

HOUSE BILL No. 2419

By Committee on Appropriations

Proposed amendment #2
March 12, 2018
Office of Revisor of Statutes
Prepared by Adam Siebers

1 AN ACT concerning state finances; transfers to and expenditures from the
2 budget stabilization fund; **{transfers to the Kansas public employees**
3 **retirement fund;}** amending K.S.A.-2016 {2017} Supp. 75-6706 and
4 repealing the existing section.
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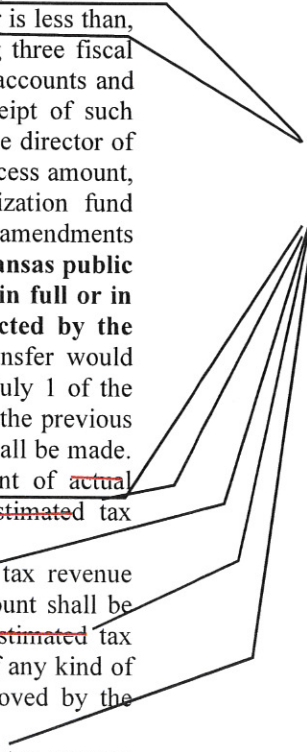
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) Commencing with the fiscal year ending June 30,
8 2019, the director of the budget, in consultation with the director of
9 legislative research, shall certify, at the end of each fiscal year, the amount
10 of ~~actual-estimated~~ tax revenue receipts that is in excess of, or is less than,
11 the average ~~estimated~~ tax revenue receipts for the preceding three fiscal
12 years, and shall transmit such certification to the director of accounts and
13 reports. Subject to the provisions of this section, upon receipt of such
14 certification, or as soon thereafter as moneys are available, the director of
15 accounts and reports shall transfer **{50% of}** such certified excess amount,
16 if any, from the state general fund to the budget stabilization fund
17 established by K.S.A.-2016 {2017} Supp. 75-6706, and amendments
18 thereto**{, and 50% of such certified excess amount to the Kansas public**
19 **employees retirement fund to be applied to the payment, in full or in**
20 **part, of the unfunded actuarial pension liability as directed by the**
21 **Kansas public employees retirement system}**. If such transfer would
22 cause total revenues available to the state general fund on July 1 of the
23 current fiscal year to be less than total revenues on July 1 of the previous
24 fiscal year, then no transfer to the budget stabilization fund shall be made.
25 No transfer shall be made under this section if the amount of ~~actual~~
26 ~~estimated~~ tax revenue receipts is less than the average ~~estimated~~ tax
27 revenue receipts for the preceding three fiscal years.

28 (b) When determining the amount of ~~actual-estimated~~ tax revenue
29 receipts for any fiscal year pursuant to this section, the amount shall be
30 reduced by the amount of the current fiscal year's ~~actual-estimated~~ tax
31 revenue receipts collected or otherwise received as a result of any kind of
32 tax increase legislation enacted by the legislature and approved by the
33 governor in the current or preceding fiscal year.

34 (c) Nothing in this section shall require ~~actual-estimated~~ tax revenue
35 receipts to be transferred to the budget stabilization fund when the budget
36 stabilization fund balance exceeds 8% of the preceding fiscal year's state

individual income



1 tax receipts.

2 (d) As used in this section:

3 (1) ~~"Actual estimated tax revenue receipts" means receipts received~~
 4 ~~pursuant to K.S.A. 79-32,101(a)(1), and amendments thereto; and~~

5 (2) "state tax receipts" means receipts from any state income tax,
 6 sales tax, compensating use tax or other excise tax or tax in the nature of
 7 an excise tax, or estate or inheritance tax, or tax in the nature of an estate
 8 or inheritance tax, but shall not include receipts from any property tax, or
 9 tax in the nature of property tax, or any tax on motor fuels}; and

10 (3) **"unfunded actuarial pension liability" means the unfunded**
 11 **actuarially accrued liability of the state for the state of Kansas and**
 12 **participating employers under K.S.A. 74-4931, and amendments**
 13 **thereto, portion of such liability of the Kansas public employees**
 14 **retirement system, determined as of the later of December 31, 2016, or**
 15 **the end of the most recent calendar year for which an actuarial**
 16 **valuation report is available}.**

17 ~~Sec. 2. K.S.A. 2016 Supp. 75-6706 is hereby amended to read as~~
 18 ~~follows: 75-6706. (a) On July 1, 2017, the budget stabilization fund is~~
 19 ~~hereby established in the state treasury:~~

20 ~~(b) On or before the 10th day of each month commencing July 1,~~
 21 ~~2017, the director of accounts and reports shall transfer from the state~~
 22 ~~general fund to the budget stabilization fund interest earnings based on:~~

23 ~~(1) The average daily balance of moneys in the budget stabilization~~
 24 ~~fund, for the preceding month; and~~

25 ~~(2) the net earnings rate of the pooled money investment portfolio for~~
 26 ~~the preceding month.~~

27 ~~(c) On and after July 1, 2017, no moneys in the budget stabilization~~
 28 ~~fund shall be expended pursuant to this subsection unless the expenditure~~
 29 ~~either has been approved by an appropriation or other act of the legislature~~
 30 ~~or has been approved by the state finance council acting on this matter~~
 31 ~~which is hereby characterized as a matter of legislative delegation and~~
 32 ~~subject to the guidelines prescribed in K.S.A. 75-3711(c), and amendments~~
 33 ~~thereto. All moneys credited to the budget stabilization fund shall be~~
 34 ~~expended or transferred for only the following purposes:~~

35 ~~(1) If a decrease in state general fund revenue occurs in the current~~
 36 ~~fiscal year compared to the previous fiscal year.~~

37 ~~(2) If a decrease occurs in actual tax receipt revenues receipts to the~~
 38 ~~state general fund compared to the estimated tax receipt revenues receipts~~
 39 ~~on which the budget was based pursuant to the joint estimate of revenue~~
 40 ~~under K.S.A. 75-6701, and amendments thereto.~~

41 ~~(3) To provide relief and assistance from the effects of a disaster~~
 42 ~~emergency declared under K.S.A. 48-924, and amendments thereto.~~

43 ~~(d) (1) During the 2016 interim between regular sessions of the~~

"Individual income tax revenue receipts" means individual estimated tax payments received pursuant to K.S.A. 79-32,101(a)(1), and amendments thereto, and individual tax payments due pursuant to K.S.A. 79-3225, and amendments thereto. Actual individual income tax payments shall not include refunds or withholding taxes pursuant to K.S.A. 79-3294 et seq., and amendments thereto;