in the event the board of county commissioners or the board of education determines, as provided in K.S.A. 12-1771, and amendments thereto, that the proposed redevelopment district will have an adverse effect on the county or school district.

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

redevelopment project area may issue full faith and credit tax increment bonds if the governing body of the city adopts a resolution stating its intent to issue the bonds and the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law.

The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds pursuant to paragraph (1) of subsection (a). Any project plan adopted by a city prior to the effective date of this act in accordance with K.S.A. 12-1772, and amendments thereto, shall not be invalidated by any requirements of this act.

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

(5) Full faith and credit tax increment bonds issued under this subsection shall be general obligations of the city and are declared to be negotiable instruments. They shall be issued in

accordance with the general bond law. All such bonds and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes. The amount of the full faith and credit tax increment bonds issued and outstanding which exceeds 3% of the assessed valuation of the city shall be within the bonded debt limit applicable to such city.

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

(c) Any increment in ad valorem property taxes resulting from a redevelopment project in the established redevelopment district undertaken in accordance with the provisions of this act, shall be apportioned to a special fund for the payment of the redevelopment project costs, including the payment of principal and interest on any special obligation bonds or full faith and credit tax increment bonds issued to finance such project pursuant to this act and may be pledged to the payment of principal and interest on such bonds.

(d) A city may use the proceeds of special obligation bonds or full faith and credit tax increment bonds, or proceeds of a loan from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, or any uncommitted funds derived from sources set forth in this section to pay the redevelopment project costs as defined in K.S.A. 12-1770a, and amendments thereto, to implement the redevelopment

project plan.

Sec. 23. K.S.A. 2009 Supp. 12-1774a is hereby amended to read as follows: 12-1774a. (a) In the event that the city shall default in the payment of any special obligation bonds payable from revenues authorized pursuant to subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, no public funds shall be used to pay the holders thereof except as otherwise specifically authorized in this act.

(b) This section shall not apply to loans from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.

Sec. 24. K.S.A. 12-1775 is hereby amended to read as follows: 12-1775. (a) Except for redevelopment projects satisfying the conditions of subsection (c) of K.S.A. 12-1771b, and amendments thereto, all tangible taxable property located within a redevelopment district shall be assessed and taxed for ad valorem tax purposes pursuant to law in the same manner that such property would be assessed and taxed if located outside such district, and all ad valorem taxes levied on such property shall be paid to and collected by the county treasurer in the same manner as other taxes are paid and collected. Except as otherwise provided in this section, the county treasurer shall distribute such taxes as may be collected in the same manner as if such property were located outside a redevelopment district. Each redevelopment district established under the provisions of this act shall constitute a separate taxing unit for the purpose of

the computation and levy of taxes.

(b) Except for redevelopment projects satisfying the conditions of subsection (c) of K.S.A. 12-1771b, and amendments thereto, beginning with the first payment of taxes which are levied following the date of the establishment of the redevelopment district real property taxes received by the county treasurer resulting from taxes which are levied subject to the provisions of this act by and for the benefit of a taxing subdivision, as defined in K.S.A. 12-1770a, and amendments thereto, on property located within such redevelopment district constituting a separate taxing unit under the provisions of this section, shall be divided as follows:

(1) From the taxes levied each year subject to the provisions of this act by or for each of the taxing subdivisions upon property located within a redevelopment district constituting a separate taxing unit under the provisions of this act, the county treasurer first shall allocate and pay to each such taxing subdivision all of the real property taxes collected which are produced from the base year assessed valuation.

(2) Any real property taxes produced from that portion of the current assessed valuation of real property within the redevelopment district constituting a separate taxing unit under the provisions of this section in excess of the base year assessed valuation shall be allocated and paid by the county treasurer to the treasurer of the city and deposited in a special fund of the city to pay the redevelopment project costs including

the payment of principal of and interest on any special obligation bonds or full faith and credit tax increment bonds issued by such city to finance, in whole or in part, such redevelopment project. When the redevelopment project costs have been paid and such obligation bonds and interest thereon have been paid, all moneys thereafter received from real property taxes within such redevelopment district shall be allocated and paid to the respective taxing subdivisions in the same manner as are other ad valorem taxes. If such obligation bonds and interest thereon have been paid before the completion of a project, the city may continue to use such moneys for any purpose authorized by this act until such time as the project is completed, but for not to exceed 20 years from the date of the approval of the project plan, except as otherwise provided by this act.

(c) In any project plan or in the loan documents relating to a loan from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, or in the proceedings for the issuing of any special obligation bonds or full faith and credit tax increment bonds by the city to finance a redevelopment project, the property tax increment portion of taxes provided for in paragraph (2) of subsection (c) may be irrevocably pledged for the payment of the principal of and interest on such obligation bonds or loan, subject to the provisions of subsection (c) of K.S.A. 12-1774, and amendments thereto.

(d) A city may adopt a project plan in which only a

specified percentage or amount of the tax increment realized from taxpayers in the redevelopment district are pledged to the redevelopment project. The county treasurer shall allocate the specified percentage or amount of the tax increment to the treasurer of the city for deposit in the special fund of the city to finance the redevelopment project costs if the city has other available revenues and pledges the revenues to the redevelopment project in lieu of the tax increment. Any portion of such tax increment not allocated to the city for the redevelopment project shall be allocated and paid in the same manner as other ad valorem taxes.

Sec. 25. K.S.A. 2009 Supp. 12-17,148 is hereby amended to read as follows: 12-17,148. A separate fund shall be created for each district and each project and such fund shall be identified by a suitable title. Except as otherwise required by the secretary of transportation in connection with a loan to the municipality from the Kansas transportation revolving fund, the proceeds from the sale of bonds, transportation revolving fund loan, any special assessment and transportation development district sales tax authorized, levied and collected under this act by the municipality and any other moneys appropriated by the governing body for such purpose shall be credited to such fund. Such fund shall be used solely to pay the costs of the project. Upon payment of the principal and interest on the bonds, if any, the municipality shall have the authority to spend any moneys remaining in the fund for the purposes for which local sales tax

receipts may be spent.

Sec. 26. K.S.A. 2009 Supp. 12-17,149 is hereby amended to read as follows: 12-17,149. (a) Any municipality may issue bonds in one or more series and/or execute and deliver a loan with respect to a project from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, to finance the undertaking of any project in accordance with the provisions of this act. Such bonds shall be made payable, both as to principal and interest solely from a pledge of the sources of funds described in K.S.A. 2009 Supp. 12-17,147, and amendments thereto, except that, if a project is financed, in whole or in part, with the proceeds of a loan to the municipality from the Kansas transportation revolving fund, such loan shall also be payable from amounts available pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto. The municipality may pledge such revenue to the repayment of such bonds or loans prior to, simultaneously with or subsequent to the issuance of such bonds, except for any revenues received under the provisions of subsection (d) of K.S.A. 2009 Supp. 12-17,147, and amendments thereto, which revenues are subject to annual appropriation.

(b) Bonds issued pursuant to subsection (a) shall not be general obligations of the municipality, give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in subsection (a) and such bonds shall so state on their face. This

subsection shall not apply to loans from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.

(c) Bonds issued pursuant to subsection (a) shall be special obligations of the municipality and are declared to be negotiable instruments. Such bonds shall be executed by the authorized representatives of the municipality and sealed with the corporate seal of the municipality. All details pertaining to the issuance of the bonds and terms and conditions thereof shall be determined by ordinance or resolution of the municipality. The provisions of K.S.A. 10-106, and amendments thereto, requiring a public sale of bonds shall not apply to bonds issued under this act. All bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes. Such bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such bonds shall contain the following recitals: The authority under which such bonds are issued; that such bonds are in conformity with the provisions, restrictions and limitations thereof; and that such bonds and the interest thereon are to be paid from the money and revenue received as provided in subsection (a) such bonds shall mature in no more than 22 years.

(d) Any municipality issuing bonds or executing a loan from the Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto, under the provisions of this act may refund all or part of such issue

pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(e) Bonds issued under the provisions of this act shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such municipality.

Sec. 27. K.S.A. 68-416 is hereby amended to read as follows:
68-416. The state highway fund shall be apportioned as follows:

(a) The secretary of transportation annually shall apportion and distribute quarterly, on the first day of January, April, July and October, to cities on the state highway system from the state highway fund moneys at the rate of \$3,000 per year per lane per mile for the maintenance of streets and highways in cities designated by the secretary as city connecting links. Unless a consolidated street and highway fund is established pursuant to K.S.A. 12-1,119, and amendments thereto, all moneys distributed by the secretary shall be credited to the street and alley funds of such cities. All moneys so distributed shall be used solely for the maintenance of city connecting links. Maintenance of such city connecting links shall be as prescribed in K.S.A. 68-416a, and amendments thereto. As used in this subsection, "lane" means the portion of the roadway for use of moving traffic of a standard width prescribed by the secretary. In lieu of such apportionment, the secretary, by and with the consent of the governing body of any city within the state of Kansas, may maintain such streets within the city and pay for such maintenance from the highway fund.

(b) All of the remainder of such highway fund shall be used by the secretary of transportation for:

(1) The construction, improvement, reconstruction and maintenance of the state highway system;

(2) improvements in transportation programs to aid elderly persons, persons with disabilities and the general public;

(3) for any purpose specified in ~~K.S.A.-68-2314a~~ section 1, and amendments thereto;

(4) the support and maintenance of the department of transportation;

(5) the expenses of administering the motor vehicle registration and drivers' license laws; and

(6) the payment of losses to department of transportation employees authorized by K.S.A. ~~2002~~ 2009 Supp. 75-5062, and amendments thereto.

Sec. 28. K.S.A. 68-20,120 is hereby amended to read as follows: 68-20,120. ~~(a)~~ In addition to other powers and duties granted to the secretary of transportation~~;~~:

(a) (1) The secretary of transportation may study the feasibility of constructing a new toll project or turnpike project or designating existing highways or any portion of such highways as a toll project or turnpike project.

~~(b)~~ (2) The study of the feasibility of such toll project or turnpike project shall include, but not be limited to:

~~(1)~~ (A) The total cost of such project;

~~(2)~~ (B) a determination of the funding of such projects,

including the use of one or a combination of public funds, private funds or toll revenues;

†3† (C) a determination of the duration of the collection of tolls on such projects and if such projects are to become toll-free, a projected date when such projects would become toll-free; and

†4† (D) such other data deemed necessary by the secretary for a determination of the project's feasibility.

(b) After conducting the feasibility study under subsection (a) and if such feasibility study provides a favorable result, the secretary of transportation may recommend the construction of a new toll project or turnpike project or the designation of an existing highway or any portion of such highway as a toll project or turnpike project.

Sec. 29. K.S.A. 2009 Supp. 68-2315 is hereby amended to read as follows: 68-2315. Annually, prior to the 10th day of each regular session of the legislature, the secretary of transportation shall submit a written report to the governor and each member of the legislature providing:

(a) Summary financial information and a statement of assurance that the department of transportation has prepared a comprehensive financial report of all funds for the preceding year which includes a report by independent public accountants attesting that the financial statements present fairly the financial position of the Kansas department of transportation in conformity with generally accepted accounting principles and a

notification that the complete comprehensive financial report, including the auditor's report is available upon request;

(b) a detailed explanation of the methods or criteria employed in the selection of ~~substantial--maintenance--and construction-projects~~ transportation projects under subsection (b) of section 1, and amendments thereto, and in the awarding of assistance to cities, counties or other transportation providers;

(c) the proposed allocation and expenditure of moneys and proposed work plan for the current fiscal year and at least the next five years;

(d) information concerning ~~system-enhancements,~~ construction work completed in the preceding fiscal year and construction work in progress;

(e) information concerning the operation and financial condition of the transportation revolving fund;

(f) the annual allocation and expenditure of moneys from the coordinated public transportation assistance fund under K.S.A. 75-5035, and amendments thereto;

(g) the annual allocation and expenditure of moneys from the rail service improvement fund under K.S.A. 75-5048, and amendments thereto, including specific information relating to any grants or loans made under such program;

(h) the annual allocation and expenditure of moneys from the public use general aviation airport development fund under K.S.A. 75-5061, and amendments thereto, including specific information relating to grants made under such program;

(i) specific recommendations for any statutory changes necessary for the successful completion of the comprehensive transportation program specified in K.S.A.-68-2314a section 1, and amendments thereto, or efficient and effective operation of the Kansas department of transportation; and

(j) an explanation of any material changes from the previous annual report.

Sec. 30. K.S.A. 68-2316 is hereby amended to read as follows: 68-2316. For the period beginning July 1, ~~1999~~ 2010, through June 30, ~~2009~~ 2020, the secretary of transportation shall expend or commit to expend, from the revenue provided under the provisions of ~~this--act~~ the transportation works for Kansas program, at least ~~\$3,000,000~~ \$6,000,000 for highway, bridge and substantial maintenance projects in each county of the state.

Sec. 31. K.S.A. 68-2320 is hereby amended to read as follows: 68-2320. (a) On and after July 1, 1991, the secretary of transportation is hereby authorized and empowered to issue bonds of the state of Kansas, payable solely from revenues accruing to the state highway fund and transferred to the highway bond debt service fund and pledged to their payment, for the purpose of providing funds to pay costs relating to construction, reconstruction, maintenance or improvement of highways in this state and to pay all expenses incidental thereto and to the bonds. The secretary is hereby authorized to issue bonds the total principal amount of which shall not exceed \$890,000,000.

(b) In addition to the provisions of subsection (a), on and

after July 1, 1999, the secretary of transportation is hereby authorized and empowered to issue bonds of the state of Kansas, payable solely from revenues accruing to the state highway fund and transferred to the highway bond debt service fund and pledged to their payment, for the purpose of providing funds to pay costs relating to construction, reconstruction, maintenance or improvement of highways in this state and to pay all expenses incidental thereto and to the bonds. The secretary is hereby authorized to issue bonds the total principal amount of which shall not exceed \$1,272,000,000.

(c) (1) In addition to the provisions of subsections (a) and (b), on and after July 1, 2010, the secretary of transportation is hereby authorized and empowered to issue additional bonds of the state of Kansas, payable solely from revenues accruing to the state highway fund and transferred to the highway bond debt service fund and pledged to their payment, for the purpose of providing funds to pay costs relating to construction, reconstruction, maintenance or improvement of highways in this state and to pay all expenses incidental thereto and to the bonds. No bonds shall be issued by the secretary pursuant to this subsection unless the secretary certifies that, as of the date of issuance of any such series of additional bonds, the maximum annual debt service on all outstanding bonds issued pursuant to this section and K.S.A. 68-2328, and amendments thereto, including the bonds to be issued on such date, will not exceed 18% of projected state highway fund revenues for the current or

any future fiscal year.

(2) As used in this subsection:

(A) "Maximum annual debt service" means the maximum amount of debt service requirements on all outstanding bonds for the current or any future fiscal year;

(B) "debt service requirements" means, for each fiscal year, the aggregate principal and interest payments required to be made during such fiscal year on all outstanding bonds, including the additional bonds to be issued, less any interest subsidy payments expected to be received from the federal government, less any principal and interest payments irrevocably provided for from a dedicated escrow of United States government securities;

(C) "projected state highway fund revenues" means all revenues projected by the secretary of transportation to accrue to the state highway fund for the current or any future fiscal year; and

(D) "fiscal year" means the fiscal year of the state.

(3) Debt service requirements for variable rate bonds outstanding or proposed to be issued for the current or any future fiscal year for which the actual interest rate cannot be determined on the date of calculation shall be deemed to bear interest at an assume rate equal to the average of the SIFMA swap index, or any successor variable rate index, for the immediately preceding five calendar years plus 1% and an amount determined by the secretary that represents the then current reasonable annual ancillary costs associated with variable rate debt, including

credit enhancement, liquidity and remarketing costs; except that, debt service requirements for variable rate bonds that are hedged pursuant to an interest rate exchange or similar agreement that results in synthetic fixed rate debt shall be deemed to bear interest at the synthetic fixed rate plus .5% and an amount determined by the secretary that represents the then current reasonable annual ancillary costs associated with variable rate debt, including credit enhancement, liquidity and remarketing costs.

(4) Projected state highway fund revenues for the current or any future fiscal year for which the actual revenues cannot be determined on the date of calculation shall be deemed to be the actual revenues for the most recently completed fiscal year, adjusted in each subsequent fiscal year by a percentage equal to the historical average annual increase or decrease in revenues for the five fiscal year period prior to the current fiscal year, and further adjusted to take into account any increases or decreases in the statutory rates of any taxes or other charges or transfers that comprise a portion of the revenues.

~~(e)~~ (d) In accordance with procurement statutes, the secretary may contract with financial advisors, attorneys and such other professional services as the secretary deems necessary to carry out the provisions of this act, and to do all things necessary or convenient to carry out the powers expressly granted in this act.

Sec. 32. K.S.A. 68-2321 is hereby amended to read as

follows: 68-2321. (a) Bonds issued shall be authorized by resolution of the secretary. The secretary shall determine the form and manner of the execution of the bonds and the bonds may be made exchangeable for bonds of another denomination or in another form. The bonds shall be dated. Bonds issued under subsections (a) and (b) of K.S.A. 68-2320, and amendments thereto, shall mature not more than 20 years from their date. Bonds issued under subsection (c) of K.S.A. 68-2320, and amendments thereto, shall mature not more than 20 years from their date, except that bonds issued under subsection (c) of K.S.A. 68-2320, and amendments thereto, the interest on which is eligible for subsidy by the federal government, shall mature not more than 25 years from their date. Bonds issued for the purpose of refunding bonds under K.S.A. 68-2328, and amendments thereto, shall mature not more than 20 years from their date. The bonds may be in such form and denominations, may bear interest payable at such times and at such rate or rates, may be payable at such places within or without the state, may be subject to such terms of redemption in advance of maturity at such prices, and may contain such terms and conditions, all as the secretary shall determine. The bonds shall have all the qualities of and shall be deemed to be negotiable instruments under the laws of the state of Kansas. The authorizing resolution may contain any other terms, covenants and conditions that the secretary deems reasonable and desirable.

(b) The proceeds from the sale of the bonds authorized to be

issued under this section are deemed to be trust funds which shall be deposited in the custody of the state treasurer in the highway bond proceeds fund which is hereby created. The secretary shall have responsibility for the management and control of the highway bond proceeds fund and shall provide, by resolution, for both amounts and the duration of investments of moneys in such fund. Such resolution may recommend investment and reporting policies, including acceptable levels of return, risk and security. After consultation with the secretary and subject to the terms, covenants and conditions provided in the resolutions providing for the issuance of such bonds, the director of investments shall have the authority to invest and reinvest moneys in such fund and to acquire, retain, manage, including the exercise of any voting rights, and dispose of investments of such fund. In investing or reinvesting moneys in such fund, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital, except that moneys of the fund may not be invested in common stocks. Notwithstanding anything to the contrary, all interest or other income of the investments, after payment of any management fees, of the highway bond proceeds fund shall be credited to the highway bond debt service fund, until payments on bonds authorized by this act and

interest thereon has been fully funded. Thereafter, earnings and other income shall be credited to the state highway fund.

(c) The authorizing resolution may provide for the execution of a trust indenture. The trust indenture may contain any terms, covenants and conditions that are deemed desirable by the secretary, including, without limitation, those pertaining to the maintenance of various funds and reserves, the nature and extent of any security for payment of the bonds, the custody and application of the proceeds of the bonds, the collection and disposition of bond proceeds and earnings thereon, the investing for authorized purposes, and the rights, duties and obligations of the secretary and the holders and registered owners of the bonds.

(d) Any authorizing resolution and trust indenture relating to the issuance and security of the bonds may set forth covenants, agreements and obligations therein, which may be enforced by mandamus or other appropriate proceeding at law or in equity.

(e) The bonds may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the state and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

Sec. 33. K.S.A. 68-2328 is hereby amended to read as follows: 68-2328. (a) Bonds may be issued for the purpose of

refunding, either at maturity or in advance of maturity, any bonds issued under this act, any interest on such bonds or both bonds and the interest thereof. ~~Bonds may be issued subsequent to the effective date of this act for the purpose of refunding, either at maturity or in advance of maturity, bonds issued under article 23 of chapter 68 of the Kansas Statutes Annotated, and amendments thereto.~~ Such refunding bonds may either be sold or delivered in exchange for the bonds being refunded. If sold, the proceeds may either be applied to the payment of the bonds being refunded or deposited in trust and there maintained in cash or investments for the retirement of the bonds being refunded, as shall be specified by the secretary and the authorizing resolution or trust indenture securing such refunding bonds. The authorizing resolution or trust indenture securing the refunding bonds may provide that the refunding bonds shall have the same security for their payment as provided for the bonds being refunded. Refunding bonds shall be sold and secured in accordance with the provisions of this act pertaining to the sale and security of the bonds. Any bonds that have been issued pursuant to this section shall not be counted toward the limit on the aggregate principal amount of bonds established under subsections (a) and (b) of K.S.A. 68-2320, and amendments thereto.

(b) When all bonds issued under article 23 of chapter 68 of the Kansas Statutes Annotated, and amendments thereto, have either been paid or the lien of such bonds shall have been defeased in accordance with their terms so that the bonds are

deemed to have been paid, the secretary of transportation shall certify such facts to the director of accounts and reports and upon receipt of such certification the director of accounts and reports shall transfer all moneys in the state freeway fund to the state highway fund and upon such transfer all liabilities of the state freeway fund are hereby transferred to and imposed upon the state highway fund and the state freeway fund is hereby abolished. Upon the abolition of the state freeway fund, any reference to the state freeway fund or any designation thereof, in any statute, contract or other document shall mean the state highway fund.

Sec. 34. K.S.A. 2009 Supp. 68-2331 is hereby amended to read as follows: 68-2331. (a) For the purpose of financing a portion of the comprehensive transportation program, ~~K.S.A. 68-2314a7~~ ~~et seq.~~ ~~and amendments thereto,~~ the Kansas development finance authority is hereby authorized to issue one or more series of revenue bonds pursuant to the Kansas development finance authority act, K.S.A. 74-8901 et seq., and amendments thereto, in an amount necessary to provide a deposit or deposits in a total amount not to exceed \$150,000,000 to the state highway fund plus amounts necessary to pay the costs of issuance of the bonds, including any credit enhancement, and provide any required reserves for the bonds. The principal amount, interest rates and final maturity of such revenue bonds and any bonds issued to refund such bonds or parameters for such principal amount, interest rates and final maturity shall be approved by the

secretary of transportation and by a resolution of the state finance council. The bonds, and interest thereon, issued pursuant to this section shall be payable from moneys appropriated by the state for such purpose. The bonds and interest thereon, issued pursuant to this section shall be obligations only of the authority and in no event shall such bonds constitute an indebtedness or obligation of the Kansas department of transportation or an indebtedness or obligation for which the faith and credit or any assets of the Kansas department of transportation are pledged.

(b) (1) The authority may pledge the contract or contracts authorized in subsection (c), or any part thereof, for the payment or redemption of the bonds, and covenant as to the use and disposition of money available to the authority for payments of the bonds. The authority is authorized to enter into any agreements necessary or desirable to effectuate the purposes of this section.

(2) The proceeds from the sale of the bonds, other than refunding bonds, issued pursuant to this section, after payment of any costs related to the issuance of such bonds, shall be paid by the authority to the Kansas department of transportation to be applied to the payment, in full or in part, of the construction projects authorized by the comprehensive transportation program.

(3) The state hereby pledges and covenants with the holders of any bonds issued pursuant to the provisions of this section, that it will not limit or alter the rights or powers vested in

the authority by this section, nor limit or alter the rights or powers of the authority, the department of administration or the Kansas department of transportation, in any manner which would jeopardize the interest of the holders or any trustee of such holders or inhibit or prevent performance or fulfillment by the authority, the department of administration or the Kansas department of transportation with respect to the terms of any agreement made with the holders of the bonds or agreements made pursuant to this section, except that the failure of the legislature to appropriate moneys for any purpose shall not be deemed a violation of this pledge and covenant. The department of administration is hereby specifically authorized to include this pledge and covenant in any agreement with the authority. The authority is hereby specifically authorized to include this pledge and covenant in any bond resolution, trust indenture or agreement for the benefit of holders of the bonds.

(4) Revenue bonds may be issued pursuant to this section without obtaining the consent of any department, division, commission, board or agency of the state, other than the approvals of the state finance council required by this section, and without any other proceedings or the occurrence of any other conditions or other things other than those proceedings, conditions or things which are specifically required by the Kansas development finance authority act.

(c) The department of administration and the authority are authorized to enter into one or more contracts to implement the

payment arrangement that is provided for in this section. The contract or contracts shall provide for payment of the amounts required to be paid pursuant to this section and shall set forth the procedure for the transfer of moneys for the purpose of paying such moneys. The contract or contracts shall contain such terms and conditions including principal amount, interest rates and final maturity as shall be approved by resolution of the state finance council and shall include, but not be limited to, terms and conditions necessary or desirable to provide for repayment of and to secure any bonds of the authority issued pursuant to this section.

(d) In addition to the bonds authorized under subsection (a), if the incremental increases in the amount of federal funds estimated to be available to fund the comprehensive transportation program projects for state fiscal years 2005 through 2009 by the congressional reauthorization of the federal highway program are less than the anticipated federal receipts, the Kansas development finance authority is authorized to issue one or more series of revenue bonds pursuant to the Kansas development finance authority act, K.S.A. 74-8901 et seq., and amendments thereto. Such bonds shall be in an amount necessary to provide a deposit or deposits in a total amount not to exceed the lesser of the federal shortfall or \$60,000,000 to the state highway fund. The purpose of such bonds shall be to off-set shortfalls in anticipated federal receipts. The issuance of such bonds shall be approved by resolution of the state finance

council and shall be issued in accordance with the provisions of this section.

No bonds shall be issued pursuant to this subsection prior to the review and recommendation to the state finance council of such issuance by the legislative budget committee.

(e) The approvals by the state finance council required by subsection (a), (c) and (d) are hereby characterized as matters of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c, and amendments thereto. Such approvals may be given by the state finance council when the legislature is in session.

(f) Except for bonds authorized under subsection (d), no bonds shall be issued pursuant to this section prior to the review of and recommendation to the state finance council of such issuance by the standing committees on transportation of the house of representatives and the senate.

Sec. 35. K.S.A. 2009 Supp. 75-5035 is hereby amended to read as follows: 75-5035. (a) There is hereby established in the state treasury the coordinated public transportation assistance fund. Any expenditures from the fund shall be for the coordinated development, improvement or maintenance of transportation systems for elderly persons, persons with disabilities or the general public under this act and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary or by a person designated by the secretary.

(b) (1) On July 1, 1999, and each July 1 thereafter through July 1, 2012, the director of accounts and reports shall transfer \$6,000,000 from the state highway fund to the coordinated public transportation assistance fund.

(2) On July 1, 2013, and each July 1, thereafter, the director of accounts and reports shall transfer \$11,000,000 from the state highway fund to the coordinated public transportation assistance fund.

Sec. 36. K.S.A. 2009 Supp. 75-5048 is hereby amended to read as follows: 75-5048. (a) The secretary of transportation is hereby authorized to make loans or grants to a qualified entity for the purpose of facilitating the financing, acquisition or rehabilitation of railroads and rolling stock in the state of Kansas.

(b) Such loans or grants shall be made upon such terms and conditions as the secretary of transportation may deem appropriate, and such loans or grants shall be made from funds credited to the rail service improvement fund.

(c) The rail service improvement fund is hereby established in the state treasury which shall be for the purpose of facilitating the financing, acquisition and rehabilitation of railroads pursuant to subsection (a) of this section and for the refinancing thereof. The secretary of transportation shall administer the rail service improvement fund. All expenditures from the rail service improvement fund shall be made in accordance with appropriation acts upon warrants of the director

of accounts and reports issued pursuant to vouchers approved by the secretary of transportation or by a person or persons designated by the secretary.

(d) All moneys received from the federal government under the local rail freight assistance program (49 U.S.C. 1654) shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the rail service improvement fund.

(e) The management and investment of the rail service improvement fund shall be in accordance with K.S.A. 68-2324, and amendments thereto. Notwithstanding anything to the contrary, all interest or other income of the investments, after payment of any management fees, shall be considered income of the rail service improvement fund.

(f) ~~(1)~~ On July 1, ~~1999~~ 2013, and each July 1 thereafter, the director of accounts and reports shall transfer ~~\$3,000,000~~ \$5,000,000 from the state highway fund to the rail service improvement fund.

~~(2) -- The provisions of this subsection shall expire on June 30, 2009.~~

(g) "Qualified entity" means any interstate commerce commission certificated railroad, a port authority established in accordance with Kansas laws, or any entity meeting the rules and regulations established by K.S.A. 75-5050, and amendments

thereto.

Sec. 37. K.S.A. 2009 Supp. 75-5061 is hereby amended to read as follows: 75-5061. (a) The secretary of transportation is hereby authorized and empowered to: (1) Solicit and receive moneys from any public or private sources; and (2) establish and administer a grant program for public use general aviation airports for the purpose of planning, constructing, reconstructing or rehabilitating the facilities of such public use general aviation airports.

(b) Such grants shall be made upon such terms and conditions as the secretary of transportation deems appropriate, and such grants shall be made from funds credited to the public use general aviation airport development fund.

(c) The public use general aviation airport development fund is hereby established in the state treasury which shall be for the purpose of planning, constructing, reconstructing or rehabilitating the facilities of public use general aviation airports pursuant to subsection (a) of this section. All moneys received pursuant to subsection (a) shall be remitted to the state treasurer at least monthly and deposited in the state treasury to the credit of the public use general aviation airport development fund. The secretary of transportation shall administer the public use general aviation airport development fund. All expenditures from the public use general aviation airport development fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and

reports issued pursuant to vouchers approved by the secretary of transportation or by a person or persons designated by the secretary.

(d) (1) On July 1, 1999, and each July 1 thereafter through July 1, 2012, the director of accounts and reports shall transfer \$3,000,000 from the state highway fund to the public use general aviation airport development fund.

(2) On July 1, 2013, and each July 1, thereafter, the director of accounts and reports shall transfer \$5,000,000 from the state highway fund to the public use general aviation airport development fund.

(e) As used in this section "public use general aviation airport" means any airport available for use by the general public for the landing and taking off of aircraft, but shall not include any airport classified as a primary airport by the federal aviation administration.

(f) The secretary of transportation may adopt rules and regulations for the purpose of implementing the provisions of this section.

Sec. 38. K.S.A. 2009 Supp. 75-5063 is hereby amended to read as follows: 75-5063. The secretary of transportation is hereby authorized to establish a transportation revolving fund to provide assistance to governmental units for transportation projects. The secretary may authorize the creation of separate accounts within the transportation revolving fund with respect to major highway enhancement projects.

Sec. 39. K.S.A. 2009 Supp. 75-5064 is hereby amended to read as follows: 75-5064. As used in K.S.A. 2009 Supp. 75-5063 through 75-5069, and amendments thereto:

(a) "Cost" means as applied to any qualified project, any or all costs, whenever incurred, approved by the department, for carrying out a qualified project;

(b) "department" means the Kansas department of transportation established under K.S.A. 75-5001, and amendments thereto;

(c) "fund" means the Kansas transportation revolving fund established by K.S.A. 2009 Supp. 75-5066, and amendments thereto, including one or more of the separate accounts within such fund;

(d) "governmental unit" means any town, city, district, county, commission, agency, authority, board or other instrumentality of the state or of any of its political subdivisions, including any combination thereof, which is responsible for the construction, ownership or operation of a qualified project;

(e) "major highway enhancement project" means a highway project determined by the secretary to be of local, regional or statewide economic significance, including, but not limited to, the construction of new highways, construction of additional traffic lanes, improved access control, corridor improvements, construction, reconstruction or improvement of highway interchanges that have not been developed, have been under-developed or are unlikely to be developed in the absence of

governmental assistance;

{e} (f) "private enterprise" means a private person or entity that has entered into a contract with a public authority to design, finance, construct and/or operate a qualified project that is within the jurisdiction of such public authority;

{f} (g) "project" means the acquisition, construction, improvement, repair, rehabilitation, maintenance or extension of transportation ~~facilities~~ projects;

{g} (h) "project costs" means all costs or expenses which are necessary or incident to a project and which are directly attributable thereto;

{h} (i) "project revenues" means all rates, rents, fees, assessments, charges and other receipts derived or to be derived by a qualified borrower from a qualified project;

{i} (j) "qualified borrower" means any governmental unit or private enterprise which is authorized to construct, operate or own a qualified project;

{j} (k) "qualified project" means any public or private transportation project, including, without limitation, the construction, reconstruction, resurfacing, restoration, rehabilitation or replacement of public or private transportation ~~facilities~~ projects within the state;

{k} (l) "revenues" means when used with respect to the department, any receipts, fees, revenues or other payments received or to be received by the department under K.S.A. 2009 Supp. 75-5063 through 75-5069, and amendments thereto;

~~(i)~~ (m) "secretary" means the secretary of the Kansas department of transportation;

~~(m)~~ (n) "transportation project" means any bridge, culvert, highway, road, street, major highway enhancement project or combination thereof.

Sec. 40. K.S.A. 2009 Supp. 75-5160 is hereby amended to read as follows: 75-5160. (a) In addition to any registration fee prescribed under article 1 of chapter 8 of the Kansas Statutes Annotated, and amendments thereto, all applicants for vehicle registration shall pay at the time of registration a nonrefundable division of vehicles modernization surcharge in the amount of \$4 for each vehicle being registered.

(b) Until January 1, 2013, the provisions of this section shall not apply to vehicles registered under K.S.A. 8-1,100 through 8-1,123 and K.S.A. 2008 Supp. 8-1,123a, and amendments thereto. On and after January 1, 2013, the provisions of this section shall apply to such vehicles.

~~(c) --The--provisions--of--this--section--shall--expire--on--January 17-2013-~~

Sec. 41. K.S.A. 2009 Supp. 79-3492b is hereby amended to read as follows: 79-3492b. Alternatively to the methods otherwise set forth in this act, special LP-gas permit users operating motor vehicles on the public highways of this state may upon application to the director on forms prescribed by the director elect to pay taxes in advance on LP-gas for each and every motor vehicle owned or operated by them and propelled in whole or in

part with LP-gas during the calendar year and thereafter to purchase LP-gas tax free in lieu of securing a bonded user's permit and filing monthly reports and tax payments and keeping the records otherwise provided for in this act. The amount of such tax for each motor vehicle shall, except as otherwise provided, be based upon the gross weight of the motor vehicle and the number of miles it was operated on the public highways of this state during the previous year pursuant to the following schedules:

(a) ~~On and after July 1, 2002, until July 1, 2003:~~

	less than 5,000 miles	5,000 to 10,000 miles	10,001 to 15,000 miles	15,001 to 19,999 miles	20,000 to 29,999 miles	30,000 to 39,999 miles	40,000 to 49,999 miles	50,000 to 59,999 miles	60,000 and over
Class A: 3,000 pounds or less	\$44.00	\$88.00	\$132.00	\$176.00	\$264.00	\$352.00	\$440.00	\$528.00	\$616.00
Class B: more than 3,000 pounds and not more than 4,500 pounds	\$75.00	\$150.00	\$225.00	\$300.00	\$450.00	\$600.00	\$750.00	\$900.00	\$1,050.00
Class C: more than 4,500 pounds and not more than 12,000 pounds	\$91.00	\$181.00	\$273.00	\$364.00	\$546.00	\$728.00	\$910.00	\$1,092.00	\$1,274.00
Class D: more than 12,000 pounds and not more than 16,000 pounds	\$123.00	\$246.00	\$369.00	\$492.00	\$738.00	\$984.00	\$1,230.00	\$1,476.00	\$1,722.00
Class E: more than 16,000 pounds and not more than 24,000 pounds	\$158.00	\$316.00	\$474.00	\$632.00	\$948.00	\$1,264.00	\$1,580.00	\$1,896.00	\$2,212.00
Class F: more than 24,000 pounds and not more than 36,000 pounds	\$220.00	\$440.00	\$660.00	\$880.00	\$1,320.00	\$1,760.00	\$2,200.00	\$2,640.00	\$3,080.00
Class G: more than 36,000 pounds and not more than 48,000 pounds	\$273.00	\$546.00	\$819.00	\$1,092.00	\$1,638.00	\$2,184.00	\$2,730.00	\$3,276.00	\$3,822.00
Class H: more than 48,000 pounds	\$368.00	\$736.00	\$1,104.00	\$1,472.00	\$2,208.00	\$2,944.00	\$3,680.00	\$4,416.00	\$5,152.00
Class I: transit carrier vehicles operated by transit companies									\$1,792.00
Class J: motor vehicles designed for carrying fewer than 10 passengers and used for the transportation of persons for compensation:									\$898.00

(b) On and after July 1, 2003, until July 1, 2020:

	less than 5,000 miles	5,000 to 10,000 miles	10,001 to 15,000 miles	15,001 to 19,999 miles	20,000 to 29,999 miles	30,000 to 39,999 miles	40,000 to 49,999 miles	50,000 to 59,999 miles	60,000 and over
Class A: 3,000 pounds or less	\$46.00	\$92.00	\$138.00	\$184.00	\$276.00	\$368.00	\$460.00	\$552.00	\$644.00
Class B: more than 3,000 pounds and not more than 4,500 pounds	\$78.00	\$156.00	\$234.00	\$312.00	\$468.00	\$624.00	\$780.00	\$936.00	\$1,092.00
Class C: more than 4,500 pounds and not more than 12,000 pounds	\$95.00	\$189.00	\$285.00	\$380.00	\$570.00	\$760.00	\$950.00	\$1,140.00	\$1,330.00
Class D: more than 12,000 pounds and not more than 16,000 pounds	\$129.00	\$258.00	\$387.00	\$516.00	\$774.00	\$1,032.00	\$1,290.00	\$1,548.00	\$1,806.00
Class E: more than 16,000 pounds and not more than 24,000 pounds	\$165.00	\$330.00	\$495.00	\$660.00	\$990.00	\$1,320.00	\$1,650.00	\$1,980.00	\$2,310.00
Class F: more than 24,000 pounds and not more than 36,000 pounds	\$230.00	\$460.00	\$690.00	\$920.00	\$1,380.00	\$1,840.00	\$2,300.00	\$2,760.00	\$3,220.00
Class G: more than 36,000 pounds and not more than 48,000 pounds	\$285.00	\$570.00	\$855.00	\$1,140.00	\$1,710.00	\$2,280.00	\$2,850.00	\$3,420.00	\$3,990.00
Class H: more than 48,000 pounds	\$384.00	\$768.00	\$1,152.00	\$1,536.00	\$2,304.00	\$3,072.00	\$3,840.00	\$4,608.00	\$5,376.00
Class I: transit carrier vehicles operated by transit companies									\$1,808.00
Class J: motor vehicles designed for carrying fewer than 10 passengers and used for the transportation of persons for compensation.									\$939.00

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(c) On and after July 1, 2020:

	less than 5,000 miles	5,000 to 10,000 miles	10,001 to 15,000 miles	15,001 to 19,999 miles	20,000 to 29,999 miles	30,000 to 39,999 miles	40,000 to 49,999 miles	50,000 to 59,999 miles	60,000 and over
Class A: 3,000 pounds or less	\$34.00	\$68.00	\$102.00	\$136.00	\$204.00	\$272.00	\$340.00	\$408.00	\$476.00
Class B: more than 3,000 pounds and not more than 4,500 pounds	\$58.00	\$116.00	\$173.00	\$231.00	\$347.00	\$462.00	\$578.00	\$694.00	\$809.00
Class C: more than 4,500 pounds and not more than 12,000 pounds	\$70.00	\$139.00	\$209.00	\$279.00	\$418.00	\$558.00	\$697.00	\$836.00	\$976.00
Class D: more than 12,000 pounds and not more than 16,000 pounds	\$95.00	\$190.00	\$286.00	\$381.00	\$571.00	\$762.00	\$952.00	\$1,142.00	\$1,333.00
Class E: more than 16,000 pounds and not more than 24,000 pounds	\$122.00	\$245.00	\$367.00	\$490.00	\$734.00	\$979.00	\$1,224.00	\$1,469.00	\$1,714.00
Class F: more than 24,000 pounds and not more than 36,000 pounds	\$170.00	\$340.00	\$510.00	\$680.00	\$1,020.00	\$1,360.00	\$1,700.00	\$2,040.00	\$2,380.00
Class G: more than 36,000 pounds and not more than 48,000 pounds	\$211.00	\$422.00	\$632.00	\$843.00	\$1,265.00	\$1,686.00	\$2,108.00	\$2,530.00	\$2,951.00
Class H: more than 48,000 pounds	\$284.00	\$568.00	\$852.00	\$1,136.00	\$1,703.00	\$2,271.00	\$2,839.00	\$3,407.00	\$4,060.00
Class I: transit carrier vehicles operated by transit companies									\$1,336.00
Class J: motor vehicles designed for carrying fewer than 10 passengers and used for the transportation of persons for compensation:									\$694.00

In the event any additional motor vehicles equipped to use LP-gas as a fuel are placed in operation by a special LP-gas permit user after the first month of any calendar year, a tax shall become due and payable to this state and is hereby imposed at the tax rate prescribed herein prorated on the basis of the weight and mileage for the months operated in the calendar year. The director shall issue special permit decals for each motor vehicle on which taxes have been paid in advance as provided herein, which shall be affixed on each such vehicle in the manner prescribed by the director.

Sec. 42. K.S.A. 2009 Supp. 79-34,141 is hereby amended to read as follows: 79-34,141. ~~(a) On and after January 1, 2007, until July 1, 2020,~~ The tax imposed under this act shall be not less than:

(1) On motor-vehicle fuels other than E85 fuels, \$.24 per gallon, or fraction thereof;

(2) on special fuels, \$.26 per gallon, or fraction thereof;

(3) on LP-gas, \$.23 per gallon, or fraction thereof; and

(4) on E85 fuels, \$.17 per gallon, or fraction thereof.

~~(b) On and after July 1, 2020, the tax rates imposed under this act shall be not less than:~~

~~(1) On motor-vehicle fuels other than E85 fuels, \$.18 per gallon, or fraction thereof;~~

~~(2) on special fuels, \$.20 per gallon, or fraction thereof;~~

~~(3) on LP-gas, \$.17 per gallon, or fraction thereof; and~~

~~(4) on E85 fuels, \$.11 per gallon, or fraction thereof.~~

Sec. 43. K.S.A. 2009 Supp. 79-34,142 is hereby amended to read as follows: 79-34,142. ~~(a) On and after July 17, 2002, until July 17, 2003, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 64.6% and to the special city and county highway fund 35.4%.~~

~~(b) On and after July 17, 2003, until July 17, 2020, The state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118, and amendments thereto, as follows: To the state highway fund 66.37% and to the special city and county highway fund 33.63%.~~

~~(c) On and after July 17, 2020, the state treasurer shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as follows: To the state highway fund 55.3% and to the special city and county highway fund 44.7%.~~

Sec. 44. K.S.A. 2009 Supp. 79-3603 is hereby amended to read as follows: 79-3603. For the privilege of engaging in the business of selling tangible personal property at retail in this state or rendering or furnishing any of the services taxable under this act, there is hereby levied and there shall be collected and paid a tax at the rate of 5.3%, and commencing January 1, 2013, at the rate of 5.6%. Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax at the rate of 2% until the earlier of the

date the bonds issued to finance or refinance the redevelopment project have been paid in full or the final scheduled maturity of the first series of bonds issued to finance any part of the project upon:

(a) The gross receipts received from the sale of tangible personal property at retail within this state;

(b) the gross receipts from intrastate, interstate or international telecommunications services and any ancillary services sourced to this state in accordance with K.S.A. 2009 Supp. 79-3673, and amendments thereto, except that telecommunications service does not include: (1) Any interstate or international 800 or 900 service; (2) any interstate or international private communications service as defined in K.S.A. 2009 Supp. 79-3673, and amendments thereto; (3) any value-added nonvoice data service; (4) any telecommunication service to a provider of telecommunication services which will be used to render telecommunications services, including carrier access services; or (5) any service or transaction defined in this section among entities classified as members of an affiliated group as provided by section 1504 of the federal internal revenue code of 1986, as in effect on January 1, 2001;

(c) the gross receipts from the sale or furnishing of gas, water, electricity and heat, which sale is not otherwise exempt from taxation under the provisions of this act, and whether furnished by municipally or privately owned utilities, except that, on and after January 1, 2006, for sales of gas, electricity

and heat delivered through mains, lines or pipes to residential premises for noncommercial use by the occupant of such premises, and for agricultural use and also, for such use, all sales of propane gas, the state rate shall be 0%; and for all sales of propane gas, LP gas, coal, wood and other fuel sources for the production of heat or lighting for noncommercial use of an occupant of residential premises, the state rate shall be 0%, but such tax shall not be levied and collected upon the gross receipts from: (1) The sale of a rural water district benefit unit; (2) a water system impact fee, system enhancement fee or similar fee collected by a water supplier as a condition for establishing service; or (3) connection or reconnection fees collected by a water supplier;

(d) the gross receipts from the sale of meals or drinks furnished at any private club, drinking establishment, catered event, restaurant, eating house, dining car, hotel, drugstore or other place where meals or drinks are regularly sold to the public;

(e) the gross receipts from the sale of admissions to any place providing amusement, entertainment or recreation services including admissions to state, county, district and local fairs, but such tax shall not be levied and collected upon the gross receipts received from sales of admissions to any cultural and historical event which occurs triennially;

(f) the gross receipts from the operation of any coin-operated device dispensing or providing tangible personal

property, amusement or other services except laundry services, whether automatic or manually operated;

(g) the gross receipts from the service of renting of rooms by hotels, as defined by K.S.A. 36-501 and amendments thereto, or by accommodation brokers, as defined by K.S.A. 12-1692, and amendments thereto but such tax shall not be levied and collected upon the gross receipts received from sales of such service to the federal government and any agency, officer or employee thereof in association with the performance of official government duties;

(h) the gross receipts from the service of renting or leasing of tangible personal property except such tax shall not apply to the renting or leasing of machinery, equipment or other personal property owned by a city and purchased from the proceeds of industrial revenue bonds issued prior to July 1, 1973, in accordance with the provisions of K.S.A. 12-1740 through 12-1749, and amendments thereto, and any city or lessee renting or leasing such machinery, equipment or other personal property purchased with the proceeds of such bonds who shall have paid a tax under the provisions of this section upon sales made prior to July 1, 1973, shall be entitled to a refund from the sales tax refund fund of all taxes paid thereon;

(i) the gross receipts from the rendering of dry cleaning, pressing, dyeing and laundry services except laundry services rendered through a coin-operated device whether automatic or manually operated;

(j) the gross receipts from the rendering of the services of washing and washing and waxing of vehicles;

(k) the gross receipts from cable, community antennae and other subscriber radio and television services;

(1) (1) except as otherwise provided by paragraph (2), the gross receipts received from the sales of tangible personal property to all contractors, subcontractors or repairmen for use by them in erecting structures, or building on, or otherwise improving, altering, or repairing real or personal property.

(2) Any such contractor, subcontractor or repairman who maintains an inventory of such property both for sale at retail and for use by them for the purposes described by paragraph (1) shall be deemed a retailer with respect to purchases for and sales from such inventory, except that the gross receipts received from any such sale, other than a sale at retail, shall be equal to the total purchase price paid for such property and the tax imposed thereon shall be paid by the deemed retailer;

(m) the gross receipts received from fees and charges by public and private clubs, drinking establishments, organizations and businesses for participation in sports, games and other recreational activities, but such tax shall not be levied and collected upon the gross receipts received from: (1) Fees and charges by any political subdivision, by any organization exempt from property taxation pursuant to paragraph Ninth of K.S.A. 79-201, and amendments thereto, or by any youth recreation organization exclusively providing services to persons 18 years

of age or younger which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for participation in sports, games and other recreational activities; and (2) entry fees and charges for participation in a special event or tournament sanctioned by a national sporting association to which spectators are charged an admission which is taxable pursuant to subsection (e);

(n) the gross receipts received from dues charged by public and private clubs, drinking establishments, organizations and businesses, payment of which entitles a member to the use of facilities for recreation or entertainment, but such tax shall not be levied and collected upon the gross receipts received from: (1) Dues charged by any organization exempt from property taxation pursuant to paragraphs Eighth and Ninth of K.S.A. 79-201, and amendments thereto; and (2) sales of memberships in a nonprofit organization which is exempt from federal income taxation pursuant to section 501 (c)(3) of the federal internal revenue code of 1986, and whose purpose is to support the operation of a nonprofit zoo;

(o) the gross receipts received from the isolated or occasional sale of motor vehicles or trailers but not including: (1) The transfer of motor vehicles or trailers by a person to a corporation or limited liability company solely in exchange for stock securities or membership interest in such corporation or limited liability company; or (2) the transfer of motor vehicles or trailers by one corporation or limited liability company to

another when all of the assets of such corporation or limited liability company are transferred to such other corporation or limited liability company; or (3) the sale of motor vehicles or trailers which are subject to taxation pursuant to the provisions of K.S.A. 79-5101 et seq., and amendments thereto, by an immediate family member to another immediate family member. For the purposes of clause (3), immediate family member means lineal ascendants or descendants, and their spouses. Any amount of sales tax paid pursuant to the Kansas retailers sales tax act on the isolated or occasional sale of motor vehicles or trailers on and after July 1, 2004, which the base for computing the tax was the value pursuant to subsections (a), (b)(1) and (b)(2) of K.S.A. 79-5105, and amendments thereto, when such amount was higher than the amount of sales tax which would have been paid under the law as it existed on June 30, 2004, shall be refunded to the taxpayer pursuant to the procedure prescribed by this section. Such refund shall be in an amount equal to the difference between the amount of sales tax paid by the taxpayer and the amount of sales tax which would have been paid by the taxpayer under the law as it existed on June 30, 2004. Each claim for a sales tax refund shall be verified and submitted not later than six months from the effective date of this act to the director of taxation upon forms furnished by the director and shall be accompanied by any additional documentation required by the director. The director shall review each claim and shall refund that amount of tax paid as provided by this act. All such refunds shall be paid from the

sales tax refund fund, upon warrants of the director of accounts and reports pursuant to vouchers approved by the director of taxation or the director's designee. No refund for an amount less than \$10 shall be paid pursuant to this act. In determining the base for computing the tax on such isolated or occasional sale, the fair market value of any motor vehicle or trailer traded in by the purchaser to the seller may be deducted from the selling price;

(p) the gross receipts received for the service of installing or applying tangible personal property which when installed or applied is not being held for sale in the regular course of business, and whether or not such tangible personal property when installed or applied remains tangible personal property or becomes a part of real estate, except that no tax shall be imposed upon the service of installing or applying tangible personal property in connection with the original construction of a building or facility, the original construction, reconstruction, restoration, remodeling, renovation, repair or replacement of a residence or the construction, reconstruction, restoration, replacement or repair of a bridge or highway.

For the purposes of this subsection:

(1) "Original construction" shall mean the first or initial construction of a new building or facility. The term "original construction" shall include the addition of an entire room or floor to any existing building or facility, the completion of any

unfinished portion of any existing building or facility and the restoration, reconstruction or replacement of a building, facility or utility structure damaged or destroyed by fire, flood, tornado, lightning, explosion, windstorm, ice loading and attendant winds, terrorism or earthquake, but such term, except with regard to a residence, shall not include replacement, remodeling, restoration, renovation or reconstruction under any other circumstances;

(2) "building" shall mean only those enclosures within which individuals customarily are employed, or which are customarily used to house machinery, equipment or other property, and including the land improvements immediately surrounding such building;

(3) "facility" shall mean a mill, plant, refinery, oil or gas well, water well, feedlot or any conveyance, transmission or distribution line of any cooperative, nonprofit, membership corporation organized under or subject to the provisions of K.S.A. 17-4601 et seq., and amendments thereto, or municipal or quasi-municipal corporation, including the land improvements immediately surrounding such facility;

(4) "residence" shall mean only those enclosures within which individuals customarily live;

(5) "utility structure" shall mean transmission and distribution lines owned by an independent transmission company or cooperative, the Kansas electric transmission authority or natural gas or electric public utility; and

(6) "windstorm" shall mean straight line winds of at least 80 miles per hour as determined by a recognized meteorological reporting agency or organization;

(q) the gross receipts received for the service of repairing, servicing, altering or maintaining tangible personal property which when such services are rendered is not being held for sale in the regular course of business, and whether or not any tangible personal property is transferred in connection therewith. The tax imposed by this subsection shall be applicable to the services of repairing, servicing, altering or maintaining an item of tangible personal property which has been and is fastened to, connected with or built into real property;

(r) the gross receipts from fees or charges made under service or maintenance agreement contracts for services, charges for the providing of which are taxable under the provisions of subsection (p) or (q);

(s) on and after January 1, 2005, the gross receipts received from the sale of prewritten computer software and the sale of the services of modifying, altering, updating or maintaining prewritten computer software, whether the prewritten computer software is installed or delivered electronically by tangible storage media physically transferred to the purchaser or by load and leave;

(t) the gross receipts received for telephone answering services;

(u) the gross receipts received from the sale of prepaid

calling service and prepaid wireless calling service as defined in K.S.A. 2009 Supp. 79-3673, and amendments thereto; and

(v) the gross receipts received from the sales of bingo cards, bingo faces and instant bingo tickets by licensees under K.S.A. 79-4701, et seq., and amendments thereto, shall be taxed at a rate of: (1) 4.9% on July 1, 2000, and before July 1, 2001; and (2) 2.5% on July 1, 2001, and before July 1, 2002. From and after July 1, 2002, all sales of bingo cards, bingo faces and instant bingo tickets by licensees under K.S.A. 79-4701 et seq., and amendments thereto, shall be exempt from taxes imposed pursuant to this section.

Sec. 45. K.S.A. 2009 Supp. 79-3620 is hereby amended to read as follows: 79-3620. (a) All revenue collected or received by the director of taxation from the taxes imposed by this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury, less amounts withheld as provided in subsection (b) and amounts credited as provided in subsection (c) and (d), to the credit of the state general fund.

(b) A refund fund, designated as "sales tax refund fund" not to exceed \$100,000 shall be set apart and maintained by the director from sales tax collections and estimated tax collections and held by the state treasurer for prompt payment of all sales tax refunds including refunds authorized under the provisions of K.S.A. 79-3635, and amendments thereto. Such fund shall be in

such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act. In the event such fund as established by this section is, at any time, insufficient to provide for the payment of refunds due claimants thereof, the director shall certify the amount of additional funds required to the director of accounts and reports who shall promptly transfer the required amount from the state general fund to the sales tax refund fund, and notify the state treasurer, who shall make proper entry in the records.

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

(2) The state treasurer shall credit 5/106 of the revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(3) On July 1, 2006, the state treasurer shall credit 19/265 of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(4) On July 1, 2007, the state treasurer shall credit 13/106

of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(5) On January 1, 2013, and thereafter, the state treasurer shall credit 19/112 of the revenue collected and received from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the rate of 5.6%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3603, and amendments thereto, as certified by the director, from taxpayers doing business within that portion of a STAR bond project district occupied by a STAR bond project or taxpayers doing business with such entity financed by a STAR bond project as defined in K.S.A. 2009 Supp. 12-17,162, and amendments thereto, that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state or the project was designated as a STAR bond project as defined in K.S.A. 2009 Supp. 12-17,162, and amendments thereto, to the city bond finance fund, which fund is hereby created. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under subsection (d) of K.S.A. 79-3710, and amendments thereto, is sufficient to retire the special obligation bonds issued for the

purpose of financing all or a portion of the costs of such STAR bond project.

Sec. 46. K.S.A. 2009 Supp. 79-3703 is hereby amended to read as follows: 79-3703. There is hereby levied and there shall be collected from every person in this state a tax or excise for the privilege of using, storing, or consuming within this state any article of tangible personal property. Such tax shall be levied and collected in an amount equal to the consideration paid by the taxpayer multiplied by the rate of 5.3% and commencing January 1, 2013, at the rate of 5.6%. Within a redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, there is hereby levied and there shall be collected and paid an additional tax of 2% until the earlier of: (1) The date the bonds issued to finance or refinance the redevelopment project undertaken in the district have been paid in full; or (2) the final scheduled maturity of the first series of bonds issued to finance the redevelopment project. All property purchased or leased within or without this state and subsequently used, stored or consumed in this state shall be subject to the compensating tax if the same property or transaction would have been subject to the Kansas retailers' sales tax had the transaction been wholly within this state.

Sec. 47. K.S.A. 2009 Supp. 79-3710 is hereby amended to read as follows: 79-3710. (a) All revenue collected or received by the director under the provisions of this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A.

75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury, less amounts set apart as provided in subsection (b) and amounts credited as provided in subsection (c) and (d), to the credit of the state general fund.

(b) A revolving fund, designated as "compensating tax refund fund" not to exceed \$10,000 shall be set apart and maintained by the director from compensating tax collections and estimated tax collections and held by the state treasurer for prompt payment of all compensating tax refunds. Such fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act.

(c) (1) The state treasurer shall credit 5/98 of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 4.9%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(2) The state treasurer shall credit 5/106 of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(3) On July 1, 2006, the state treasurer shall credit 19/265 of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and

deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(4) On July 1, 2007, the state treasurer shall credit 13/106 of the revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.3%, and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(5) On January 1, 2013, and thereafter, the state treasurer shall credit 19/112 of the revenue collected and received from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the rate of 5.6% and deposited as provided by subsection (a), exclusive of amounts credited pursuant to subsection (d), in the state highway fund.

(d) The state treasurer shall credit all revenue collected or received from the tax imposed by K.S.A. 79-3703, and amendments thereto, as certified by the director, from taxpayers doing business within that portion of a redevelopment district occupied by a redevelopment project that was determined by the secretary of commerce to be of statewide as well as local importance or will create a major tourism area for the state as defined in K.S.A. 12-1770a, and amendments thereto, to the city bond finance fund created by subsection (d) of K.S.A. 79-3620, and amendments thereto. The provisions of this subsection shall expire when the total of all amounts credited hereunder and under subsection (d) of K.S.A. 79-3620, and amendments thereto, is sufficient to retire the special obligation bonds issued for the

purpose of financing all or a portion of the costs of such redevelopment project.

This subsection shall not apply to a project designated as a special bond project as defined in subsection (z) of K.S.A. 12-1770a, and amendments thereto.

Sec. 48. K.S.A. 8-143b, 8-143c, 8-143g, 8-143h, 8-143i, 8-143k, 8-195, 8-234b, 8-2409, 12-1775, 68-416, 68-20,120, 68-2314a, 68-2316, 68-2320, 68-2321 and 68-2328 and K.S.A. 2009 Supp. 8-142, 8-143, 8-143j, 8-143l, 8-145, 8-172, 8-2406, 8-2425, 12-6a35, 12-6a36, 12-1774, 12-1774a, 12-17,148, 12-17,149, 68-2315, 68-2331, 75-5035, 75-5048, 75-5061, 75-5063, 75-5064, 75-5160, 79-3492b, 79-34,141, 79-34,142, 79-3603, 79-3620, 79-3703 and 79-3710 are hereby repealed.

Sec. 49. This act shall take effect and be in force from and after its publication in the Kansas register.



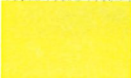
Outline of Proposed S. Sub. for HB 2650, Transportation Works for Kansas

Attached is a section-by-section outline of a bill that would specify legislative intent regarding a multi-year transportation program and specify ways to pay for that program. The program would be called "Transportation Works for Kansas."

The outline is broken down into basic subject-matter sections, identified in the outline using reddish-color lines. The most prominent of those sections are these:

- Legislative intent. The bill outlines what such a program should accomplish and priorities for transportation projects. (Bill Section 1)
- Registration and permit fees. The bill would increase the registration fees for smaller vehicles by \$20 and for trucks by \$100 or, if the truck weighs more than 54,000 pounds, by \$135. The bill also would raise various other fees and establish permanent license plates for certain trailers. (Bill Sections 2, 4-19)
- Transportation Revolving Fund loans. The bill would allow moneys from special transportation districts to be used to pay back loans from the Transportation Revolving Fund. (Bill Sections 20-26, 38-39)
- Amount in each county. The bill would require that at least \$6 million be spent in each county under the T-Works program for highway, bridge, and substantial maintenance projects. (Bill Section 30)
- Bonding. The bill would allow the Kansas Department of Transportation (KDOT) to increase its bonding authority to a limit of 18 percent debt service payments out of projected state highway fund revenues for any year. (Bill Sections 31-34)
- Transit, Rail, and Airport Programs. The bill would increase amounts to be transferred from the State Highway Fund to the funds for public transportation, rail, and general aviation. (Bill Sections 35-37)
- Sales taxes. The bill would increase increase the retailers sales tax rate from 5.3% to 5.6% starting January 1, 2013, and direct the increase to the State Highway Fund. Similar changes would be made for compensating use tax. (Bill Sections 44-47)

Key to color coding used in the outline:

	Topic heading added by KLRD
	Bill section heading
	Provision substantially differs from similar provisions in SB 498 and SB 515

KLRD, 3/26/2010

Transportation Works for Kansas, Proposed S. Sub. for HB 2650, 0.3% sales tax increase, no fuel tax increase

 indicates change from 498/515

Which bill(s)	Sec.	Subsection(s)	Changes from current law	Fee		Last time amount was raised
				before	after	
Legislative intent						
Sec. 1, Legislative intent						
	2650	New	Sec. 1 is generally a statement of legislative intent. It is a new section that closely parallels KSA 68-2314a; in several places, the program name has been changed from a "Comprehensive Transportation Program" to "Transportation Works for Kansas." The analysis below does not further mention the name change.			
	2650	(b)(1)	refers to "preservation projects" rather than to a "maintenance program"			
	2650	(b)(2)	requires KDOT to "develop and utilize criteria for the selection of expansion and economic opportunity projects" and specifies some of those criteria: engineering data, local consultation, geographic distribution, and economic impact			
	2650	(b)(3)	refers to "modernization projects" and specifies some criteria for their selection: engineering data, local consultation, geographic distribution; KDOT also would be required to develop criteria for including "practical improvements" in those projects Unlike the CTP law, there is no mention of an amount to be spent or of demonstration projects.			
	2650	(c)(5)	programs that allow local governments to exchange federal aid funds for state funds			
	2650	(d)	no change - existing rail program continues			
	2650	(e)	no change - existing airport program continues			
	2650	(f)	no change - transit program continues			
	2650	(g)	adds a "multi-modal economic development program to provide transportation improvement assistance for transportation-sensitive economic opportunities on a local or a regional basis."			
	2650	(h)	specifies the secretary of transportation shall determine the projects to be selected			
Sec. 2, Permanent license plates for certain trailers						
	2650	New	(a) on and after January 1, 2013, for trailers registered for a gross weight of 54,000 lbs or more, one-time \$10 registration fee, permanent undated license plate			
			(b) the Secretary of Revenue may adopt rules and regulations to carry out the provisions of this section			
Sec. 3, Unlawful acts						
	2650	8-142	technical amendments to conform to numbering changes in Sec. 3 (8-143)			

Registration and permit fees

Sec. 4, Registration fees

2650 8-143	various	extend current registration fees through 1/1/2013;			
2650		raise registration fees for smaller vehicles by \$20 (\$10 in 2013, \$10 in 2014):			
	(a)(1)	motorized bicycles	\$11	\$31	2002
	(a)(2)	motorcycles	\$16	\$36	2002
	(a)(3)	passenger vehicles <= 4,500 lbs	\$30	\$50	2002
	(a)(3)	passenger vehicles > 4,500 lbs	\$40	\$60	2002
	(a)(4)	certain electrically propelled motor vehicles	\$14	\$34	2002
	(b)(1)	trucks 12,000 lbs or smaller	\$40	\$60	2002
	(b)(6)	farm trucks < 16,000 lbs	\$37	\$57	2002
2650		raise registration fees for trucks 54,000 lbs and smaller by \$100 (\$50 in 2013, \$50 in 2014)			
	(b)(1)	trucks	\$102 - \$805	\$202 - \$905	2002
	(b)(5)	local trucks			2002
	(b)(6)	farm trucks	\$62 - \$415	\$162 - \$515	2002
2650		raise registration fees for trucks larger than 54,000 lbs by \$135 (\$85 in 2013, \$50 in 2014)			
	(b)(1)	trucks	\$1,010 - \$1,935	\$1,145 - \$2,070	2002
	(b)(5)	local trucks	\$480 - \$1,010	\$615 - \$1,145	2002
	(b)(6)	farm trucks	\$190 - \$610	\$325 - \$745	2002
2650	(b)(4)	raise fees for driveaway plates by \$20/set (\$10 in 2013, \$10 in 2014)	\$44	\$64	1989
2650	(b)(4)	raise fees for each additional set of driveaway plates by \$20/set (\$10 in 2013, \$10 in 2014)	\$18	\$38	1989
2650	(b)(7)	raise annual license fee for local urban transit buses and for trailers by \$20 (\$10 in 2013, \$10 in 2014):			
		- 8 or more but fewer than 31 passengers	\$15	\$35	1955
		- 31 or more but fewer than 40 passengers	\$30	\$50	1955
		- more than 39 passengers	\$60	\$80	1955
2650	(b)(9)	increase annual license fees for trailers, semitrailers, travel trailers, pole trailers by \$20 (\$10 in 2013, \$10 in 2014):			
		- gross weight more than 12,000 lbs but less than 54,000 lbs	\$35	\$55	1989
		- gross weight more than 8,000 lbs but not more than 12,000 lbs	\$25	\$45	1989
		- gross weight more than 2,000 lbs but not more than 8,000 lbs	\$15	\$35	1989
2650	(e)	increase the fee for a 30-day temporary registration	\$3	\$10	1989
2650		make technical amendments including numbering changes			

Sec. 5, Temporary registration for out-of-state truck, intrastate commerce

2650 8-143b	(a)	raise fee \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46 (1)	1989
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Sec. 6, Temporary registration for out-of-state truck, interstate commerce

2650 8-143c		raise fee by \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46	1989
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Sec. 7, Trip permit for demonstrating a truck or truck tractor					
2650 8-143g		raise fee by \$20 for 72-hour (\$10 in 2013, \$10 in 2014)	\$26	\$46	1989
2650		raise fee by \$20 for 30-day (\$10 in 2013, \$10 in 2014)	\$100	\$120	1990
Sec. 8, 30-day license for a farm truck					
2650 8-143h		raise fee by \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46	1989
Sec. 9, Permit for local truck to go outside of local radius					
2650 8-143i		raise fee by \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46	1991
Sec. 10, Registration for farm custom harvesting vehicles					
2650 8-143j		raise fee by \$20 for smallest size (12,000-16,000 lbs) (\$10 in 2013, \$10 in 2014)	\$62	\$82	1990
2650		raise fee by \$100 for those > 16,000 lbs - 54,000 lbs	\$102-\$465	\$202-\$515	1990
2650		raise fees for trucks larger than 54,000 lbs by \$135 (\$85 in 2013, \$50 in 2014)	\$480 - \$1,010	\$615 - \$1,145	1990
Sec. 11, Harvest permit for custom harvesting					
2650 8-143k		raise fee by \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46 (2)	1990
Sec. 12, Auctioneer 72-hour transport permit					
2650 8-143l		raise fee by \$7	\$3	\$10	2002
Sec. 13, Vehicle modernization surcharge					
2650 8-145	(d)(4)	starting 1/1/2013, credit the vehicle modernization surcharge to the State Highway Fund, rather than the Division of Vehicles Modernization Fund	\$4	\$4	2008
Sec. 14, Antique vehicle registration fee					
2650 8-172	(b)	raise the one-time registration fee by \$20 (\$10 in 2013, \$10 in 2014)	\$40	\$60	1983
Sec. 15, Special interest or street rod vehicle registration fee					
2650 8-195	(a)	raise the annual fee by \$20 (\$10 in 2013, \$10 in 2014)	\$26	\$46	1989
Sec. 16, Classes of vehicles					
2650 8-234b		technical amendments to conform to numbering changes in Sec. 4 (8-143)	n/a		
Sec. 17, Dealer license plates					
2650 8-2406	(a)	increase fee for first dealer license plate by \$20 (\$10 in 2013, \$10 in 2014)	\$275	\$295	1989
2650	(a)	increase fee for dealer trailers by \$20 (\$10 in 2013, \$10 in 2014)	\$25	\$45	1986
Sec. 18, Dealer 30-day temporary registration permits					
2650 8-2409	(a)	increase fee by \$7; must be purchased in multiples of 5	\$3	\$10	1989
Sec. 19, Dealer full-privilege plates					
2650 8-2425	(b)	increase fee for full-privilege license plate by \$20 (\$10 in 2013, \$10 in 2014)	\$350.50	\$370.50	1985 (3)
2650 8-2425	(b)	increase fee for dealer-hauler full-privilege trailer plate by \$20 (\$10 in 2013, \$10 in 2014)	\$350.50	\$370.50	2009 (new)
Transportation Revolving Fund loans					
Sec. 20, Community Improvement District Act special obligation bonds					
2650 12-6a35	(a), (b), (e)	- allow a municipality to use loans from the Transportation Revolving Fund (TRF) for projects; - certain restrictions would not apply to TRF loans; - TRF loans would not count against limits on a municipality's bonded indebtedness			

Sec. 21, Community Improvement District Act full faith and credit bonds

2650 12-6a36 (e) Transportation Revolving Fund loans would not be general obligations, would not count against the bonded debt limit; protest petition provisions would not apply

Sec. 22, Redevelopment district or bioscience development district, special obligation bonds

2650 12-1774 (a)(1), (a)(1)(G), (a)(2), (d) - a city could execute and deliver a loan from the Transportation Revolving Fund (TRF);
- TRF loan can be payable from any amounts authorized under TRF law;
- TRF loans would be general obligations of the city;
- a TRF loan could be used to pay redevelopment project costs

Sec. 23, Redevelopment district or bioscience development district, default on payments

2650 12-1774a (b) public funds could be used to pay back loans from the Transportation Revolving Fund

Sec. 24, Redevelopment district or bioscience development district, property taxes

2650 12-1775 (c) tax increases resulting from the project could be used to pay back loans from the Kansas Transportation Revolving Fund

Sec. 25, Transportation development district, separate fund for each district

2650 12-17,148 unless otherwise specified by the Secretary of Transportation, each district using a Transportation Revolving Fund loan must have a separate fund

Sec. 26, Transportation development district, bonds

2650 12-17,149 (a), (b), (d) - a municipality could use a Transportation Revolving Fund (TRF) loan in addition to bonds, or both a loan and bonds, for a project;
- certain provisions applying to how bonds are to be paid would not be applicable to TRF loans;
- a municipality could pay a TRF loan back early

Use of SHF, tolling, annual report, amount in each county

Sec. 27, Use of State Highway Fund

2650 68-416 (b)(3) the Secretary could use moneys in the State Highway Fund for the purposes outlined in Sec. 1

Sec. 28, Tolling feasibility

2650 68-20,120 (b) the Secretary could recommend a new tolled project if a feasibility study produces a "favorable result"

Sec. 29, Annual report from KDOT

2650 68-2315 (b), (d), (i) would require the Secretary's annual report to include certain information relating to projects selected under Sec. 1 and recommendations for statutory changes necessary to complete the program outlined in Sec. 1

Sec. 30, Amount to be spent in each county

2650 68-2316 between July 1, 2010, and June 30, 2020, \$6 million is to be spent in each county under the T-Works program for highway, bridge, and substantial maintenance projects

Bonding

Sec. 31, Bonds - Authorization for KDOT to issue bonds to 18% of projected revenues

2650 68-2320 (c) expands KDOT's bonding authority to allow the Secretary to issue bonds to a limit of 18 percent debt service payments out of projected state highway fund revenues for any year; defines terms; specifies how projected rates for variable rate interest and projected SHF revenues will be calculated

Sec. 32, Bonding - Term

2650 68-2321 (a) bonds issued under the 18% bonding cap and refunding bonds could have terms of up to 20 years; bonds with federal subsidy (Build America Bonds) could be issued for up to 25 years

Sec. 33, Bonding - Refunding

2650 68-2328 (a) amends KDOT's authority to refund bonds to allow it to refund both bonds and interest

Sec. 34, Bonding - Bond issuance

2650 68-2331 (a) technical amendment to delete a reference to the 1999 transportation plan's statement of legislative intent, to be replaced by Sec. 1

Transit, Rail, Airport Programs

Sec. 35, Public transportation assistance fund

2650 75-5035 (b) increases the amount for public transportation from \$6 million a year to \$11 million a year, starting July 1, 2013 1999

Sec. 36, Rail service improvement program

2650 75-5018 (f) resumes transfers from the State Highway Fund to the Rail Service Improvement Fund starting July 1, 2013; such transfers would be increased from \$3 million a year (as they were from 1999 through 2009) to \$5 million a year 1999

Sec. 37, Public use general aviation airports, funding

2650 75-5061 (d) increases transfers from the State Highway Fund to the Public Use General Aviation Airport Development Fund from \$3 million a year to \$5 million a year, starting July 1, 2013 1999

Transportation Revolving Fund

Sec. 38, Transportation Revolving Fund authorization

2650 75-5063 authorizes creation of separate accounts within the Transportation Revolving Fund for major highway enhancement projects

Sec. 39, Transportation Revolving Fund definitions

2650 75-5064 (c), (e), (k), (l), (n) defines "major highway enhancement project"; amends other definitions to reflect major projects; makes technical amendments

Extending the modernization surcharge

Sec. 40, Division of Vehicles modernization surcharge, extending to more vehicles

2510 75-5160 (b) extends the Division of Vehicles modernization surcharge to apportioned fleet vehicles; removes the sunset on the surcharge \$4 \$4 2008

Fuel tax

Sec. 41, LP-gas motor fuel tax, alternative method of computation and payment

2650 79-3492b maintains current amounts, removes a reduction set for 2020

Sec. 42, Motor-vehicle fuels tax

2650 9-34,141 maintains current amounts, removes a reduction set for 2020

Sec. 43, Distribution of proceeds of motor fuel taxes

2650 79-34,142 maintains the distribution of motor fuels taxes at the current ratio: 66.37% to the State Highway Fund, 33.63% to the Special City and County Highway Fund

Sales tax

Sec. 44, Retailers sales tax

2650 79-3603 raises the sales tax from 5.3% to 5.6% starting January 1, 2013

Sec. 45, Disposition of moneys; credit to state highway fund

2650 79-3620 (c)(5) starting January 1, 2013, 19/112 of sales tax (excluding tax credited to STAR bond projects) is to be credited to the State Highway Fund, increased from the current 13/106; this directs the 0.3% increase to the SHF

Sec. 46, Compensating use tax

2650 79-3703 raises the compensating use tax from 5.3% to 5.6%

Sec. 47, Disposition of compensating use tax; credit to state highway fund

2650 79-3710 (c)(5) starting January 1, 2013, 19/112 of compensating use tax (excluding tax credited to STAR bond projects) is to be credited to the State Highway Fund, increased from the current 13/106; this directs the 0.3% increase to the SHF

Sec. 48, Repealer

Sec. 49, Effective upon publication in the *Kansas Register*

- (1) or 1/8 of the annual license fee, whichever is larger
- (2) or 1/6 of the annual license fee, whichever is larger
- (3) the fee for a dealer full-privilege license plate increased by \$0.50 in 2009

KLRD, 3/24/10

1 secretary of transportation for:

2 (1) The construction, improvement, reconstruction and maintenance
3 of the state highway system;

4 (2) improvements in transportation programs to aid elderly persons,
5 persons with disabilities and the general public;

6 (3) for any purpose specified in ~~K.S.A. 68-2314a~~ *section 1, and*
7 *amendments thereto;*

8 (4) the support and maintenance of the department of transportation;

9 (5) the expenses of administering the motor vehicle registration and
10 drivers' license laws; and

11 (6) the payment of losses to department of transportation employees
12 authorized by ~~K.S.A. 2002~~ 2009 Supp. 75-5062, and amendments thereto.

13 Sec. 27. K.S.A. 68-20,120 is hereby amended to read as follows: 68-
14 20,120. ~~(a)~~ In addition to other powers and duties granted to the secretary
15 of transportation;

16 (a) (1) The secretary of transportation may study the feasibility of
17 constructing a new toll project or turnpike project or designating existing
18 highways or any portion of such highways as a toll project or turnpike
19 project.

20 ~~(b)~~ (2) The study of the feasibility of such toll project or turnpike
21 project shall include, but not be limited to:

22 ~~(1)~~ (A) The total cost of such project;

23 ~~(2)~~ (B) a determination of the funding of such projects, including the
24 use of one or a combination of public funds, private funds or toll revenues;

25 ~~(3)~~ (C) a determination of the duration of the collection of tolls on
26 such projects and if such projects are to become toll-free, a projected
27 date when such projects would become toll-free; and

28 ~~(4)~~ (D) such other data deemed necessary by the secretary for a de-
29 termination of the project's feasibility.

30 (b) *After conducting the feasibility study under subsection (a) and if*
31 *such feasibility study provides a favorable result, the secretary of trans-*
32 *portation may recommend the construction of a new toll project or turn-*
33 *pike project or the designation of an existing highway or any portion of*
34 *such highway as a toll project or turnpike project.*

35 Sec. 28. K.S.A. 2009 Supp. 68-2315 is hereby amended to read as
36 follows: 68-2315. Annually, prior to the 10th day of each regular session
37 of the legislature, the secretary of transportation shall submit a written
38 report to the governor and each member of the legislature providing:

39 (a) Summary financial information and a statement of assurance that
40 the department of transportation has prepared a comprehensive financial
41 report of all funds for the preceding year which includes a report by
42 independent public accountants attesting that the financial statements
43 present fairly the financial position of the Kansas department of trans-

(c) No moneys in the state highway fund shall be transferred from the state highway fund to the state general fund or to any other special revenue fund in the state treasury for use for any purpose other than the purposes for which moneys administered by the department of transportation may be expended as authorized by this section, unless such transfer is authorized by a separate bill passed by the affirmative vote of not less than two-thirds of all members then elected or appointed and qualified to each house.