SENATE BILL No. 241

By Committee on Ways and Means

AN ACT concerning state funds; relating to the local ad valorem tax reduction fund, county and city revenue sharing fund and job creation program fund; transfers from or credits to such funds; prior specific authorization by an act of the legislature or an appropriation act of the legislature required; amending K.S.A. 74-50,107 and K.S.A. 2018 Supp. 79-2959 and 79-2964 and repealing the existing sections.

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

Section 1.  K.S.A. 74-50,107 is hereby amended to read as follows:

74-50,107. (a) Subject to the provisions of subsection (c), commencing July 1, 2017, and on the first day of each month thereafter during fiscal year 2018, fiscal year 2019, and fiscal year 2020, the secretary of revenue shall apply a rate of 2% to that portion of moneys withheld from the wages of individuals and collected under the Kansas withholding and declaration of estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto. The amount so determined shall be credited on a monthly basis as follows: (1) An amount necessary to meet obligations of the debt services for the IMPACT program repayment fund; and (2) an amount to the IMPACT program services fund as needed for program administration; and (3) any remaining amounts to the job creation program fund created pursuant to K.S.A. 74-50,224, and amendments thereto. During fiscal year 2018, fiscal year 2019, and fiscal year 2020, the aggregate amount that is credited to the job creation program fund pursuant to this subsection shall not exceed $3,500,000 for each such fiscal year.

(b) Subject to the provisions of subsection (c), commencing July 1, 2020, and on an annual basis thereafter, the secretary of revenue shall estimate the amount equal to the amount of net savings realized from the elimination, modification or limitation of any credit, deduction or program pursuant to the provisions of this act as compared to the expense deduction provided for in K.S.A. 2018 Supp. 79-32,143a, and amendments thereto. Whereupon such amount of savings in accordance with appropriation acts 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 to the credit of the job creation program fund created pursuant to K.S.A. 74-50,224, and amendments thereto. In addition, such other amount or amounts of
money may be transferred from the state general fund or any other fund or 

fung in the state treasury to the job creation program fund in accordance 

with appropriation acts.

(c) During any fiscal year, the aggregate amount that is credited to 

the job creation program fund pursuant to this section shall not exceed 

$3,300,000. No additional moneys shall be credited to such fund without 

prior specific authorization by an act of the legislature or an 

appropriation act of the legislature.

Sec. 2. K.S.A. 2018 Supp. 79-2959 is hereby amended to read as 

follows: 79-2959. (a) There is hereby created the local ad valorem tax 

reduction fund. All moneys transferred or credited to such fund under the 

provisions of this act or any other law shall be apportioned and distributed 

in the manner provided herein.

(b) On January 15 and on July 15 of each year, the director of 

accounts and reports shall make transfers in equal amounts which in the 

aggregate equal 3.63% of the total retail sales and compensating taxes 

credited to the state general fund pursuant to articles 36 and 37 of chapter 

79 of the Kansas Statutes Annotated, and amendments thereto, during the 

preceding calendar year from the state general fund to the local ad valorem 

tax reduction fund, except that: (1) no moneys shall be transferred from the 

state general fund to the local ad valorem tax reduction fund during state 
fiscal years 2018, 2019 and 2020; and (2) the amount of the transfer on 
each such date shall be $27,000,000 during fiscal year 2021 and all fiscal 

years thereafter any fiscal year without prior specific authorization by an 

act of the legislature or an appropriation act of the legislature. Such act of 

the legislature shall specify if the transfer is a demand transfer or a 

revenue transfer. All such transfers are subject to reduction under K.S.A. 

75-6704, and amendments thereto. All transfers made in accordance with 

the provisions of this act shall be considered to be demand transfers 

from the state general fund, except that all such transfers during fiscal year 

2021 shall be considered to be revenue transfers from the state general 

fund.

(c) The state treasurer shall apportion and pay the amounts transferred 

under subsection (b) to the several county treasurers on January 15 and on 

July 15 in each year as follows: (1) Sixty-five percent of the amount to be 

distributed shall be apportioned on the basis of the population figures of 

the counties certified to the secretary of state pursuant to K.S.A. 11-201, 

and amendments thereto, on July 1 of the preceding year; and (2) thirty-

five percent of such amount shall be apportioned on the basis of the 

equalized assessed tangible valuations on the tax rolls of the counties on 

November 1 of the preceding year as certified by the director of property 

valuation.

Sec. 3. K.S.A. 2018 Supp. 79-2964 is hereby amended to read as
follows: 79-2964. There is hereby created the county and city revenue sharing fund. All moneys transferred or credited to such fund under the provisions of this act or any other law shall be allocated and distributed in the manner provided herein. The director of accounts and reports in each year on July 15 and December 10, shall make transfers in equal amounts which in the aggregate equal 2.823% of the total retail sales and compensating taxes credited to the state general fund pursuant to articles 36 and 37 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, during the preceding calendar year from the state general fund to the county and city revenue sharing fund, except that no moneys shall be transferred from the state general fund to the county and city revenue sharing fund during state fiscal years 2018, 2019, and 2020 any fiscal year without prior specific authorization by an act of the legislature or an appropriation act of the legislature. All such transfers are subject to reduction under K.S.A. 75-6704, and amendments thereto. All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund.

Sec. 4. K.S.A. 74-50,107 and K.S.A. 2018 Supp. 79-2959 and 79-2964 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.