

**SENATE BILL No. 309**

By Committee on Ways and Means

3-9

1 AN ACT concerning cities and counties; relating to reductions in local  
2 retailers' sales and compensating use tax revenues *to cities, counties or*  
3 *a municipal university with the authority to impose a countywide*  
4 *retailers' sales tax*; local extraordinary needs grants; creating the fixing  
5 instant revenue shock for taxpayers fund and local extraordinary needs  
6 fund; authorizing certain transfers to and payments from such funds;  
7 establishing the joint committee on local extraordinary needs grants;  
8 providing powers, duties and restrictions in reviewing and approving  
9 capital expenditure project grants by such joint committee; abolishing  
10 the local ad valorem tax reduction fund; amending K.S.A. 65-163j, 65-  
11 3306, 65-3327, 75-2556, 79-1479 and 79-2965 and K.S.A. 2022 Supp.  
12 74-8768 and repealing the existing sections; also repealing K.S.A. 19-  
13 2694, 79-2960, 79-2961 and 79-2962 and K.S.A. 2022 Supp. 79-2959.  
14

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

16 New Section 1. (a) There is hereby created in the state treasury the  
17 fixing instant revenue shock for taxpayers fund. Such fund shall be  
18 administered by the state treasurer subject to the provisions of this section.  
19 All expenditures from the fixing instant revenue shock for taxpayers fund  
20 shall be made in accordance with appropriation acts upon warrants of the  
21 director of accounts and reports issued pursuant to vouchers approved by  
22 the state treasurer or the state treasurer's designee. All expenditures from  
23 the fixing instant revenue shock for taxpayers fund shall be for the  
24 purposes of restoring to cities ~~and~~, counties *and Washburn university of*  
25 *Topeka* the local retailers' sales or compensating use tax revenue lost due  
26 to the enactment of legislation.

27 (b) On July 1, 2023, or as soon thereafter as moneys are available, the  
28 director of accounts and reports shall transfer \$220,000,000 from the state  
29 general fund to the fixing instant revenue shock for taxpayers fund.

30 (c) When legislation is enacted into law that reduces a city's ~~or,~~  
31 county's *or Washburn university of Topeka's* tax revenue collected under  
32 a local retailers' sales or compensating use tax imposed under the  
33 provisions of K.S.A. 12-187 et seq. *or 13-13a38 and 13-13a39*, and  
34 amendments thereto, the state director of taxation shall certify to the state  
35 treasurer the difference in the amount of such retailers' sales or  
36 compensating use tax revenue actually collected on behalf of such city ~~or,~~

1 county *or Washburn university of Topeka* during the 12-month period  
2 immediately preceding the effective date of such legislation and the  
3 amount of retailers' sales or compensating use tax revenue actually  
4 collected on behalf of such city~~or~~, county *or Washburn university of*  
5 *Topeka* during the 12-month period immediately following the effective  
6 date of such legislation. Upon receipt of each such certification from the  
7 state director of taxation, the state treasurer shall notify the governing  
8 body of such city~~or~~, county *or Washburn university of Topeka* of such  
9 determination by the state director of taxation and shall require the  
10 governing body to certify that such governing body shall comply with the  
11 provisions of K.S.A. 2022 Supp. 79-2988, and amendments thereto, prior  
12 to receiving any moneys from the fixing instant revenue shock for  
13 taxpayers fund. Upon receipt of such certification from the governing  
14 body, the state treasurer shall pay from the fixing instant revenue shock for  
15 taxpayers fund to the appropriate city~~or~~, county *or Washburn university*  
16 *of Topeka* fund the amount determined by the state director of taxation to  
17 restore the local retailers' sales or compensating use tax revenue lost  
18 following the enactment of such legislation. The state treasurer shall  
19 transmit a copy of certification of each payment from the fixing instant  
20 revenue shock for taxpayers fund to the director of the budget and the  
21 director of legislative research.

22 (d) The state treasurer shall establish procedures to recapture moneys  
23 paid from the fixing instant revenue shock for taxpayers fund if a city~~or~~,  
24 county *or Washburn university of Topeka* is not complying with the  
25 provisions of K.S.A. 2022 Supp. 79-2988, and amendments thereto.

26 New Sec. 2. (a) There is hereby created in the state treasury the local  
27 extraordinary needs fund. Such fund shall be administered by the state  
28 treasurer subject to the provisions of this section. All expenditures from  
29 the local extraordinary needs fund shall be made in accordance with  
30 appropriation acts upon warrants of the director of accounts and reports  
31 issued pursuant to vouchers approved by the state treasurer or the state  
32 treasurer's designee. All expenditures from the local extraordinary needs  
33 fund shall be for the purpose of providing grants to cities and counties for  
34 capital expenditure projects approved by the joint committee on local  
35 extraordinary needs grants established in section 3, and amendments  
36 thereto.

37 (b) On July 1, 2023, or as soon thereafter as moneys are available, the  
38 director of accounts and reports shall transfer \$50,000,000 from the state  
39 general fund to the local extraordinary needs fund.

40 (c) A city or county may request a local extraordinary needs grant  
41 application from the state treasurer. The state treasurer shall send an  
42 application form to the requesting city or county. Such application form  
43 shall require that the governing body of such city or county certify that

1 such governing body shall comply with the provisions of K.S.A. 2022  
2 Supp. 79-2988, and amendments thereto, prior to the state treasurer  
3 forwarding such application to the joint committee on local extraordinary  
4 needs grants established in section 3, and amendments thereto.

5 (d) Upon receipt of a grant approval from the joint committee on  
6 local extraordinary needs grants in accordance with section 3, and  
7 amendments thereto, the state treasurer shall pay from the local  
8 extraordinary needs fund the amount of such grant to the appropriate fund  
9 of the city or county awarded such grant. The state treasurer shall transmit  
10 a copy of certification of each payment from the local extraordinary needs  
11 fund to the director of the budget and the director of legislative research.

12 New Sec. 3. (a) There is hereby established the joint committee on  
13 local extraordinary needs grants within the legislative branch of state  
14 government. Such joint committee shall be composed of five members of  
15 the senate and five members of the house of representatives. All senate  
16 members shall be appointed by the president of the senate. All  
17 representative members shall be appointed by the speaker of the house of  
18 representatives.

19 (b) All members of the joint committee on local extraordinary needs  
20 grants shall serve for terms ending on the first day of the regular session of  
21 the legislature in odd-numbered years. On and after the first day of the  
22 regular session of the legislature in odd-numbered years, the chairperson  
23 shall be a representative member selected by the speaker of the house of  
24 representatives and the vice chairperson shall be a senate member selected  
25 by the president of the senate. On and after the first day of the regular  
26 session of the legislature in even-numbered years, the chairperson shall be  
27 a senate member selected by the president of the senate and the vice  
28 chairperson shall be a representative member selected by the speaker of  
29 the house of representatives. Any vacancy on the joint committee shall be  
30 filled in the same manner in which the original appointment was made.

31 (c) A quorum of the joint committee on local extraordinary needs  
32 grants shall be a majority of the members appointed. The joint committee  
33 on local extraordinary needs grants shall meet at any time and at any place  
34 within the state on call of the chairperson. Members of the joint committee  
35 on local extraordinary needs grants shall receive compensation, travel  
36 expenses and subsistence expenses or allowances as provided in K.S.A.  
37 75-3212, and amendments thereto, when attending meetings of such joint  
38 committee authorized by the legislative coordinating council.

39 (d) The state treasurer shall forward all applications for grants from  
40 the local extraordinary needs fund received pursuant to section 2, and  
41 amendments thereto, to the joint committee on local extraordinary needs  
42 grants. The joint committee on local extraordinary needs grants shall  
43 review all such grant applications and, to aid in reviewing such grant

1 applications, may adopt procedural guidelines subject to the requirements  
2 of this section.

3 (e) The joint committee on local extraordinary needs grants may  
4 approve grant requests from the local extraordinary needs fund, except that  
5 the joint committee shall not approve a grant for a single capital  
6 expenditures project that exceeds \$2,000,000.

7 (f) The joint committee on local extraordinary needs grants shall  
8 transmit a copy of all grant approvals to the state treasurer for payment  
9 from the local extraordinary needs fund.

10 (g) The joint committee on local extraordinary needs grants may  
11 introduce legislation as it deems necessary in performing its functions.

12 New Sec. 4. On July 1, 2023:

13 (a) The director of accounts and reports shall transfer all moneys in  
14 the local ad valorem tax reduction fund to the state general fund;

15 (b) all liabilities of the local ad valorem tax reduction fund are hereby  
16 transferred to and imposed on the state general fund; and

17 (c) the local ad valorem tax reduction fund is hereby abolished.

18 Sec. 5. K.S.A. 65-163j is hereby amended to read as follows: 65-163j.

19 (a) The dedicated source of revenue for repayment of a loan to a  
20 municipality may include service charges, connection fees, special  
21 assessments, property taxes, grants or any other source of revenue lawfully  
22 available to the municipality for such purpose. In order to ensure  
23 repayment by municipalities of the amounts of loans provided under this  
24 act, the secretary, after consultation with the governing body of any  
25 municipality which receives a loan, may adopt charges to be levied against  
26 individuals and entities served by the project. Any such charges shall  
27 remain in effect until the total amount of the loan, and any interest thereon,  
28 has been repaid. The charges shall, insofar as is practicable, be equitably  
29 assessed and may be in the form of a surcharge to the existing charges of  
30 the municipality. The governing body of any municipality—~~which~~ *that*  
31 receives a loan under this act shall collect any charges established by the  
32 secretary and shall pay the moneys collected therefrom to the secretary in  
33 accordance with procedures established by the secretary.

34 ~~(b) Upon the failure of a municipality to meet the repayment terms~~  
35 ~~and conditions of the agreement, the secretary may order the treasurer of~~  
36 ~~the county in which the municipality is located to pay to the secretary such~~  
37 ~~portion of the municipality's share of the local ad valorem tax reduction~~  
38 ~~fund as may be necessary to meet the terms of the agreement,~~  
39 ~~notwithstanding the provisions of K.S.A. 79-2960 and 79-2961, and~~  
40 ~~amendments thereto. Upon the issuance of such an order, the municipality~~  
41 ~~shall not be required to make the tax levy reductions otherwise required by~~  
42 ~~K.S.A. 79-2960 and 79-2961, and amendments thereto.~~

43 (e) Municipalities ~~which~~ *that* are provided with loans under this act

1 shall maintain project accounts in accordance with generally accepted  
2 government accounting standards.

3 ~~(d)~~(c) Any loans received by a municipality under the provisions of  
4 this act shall be construed to be bonds for the purposes of K.S.A. 10-1116  
5 and 79-5028, and amendments thereto, and the amount of such loans shall  
6 not be included within any limitation on the bonded indebtedness of the  
7 municipality.

8 Sec. 6. K.S.A. 65-3306 is hereby amended to read as follows: 65-  
9 3306. The secretary's annual request for appropriations to the water  
10 pollution control account shall be based on an estimate of the fiscal needs  
11 for the ensuing budget year, less any amounts received by the secretary  
12 from any public or private grants or contributions and moneys in such  
13 account shall be used solely for the purposes provided for by this act.  
14 Moneys allocated to a municipality shall be encumbered as an expenditure  
15 of this account upon the formal letting of a contract for the improvement  
16 notwithstanding the date on which actual payment is made of the state  
17 financial assistance. Any municipality may contribute moneys to the state  
18 water pollution control account. If there are no uncommitted or  
19 unencumbered moneys in the water pollution control account, any  
20 municipality applying for any water pollution control project as defined in  
21 K.S.A. 65-3302, *and amendments thereto*, shall, as a condition of such  
22 application, certify in writing to the secretary that a contribution in the  
23 amount of ~~twenty-five percent~~ (25%) of the eligible cost of such project  
24 will be made to the water pollution control account by such municipality  
25 prior to formal letting of a construction contract. Upon receipt by the  
26 secretary, each such contribution shall be retained in a subaccount of the  
27 water pollution control account for use solely in the project for which the  
28 municipality has made application.

29 ~~Notwithstanding the provisions of K.S.A. 79-2960 and 79-2961, any~~  
30 ~~municipality applying for such a water pollution control project may make~~  
31 ~~such contribution from all or such part of its share of the local ad valorem~~  
32 ~~tax reduction fund as may be necessary for such purpose, and to the extent~~  
33 ~~such fund is pledged and used for such purpose the municipality shall not~~  
34 ~~be required to make the tax levy reductions otherwise required by K.S.A.~~  
35 ~~79-2960 and 79-2961. Taxes levied by any municipality by reason of its~~  
36 ~~failure to make such reduction in its levies shall not be subject to or be~~  
37 ~~considered in computing the aggregate limitation upon the levy of taxes by~~  
38 ~~such municipality under the provisions of K.S.A. 79-5003.~~

39 Sec. 7. K.S.A. 65-3327 is hereby amended to read as follows: 65-  
40 3327. (a) The dedicated source of revenue for repayment of the loans may  
41 include service charges, connection fees, special assessments, property  
42 taxes, grants or any other source of revenue lawfully available to the  
43 municipality for such purpose. In order to ensure repayment by

1 municipalities of the amounts of loans provided under K.S.A. 65-3321  
2 through 65-3329, and amendments thereto, the secretary, after consultation  
3 with the governing body of any municipality ~~which~~ *that* receives a loan,  
4 may adopt charges to be levied against users of the project. Any such  
5 charges shall remain in effect until the total amount of the loan, and any  
6 interest thereon, has been repaid. The charges shall, insofar as is  
7 practicable, be equitably assessed and may be in the form of a surcharge to  
8 the existing charges of the municipality. The governing body of any  
9 municipality ~~which~~ *that* receives a loan under K.S.A. 65-3321 through 65-  
10 3329, and amendments thereto, shall collect any charges established by the  
11 secretary and shall pay the moneys collected therefrom to the secretary in  
12 accordance with procedures established by the secretary.

13 ~~(b) Upon the failure of a municipality to meet the repayment terms~~  
14 ~~and conditions of the agreement, the secretary may order the treasurer of~~  
15 ~~the county in which the municipality is located to pay to the secretary such~~  
16 ~~portion of the municipality's share of the local ad valorem tax reduction~~  
17 ~~fund as may be necessary to meet the terms of the agreement,~~  
18 ~~notwithstanding the provisions of K.S.A. 79-2960 and 79-2961 and~~  
19 ~~amendments thereto. Upon the issuance of such an order, the municipality~~  
20 ~~shall not be required to make the tax levy reductions otherwise required by~~  
21 ~~K.S.A. 79-2960 and 79-2961 and amendments thereto.~~

22 (e) Municipalities ~~which~~ *that* are provided with loans under K.S.A.  
23 65-3321 through 65-3329, and amendments thereto, shall maintain project  
24 accounts in accordance with generally accepted government accounting  
25 standards.

26 ~~(d)(c)~~ Municipalities ~~which~~ *that* receive a grant and an allowance  
27 under the federal act with respect to project costs for which a loan was  
28 provided under K.S.A. 65-3321 through 65-3329, and amendments  
29 thereto, shall promptly repay such loan to the extent of the allowance  
30 received under the federal act.

31 ~~(e)(d)~~ Any loans received by a municipality under the provisions of  
32 K.S.A. 65-3321 through 65-3329, and amendments thereto, shall be  
33 construed to be bonds for the purposes of K.S.A. 10-1116 and 79-5028,  
34 and amendments thereto, and the amount of such loans shall not be  
35 included within any limitation on the bonded indebtedness of the  
36 municipality.

37 Sec. 8. K.S.A. 2022 Supp. 74-8768 is hereby amended to read as  
38 follows: 74-8768. (a) There is hereby created the expanded lottery act  
39 revenues fund in the state treasury. All expenditures and transfers from  
40 such fund shall be made in accordance with appropriation acts. All moneys  
41 credited to such fund shall be expended or transferred only for the  
42 purposes of reduction of state debt, state infrastructure improvements, the  
43 university engineering initiative act, reduction of local ad valorem tax ~~in~~

1 ~~the same manner as provided for allocation of amounts in the local ad~~  
2 ~~valorem tax reduction fund~~ and reduction of the unfunded actuarial  
3 liability of the system attributable to the state of Kansas and participating  
4 employers under K.S.A. 74-4931, and amendments thereto, by the Kansas  
5 public employees retirement system.

6 (b) ~~On July 1, 2021, July 1, 2022,~~ July 1, 2023, July 1, 2024, July 1,  
7 2025, July 1, 2026, July 1, 2027, July 1, 2028, July 1, 2029, July 1, 2030,  
8 and July 1, 2031, or as soon thereafter such date as moneys are available,  
9 the first \$10,500,000 credited to the expanded lottery act revenues fund  
10 shall be transferred by the director of accounts and reports from the  
11 expanded lottery act revenues fund in one or more substantially equal  
12 amounts, to each of the following: The Kan-grow engineering fund – KU,  
13 Kan-grow engineering fund – KSU and Kan-grow engineering fund –  
14 WSU. Each such special revenue fund shall receive \$3,500,000 annually in  
15 each of such years. Commencing in fiscal year 2014, after such transfer  
16 has been made, 50% of the remaining moneys credited to the fund shall be  
17 transferred on a quarterly basis by the director of accounts and reports  
18 from the fund to the Kansas public employees retirement system fund to  
19 be applied to reduce the unfunded actuarial liability of the system  
20 attributable to the state of Kansas and participating employers under  
21 K.S.A. 74-4931 et seq., and amendments thereto, until the system as a  
22 whole attains an 80% funding ratio as certified by the board of trustees of  
23 the Kansas public employees retirement system.

24 Sec. 9. K.S.A. 75-2556 is hereby amended to read as follows: 75-  
25 2556. (a) The state librarian shall determine the amount of the grant-in-aid  
26 each eligible local public library is to receive based on the latest  
27 population census figures as certified by the division of the budget.

28 (b) Except as provided by subsection (d), no local public library shall  
29 be eligible for any state grants-in-aid if the total amount of the following  
30 paragraphs is less than the total amount produced from such sources for  
31 the same library for the previous year, based on the information contained  
32 in the official annual budgets of municipalities that are filed with the  
33 division of accounts and reports in accordance with K.S.A. 79-2930, and  
34 amendments thereto:

35 (1) The amount produced by the local ad valorem tax levies for the  
36 current year expenses for such library;

37 ~~(2) the amount of moneys received from the local ad valorem tax~~  
38 ~~reduction fund for current year expenses for such library;~~

39 ~~(3) the amount of moneys received from taxes levied upon motor~~  
40 ~~vehicles under the provisions of K.S.A. 79-5101 et seq., and amendments~~  
41 ~~thereto, for current year expenses for such library; and~~

42 ~~(4)~~(3) the amount of moneys received in the current year from  
43 collections of unpaid local ad valorem tax levies for prior year expenses

1 for such library.

2 (c) Local public library districts in which the assessed valuation  
3 decreases shall remain eligible for state grants-in-aid so long as the ad  
4 valorem tax mill rate for the support of such library has not been reduced  
5 below the mill rate imposed for such purpose for the previous year.

6 (d) If a local public library fails to qualify for eligibility for any state  
7 grants-in-aid under subsection (b), the state librarian shall have the power  
8 to continue the eligibility of a local public library for any state grants-in-  
9 aid if the state librarian, after evaluation of all the circumstances,  
10 determines that the legislative intent for maintenance of local tax levy  
11 support for the on-going operations of the library is being met by the  
12 library district.

13 (e) The distribution so determined shall be apportioned and paid on  
14 February 15 of each year.

15 Sec. 10. K.S.A. 79-1479 is hereby amended to read as follows: 79-  
16 1479. (a) (1) On or before January 15, 1992, and quarterly thereafter, the  
17 county or district appraiser shall submit to the director of property  
18 valuation a progress report indicating actions taken during the preceding  
19 quarter calendar year to implement the appraisal of property in the county  
20 or district. Whenever the director of property valuation shall determine  
21 that any county has failed, neglected or refused to properly provide for the  
22 appraisal of property or the updating of the appraisals on an annual basis in  
23 substantial compliance with the provisions of law and the guidelines and  
24 timetables prescribed by the director, the director shall file with the state  
25 board of tax appeals a complaint stating the facts upon which the director  
26 has made the determination of noncompliance as provided by K.S.A. 79-  
27 1413a, and amendments thereto. If, as a result of such proceeding, the state  
28 board of tax appeals finds that the county is not in substantial compliance  
29 with the provisions of law and the guidelines and timetables of the director  
30 of property valuation providing for the appraisal of all property in the  
31 county or the updating of the appraisals on an annual basis, it shall order  
32 the immediate assumption of the duties of the office of county appraiser by  
33 the director of the division of property valuation until such time as the  
34 director of property valuation determines that the county is in substantial  
35 compliance with the provisions of law. In addition, the board shall order  
36 the state treasurer to withhold all or a portion of the county's entitlement to  
37 moneys from either or both of the local ad valorem tax reduction fund and  
38 the city and county and city revenue sharing fund for the year following  
39 the year in which the order is issued. Upon service of any such order on  
40 the board of county commissioners, the appraiser shall immediately  
41 deliver to the director of property valuation, or the director's designee, all  
42 books, records and papers pertaining to the appraiser's office.

43 (2) Any county for which the director of the division of property



1 valuation is ordered by the state board of tax appeals to assume the  
2 responsibility and duties of the office of county appraiser shall reimburse  
3 the state for the actual costs incurred by the director of the division of  
4 property valuation in the assumption and carrying out of such  
5 responsibility and duties, including any contracting costs in the event it is  
6 necessary for the director of property valuation to contract with private  
7 appraisal firms to carry out such responsibilities and duties.

8 (b) (1) On or before June 1 of each year, the director of property  
9 valuation shall review the appraisal of property in each county or district  
10 to determine if property within the county or district is being appraised or  
11 valued in accordance with the requirements of law. If the director  
12 determines the property in any county or district is not being appraised in  
13 accordance with the requirements of law, the director of property valuation  
14 shall notify the county or district appraiser and the board of county  
15 commissioners of any county or counties affected that the county has 30  
16 days within which to submit to the director a plan for bringing the  
17 appraisal of property within the county into compliance.

18 (2) If a plan is submitted and approved by the director the county or  
19 district shall proceed to implement the plan as submitted. The director  
20 shall continue to monitor the program to insure that the plan is  
21 implemented as submitted. If no plan is submitted or if the director does  
22 not approve the plan, the director shall petition the state board of tax  
23 appeals for a review of the plan or, if no plan is submitted, for authority for  
24 the division of property valuation to assume control of the appraisal  
25 program of the county and to proceed to bring the same into compliance  
26 with the requirements of law.

27 (3) If the state board of tax appeals approves the plan, the county or  
28 district appraiser shall proceed to implement the plan as submitted. If no  
29 plan has been submitted or the plan submitted is not approved, the board  
30 shall fix a time within which the county may submit a plan or an amended  
31 plan for approval. If no plan is submitted and approved within the time  
32 prescribed by the board, the board shall order the division of property  
33 valuation to assume control of the appraisal program of the county and  
34 shall certify its order to the state treasurer, who shall withhold distributions  
35 of the county's share of moneys from the county and city revenue sharing  
36 fund ~~and the local ad valorem tax reduction fund~~ and credit ~~the same~~ *such*  
37 *moneys* to the general fund of the state for the year following the year in  
38 which the board's order is made. The director of property valuation shall  
39 certify the amount of the cost incurred by the division in bringing the  
40 program in compliance to the state board of tax appeals. The board shall  
41 order the county commissioners to reimburse the state for such costs.

42 (c) The state board of tax appeals shall within 60 days after the  
43 publication of the Kansas assessment/sales ratio study review such

1 publication to determine county compliance with K.S.A. 79-1439, and  
2 amendments thereto. If in the determination of the board one or more  
3 counties are not in substantial compliance and the director of property  
4 valuation has not acted under subsection (b), the board shall order the  
5 director of property valuation to take such corrective action as is necessary  
6 or to show cause for noncompliance.

7 Sec. 11. K.S.A. 79-2965 is hereby amended to read as follows: 79-  
8 2965. (a) The state treasurer shall make a determination of the total  
9 amount of each county's entitlement from the county and city revenue  
10 sharing fund for each year prior to the first distribution from the fund in  
11 that year.

12 (b) In making the determination, the state treasurer shall allocate the  
13 total amount to be transferred to the county and city revenue sharing fund  
14 for distribution in that year, exclusive of \$600,000 which amount shall be  
15 designated as the deficiency equalization amount, in the following manner:  
16 (1) Sixty-five percent of such amount shall be allocated on the basis of the  
17 population figures of the counties certified to the secretary of state  
18 pursuant to K.S.A. 11-201, and amendments thereto, on July 1 of the  
19 preceding year, and (2) the remaining 35% shall be allocated on the basis  
20 of the equalized assessed tangible valuations on the tax rolls of the  
21 counties on November 1 of the preceding year as certified by the director  
22 of property valuation.

23 (c) In any year when a county's portion determined under the formula  
24 in subsection (b) ~~added to the amount that county receives from the local~~  
25 ~~ad valorem tax reduction fund for such year~~ is less than the total of each  
26 distribution made to that county in the state's fiscal year 1977 from the  
27 local ad valorem tax reduction fund, the alcoholic liquor control  
28 enforcement fund and revenue collected from the sale of cigarette tax  
29 indicia, the difference between such amounts shall be allocated to that  
30 county from the deficiency equalization amount.

31 (d) Any portion of the deficiency equalization amount not allocated  
32 as provided in subsection (c) shall be allocated among all of the counties  
33 according to the formula using population and equalized assessed tangible  
34 valuation as prescribed in subsection (b).

35 (e) The total amount allocated to a county under the provisions of this  
36 section for any year shall be deemed to be that county's entitlement from  
37 the county and city revenue sharing fund for that year.

38 Sec. 12. K.S.A. 19-2694, 65-163j, 65-3306, 65-3327, 75-2556, 79-  
39 1479, 79-2960, 79-2961, 79-2962 and 79-2965 and K.S.A. 2022 Supp. 74-  
40 8768 and 79-2959 are hereby repealed.

41 Sec. 13. This act shall take effect and be in force from and after its  
42 publication in the statute book.