

HOUSE BILL No. 2350

By Committee on Education

2-14

1 AN ACT concerning schools; removing the authority to receive certain
2 federal aid made available for educational purposes; amending K.S.A.
3 72-6201 and K.S.A. 2012 Supp. 79-3620 and 79-3710 and repealing
4 the existing sections; also repealing K.S.A. 72-6202 and K.S.A. 2012
5 Supp. 72-6203.

6

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

8 New Section 1. No state board of education, board of any unified
9 school district or educational agency of this state shall make and file
10 applications for or receive any federal funds which are made available for
11 educational purposes. Nothing contained in this section shall be construed
12 as preventing the state board of education, board of any school district or
13 educational agency from making applications for or receiving federal
14 funds for food service programs under K.S.A. 72-5112 et seq., and
15 amendments thereto, federal impact aid as defined in K.S.A. 72-6410, and
16 amendments thereto, or any moneys described in subsection (c) of K.S.A.
17 72-5333b, and amendments thereto.

18 Sec. 2. K.S.A. 72-6201 is hereby amended to read as follows: 72-
19 6201. ~~The board of education of any school district or~~ The board of
20 trustees of any community junior college may make and file applications
21 for federal funds appropriated and made available for school purposes by
22 federal law. ~~Any school district or~~ Any community junior college may
23 receive from the federal government, or any of its agencies, any funds
24 made available under existing law, rules or regulations, or that may
25 hereafter be made available, for any and all school purposes. Any such
26 board may expend the same for said purposes in accordance with the law,
27 and the rules, regulations and requirements under which such funds are
28 made available and such expenditures may be made even though the same
29 were not included in the budget for the period in which such expenditures
30 are made.

31 Sec. 3. K.S.A. 2012 Supp. 79-3620 is hereby amended to read as
32 follows: 79-3620. (a) All revenue collected or received by the director of
33 taxation from the taxes imposed by this act shall be remitted to the state
34 treasurer in accordance with the provisions of K.S.A. 75-4215, and
35 amendments thereto. Upon receipt of each such remittance, the state
36 treasurer shall deposit the entire amount in the state treasury, less amounts

1 withheld as provided in subsection (b) and amounts credited as provided in
2 subsection (c), (d) and (e), to the credit of the state general fund.

3 (b) A refund fund, designated as "sales tax refund fund" not to exceed
4 \$100,000 shall be set apart and maintained by the director from sales tax
5 collections and estimated tax collections and held by the state treasurer for
6 prompt payment of all sales tax refunds including refunds authorized
7 under the provisions of K.S.A. 79-3635, and amendments thereto. Such
8 fund shall be in such amount, within the limit set by this section, as the
9 director shall determine is necessary to meet current refunding
10 requirements under this act. In the event such fund as established by this
11 section is, at any time, insufficient to provide for the payment of refunds
12 due claimants thereof, the director shall certify the amount of additional
13 funds required to the director of accounts and reports who shall promptly
14 transfer the required amount from the state general fund to the sales tax
15 refund fund, and notify the state treasurer, who shall make proper entry in
16 the records.

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

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

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

32 (4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the revenue
33 collected and received from the tax imposed by K.S.A. 79-3603, and
34 amendments thereto, at the rate of 5.3%, and deposited as provided by
35 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
36 the state highway fund.

37 (5) On July 1, 2010, the state treasurer shall credit 11.427% of the
38 revenue collected and received from the tax imposed by K.S.A. 79-3603,
39 and amendments thereto, at the rate of 6.3%, and deposited as provided by
40 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
41 the state highway fund.

42 (6) On July 1, 2011, the state treasurer shall credit 11.26% of the
43 revenue collected and received from the tax imposed by K.S.A. 79-3603,

1 and amendments thereto, at the rate of 6.3%, and deposited as provided by
2 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
3 the state highway fund.

4 (7) On July 1, 2012, the state treasurer shall credit 11.233% of the
5 revenue collected and received from the tax imposed by K.S.A. 79-3603,
6 and amendments thereto, at the rate of 6.3%, and deposited as provided by
7 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
8 the state highway fund, as well as such revenue collected and received at
9 the rate of 6.3%, after June 30, 2013.

10 (8) On July 1, 2013, and thereafter, the state treasurer shall credit
11 ~~18.421%~~ *the following percentages* of the revenue collected and received
12 from the tax imposed by K.S.A. 79-3603, and amendments thereto, at the
13 rate of 5.7%, and deposited as provided by subsection (a), exclusive of
14 amounts credited pursuant to subsection (d), ~~in the state highway fund to~~
15 *the following funds: (A) 11.924% to the state highway fund; and (B)*
16 *6.497% to the state treasury to the credit of the department of education*
17 *general state aid account of the state general fund.*

18 (d) The state treasurer shall credit all revenue collected or received
19 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as
20 certified by the director, from taxpayers doing business within that portion
21 of a STAR bond project district occupied by a STAR bond project or
22 taxpayers doing business with such entity financed by a STAR bond
23 project as defined in K.S.A. 2012 Supp. 12-17,162, and amendments
24 thereto, that was determined by the secretary of commerce to be of
25 statewide as well as local importance or will create a major tourism area
26 for the state or the project was designated as a STAR bond project as
27 defined in K.S.A. 2012 Supp. 12-17,162, and amendments thereto, to the
28 city bond finance fund, which fund is hereby created. The provisions of
29 this subsection shall expire when the total of all amounts credited
30 hereunder and under subsection (d) of K.S.A. 79-3710, and amendments
31 thereto, is sufficient to retire the special obligation bonds issued for the
32 purpose of financing all or a portion of the costs of such STAR bond
33 project.

34 (e) All revenue certified by the director of taxation as having been
35 collected or received from the tax imposed by subsection (c) of K.S.A. 79-
36 3603, and amendments thereto, on the sale or furnishing of gas, water,
37 electricity and heat for use or consumption within the intermodal facility
38 district described in this subsection, shall be credited by the state treasurer
39 to the state highway fund. Such revenue may be transferred by the
40 secretary of transportation to the rail service improvement fund pursuant to
41 law. The provisions of this subsection shall take effect upon certification
42 by the secretary of transportation that a notice to proceed has been
43 received for the construction of the improvements within the intermodal

1 facility district, but not later than December 31, 2010, and shall expire
2 when the secretary of revenue determines that the total of all amounts
3 credited hereunder and pursuant to subsection (e) of K.S.A. 79-3710, and
4 amendments thereto, is equal to \$53,300,000, but not later than December
5 31, 2045. Thereafter, all revenues shall be collected and distributed in
6 accordance with applicable law. For all tax reporting periods during which
7 the provisions of this subsection are in effect, none of the exemptions
8 contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply
9 to the sale or furnishing of any gas, water, electricity and heat for use or
10 consumption within the intermodal facility district. As used in this
11 subsection, "intermodal facility district" shall consist of an intermodal
12 transportation area as defined by subsection (oo) of K.S.A. 12-1770a, and
13 amendments thereto, located in Johnson county within the polygonal-
14 shaped area having Waverly Road as the eastern boundary, 191st Street as
15 the southern boundary, Four Corners Road as the western boundary, and
16 Highway 56 as the northern boundary, and the polygonal-shaped area
17 having Poplar Road as the eastern boundary, 183rd Street as the southern
18 boundary, Waverly Road as the western boundary, and the BNSF mainline
19 track as the northern boundary, that includes capital investment in an
20 amount exceeding \$150 million for the construction of an intermodal
21 facility to handle the transfer, storage and distribution of freight through
22 railway and trucking operations.

23 Sec. 4. K.S.A. 2012 Supp. 79-3710 is hereby amended to read as
24 follows: 79-3710. (a) All revenue collected or received by the director
25 under the provisions of this act shall be remitted to the state treasurer in
26 accordance with the provisions of K.S.A. 75-4215, and amendments
27 thereto. Upon receipt of each such remittance, the state treasurer shall
28 deposit the entire amount in the state treasury, less amounts set apart as
29 provided in subsection (b) and amounts credited as provided in subsection
30 (c), (d) and (e), to the credit of the state general fund.

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

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

43 (2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or

1 received from the tax imposed by K.S.A. 79-3703, and amendments
2 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),
3 exclusive of amounts credited pursuant to subsection (d), in the state
4 highway fund.

5 (3) On July 1, 2006, the state treasurer shall credit $19/265$ of the revenue
6 collected or received from the tax imposed by K.S.A. 79-3703, and
7 amendments thereto, at the rate of 5.3%, and deposited as provided by
8 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
9 the state highway fund.

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

15 (5) On July 1, 2010, the state treasurer shall credit 11.427% of the
16 revenue collected and received from the tax imposed by K.S.A. 79-3703,
17 and amendments thereto, at the rate of 6.3%, and deposited as provided by
18 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
19 the state highway fund.

20 (6) On July 1, 2011, the state treasurer shall credit 11.26% of the
21 revenue collected and received from the tax imposed by K.S.A. 79-3703,
22 and amendments thereto, at the rate of 6.3%, and deposited as provided by
23 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
24 the state highway fund.

25 (7) On July 1, 2012, the state treasurer shall credit 11.233% of the
26 revenue collected and received from the tax imposed by K.S.A. 79-3703,
27 and amendments thereto, at the rate of 6.3%, and deposited as provided by
28 subsection (a), exclusive of amounts credited pursuant to subsection (d), in
29 the state highway fund, as well as such revenue collected and received at
30 the rate of 6.3%, after June 30, 2013.

31 (8) On July 1, 2013, and thereafter, the state treasurer shall credit
32 ~~18.421%~~ *the following percentages* of the revenue collected and received
33 from the tax imposed by K.S.A. 79-3703, and amendments thereto, at the
34 rate of 5.7%, and deposited as provided by subsection (a), exclusive of
35 amounts credited pursuant to subsection (d), ~~in the state highway fund~~ *to*
36 *the following funds: (A) 11.924% to the state highway fund; and (B)*
37 *6.497% to the state treasury to the credit of the department of education*
38 *general state aid account of the state general fund.*

39 (d) The state treasurer shall credit all revenue collected or received
40 from the tax imposed by K.S.A. 79-3703, and amendments thereto, as
41 certified by the director, from taxpayers doing business within that portion
42 of a redevelopment district occupied by a redevelopment project that was
43 determined by the secretary of commerce to be of statewide as well as

1 local importance or will create a major tourism area for the state as defined
2 in K.S.A. 12-1770a, and amendments thereto, to the city bond finance
3 fund created by subsection (d) of K.S.A. 79-3620, and amendments
4 thereto. The provisions of this subsection shall expire when the total of all
5 amounts credited hereunder and under subsection (d) of K.S.A. 79-3620,
6 and amendments thereto, is sufficient to retire the special obligation bonds
7 issued for the purpose of financing all or a portion of the costs of such
8 redevelopment project.

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

12 (e) All revenue certified by the director of taxation as having been
13 collected or received from the tax imposed by subsection (c) of K.S.A. 79-
14 3603, and amendments thereto, on the sale or furnishing of gas, water,
15 electricity and heat for use or consumption within the intermodal facility
16 district described in this subsection, shall be credited by the state treasurer
17 to the state highway fund. Such revenue may be transferred by the
18 secretary of transportation to the rail service improvement fund pursuant to
19 law. The provisions of this subsection shall take effect upon certification
20 by the secretary of transportation that a notice to proceed has been
21 received for the construction of the improvements within the intermodal
22 facility district, but not later than December 31, 2010, and shall expire
23 when the secretary of revenue determines that the total of all amounts
24 credited hereunder and pursuant to subsection (e) of K.S.A. 79-3620, and
25 amendments thereto, is equal to \$53,300,000, but not later than December
26 31, 2045. Thereafter, all revenues shall be collected and distributed in
27 accordance with applicable law. For all tax reporting periods during which
28 the provisions of this subsection are in effect, none of the exemptions
29 contained in K.S.A. 79-3601 et seq., and amendments thereto, shall apply
30 to the sale or furnishing of any gas, water, electricity and heat for use or
31 consumption within the intermodal facility district. As used in this
32 subsection, "intermodal facility district" shall consist of an intermodal
33 transportation area as defined by subsection (oo) of K.S.A. 12-1770a, and
34 amendments thereto, located in Johnson county within the polygonal-
35 shaped area having Waverly Road as the eastern boundary, 191st Street as
36 the southern boundary, Four Corners Road as the western boundary, and
37 Highway 56 as the northern boundary, and the polygonal-shaped area
38 having Poplar Road as the eastern boundary, 183rd Street as the southern
39 boundary, Waverly Road as the western boundary, and the BNSF mainline
40 track as the northern boundary, that includes capital investment in an
41 amount exceeding \$150 million for the construction of an intermodal
42 facility to handle the transfer, storage and distribution of freight through
43 railway and trucking operations.

1 Sec. 5. K.S.A. 72-6201 and 72-6202 and K.S.A. 2012 Supp. 72-6203,
2 79-3620 and 79-3710 are hereby repealed.

3 Sec. 6. This act shall take effect and be in force from and after its
4 publication in the statute book.