

Senate Substitute for HOUSE BILL No. 2416

By Committee on Judiciary

3-11

1 AN ACT concerning public health; requiring compensation for the use,
2 restriction on use, damage, loss or destruction of property as a result of
3 certain governmental actions; ~~authorizing reimbursement of property~~
4 ~~taxes levied upon businesses shut down or restricted as a result of~~
5 ~~certain governmental actions related to contagious or infectious~~
6 ~~disease; amending K.S.A. 2021 Supp. 79-1614 and repealing the~~
7 ~~existing section}; *authorizing reimbursement of property taxes levied*
8 *upon businesses shut down or restricted as a result of certain*
9 *governmental actions related to contagious or infectious disease in*
10 *humans; amending K.S.A. 2021 Supp. 79-1614 and repealing the*
11 *existing section; establishing the COVID-19 retail storefront property*
12 *tax relief act to provide partial refunds to certain businesses impacted*
13 *by COVID-19-related shutdowns and restrictions}.*~~

14
15 *Be it enacted by the Legislature of the State of Kansas:*

16
17 *{New Section 1. The provisions of sections 1 through 14, and*
18 *amendments thereto, shall be known and may be cited as the COVID-19*
19 *retail storefront property tax relief act. The purpose of this act shall be to*
20 *provide refunds to certain businesses impacted by COVID-19 related*
21 *shutdowns and restrictions during tax years 2020 and 2021 based on a*
22 *portion of property taxes accrued on retail storefront property.*

23 *New Sec. 2. As used in this act:*

24 *(a) "Act" means the COVID-19 retail storefront property tax relief*
25 *act.*

26 *(b) (1) "Claimant" means a for-profit business, regardless of legal*
27 *structure, who has filed a claim under the provisions of this act and*
28 *who:*

29 *(A) Conducts a majority of its retail sales through customers'*
30 *physical, on-site presence at a retail storefront property;*

31 *(B) was in operation on or prior to July 1, 2019, and filed a 2019*
32 *tax return;*

33 *(C) had at least \$10,000 but less than \$2,500,000 in annual*
34 *revenues, including gross sales and receipts, in 2019;*

35 *(D) received less gross revenue in 2020 or 2021, as applicable,*
36 *compared to 2019;*

- 1 (E) *was in active operations as of March 1, 2020; and*
2 (F) *has not received more than a total of \$150,000 in prior COVID-*
3 *19-related local, state or federal funding or any combination thereof.*
- 4 (2) *"Claimant" shall not include:*
- 5 (A) *Grocery stores and pharmacies;*
6 (B) *hardware stores and home improvement businesses;*
7 (C) *retail liquor stores;*
8 (D) *manufacturers and food processors;*
9 (E) *schools, such as pre-kindergarten, kindergarten through grade*
10 *12, post-secondary, higher education, technical education and training;*
11 (F) *hospitals and healthcare providers, including, but not limited*
12 *to, physicians, surgeons, psychologists and psychoanalysts, but not*
13 *including personal services providers such as massage therapists and*
14 *chiropractors;*
15 (G) *property management and real estate services, including*
16 *owners or operators of short-term rental properties;*
17 (H) *professional services, including, but not limited to, accounting,*
18 *insurance, legal, financial services and firms, information technology,*
19 *engineering and architecture;*
20 (I) *agriculture and aquaculture producers, including farms,*
21 *ranches and fisheries, but not including their retail storefronts used to*
22 *conduct retail sales to customers;*
23 (J) *hosts or operators of a vacation or short-term rental unit;*
24 (K) *passive businesses, investment companies and investors who*
25 *file a schedule E on their individual tax returns;*
26 (L) *financial businesses primarily engaged in the business of*
27 *lending, such as banks, finance companies and factoring companies;*
28 (M) *cable companies, telephone companies, utilities and other*
29 *similar businesses; and*
30 (N) *energy production, generation and distribution companies.*
- 31 (3) *When a retail storefront is occupied by two or more businesses*
32 *and more than one of the businesses is able to qualify as a claimant, the*
33 *businesses may determine between them as to whom the claimant will*
34 *be. If they are unable to agree, the matter shall be referred to the*
35 *secretary of revenue whose decision shall be final.*
- 36 (c) *"Gross rent" means the rental paid at arm's length solely for*
37 *the right of occupancy of a retail storefront paid to a landlord, as*
38 *expressly set out in the rental agreement, exclusive of charges for any*
39 *utilities, services, furniture and furnishings or personal property*
40 *appliances furnished by the landlord as a part of the rental agreement,*
41 *whether or not expressly set out in the rental agreement. Whenever the*
42 *director of taxation finds that the landlord and tenant have not dealt*
43 *with each other at arm's length and that the gross rent charge was*

1 *excessive, the director may adjust the gross rent to a reasonable amount*
2 *for the purpose of the claim.*

3 *(d) "Property taxes accrued" means property taxes, exclusive of*
4 *special assessments, delinquent interest and charges for service, levied*
5 *on a claimant's retail storefront in 2020 or 2021, as applicable, by the*
6 *state of Kansas and the political and taxing subdivisions of the state.*
7 *When a retail storefront is owned by two or more persons or entities as*
8 *joint tenants or tenants in common and one or more of the persons or*
9 *entities is not a part of claimant's business, "property taxes accrued" is*
10 *that part of property taxes levied on the retail storefront that reflects the*
11 *ownership percentage of the claimant's business. For purposes of this*
12 *act, property taxes are "levied" when the tax roll is delivered to the local*
13 *treasurer with the treasurer's warrant for collection. When a claimant*
14 *owns its retail storefront part of a calendar year, "property taxes*
15 *accrued" means only taxes levied on the retail storefront when both*
16 *owned and occupied as a retail storefront by the claimant's business at*
17 *the time of the levy, multiplied by the percentage of 12 months that the*
18 *property was owned and occupied by the business as its retail storefront*
19 *in the year. When a business owns and occupies two or more different*
20 *retail storefronts in the same calendar year, property taxes accrued shall*
21 *be the sum of the taxes allocable to those several properties while*
22 *occupied by the business as its retail storefront during the year.*
23 *Whenever a retail storefront is an integral part of a larger unit such as a*
24 *multi-purpose or multi-retail storefront building, property taxes accrued*
25 *shall be that percentage of the total property taxes accrued as the value*
26 *of the retail storefront is of the total value. For the purpose of this act,*
27 *the word "unit" refers to that parcel of property covered by a single tax*
28 *statement of which the retail storefront is a part.*

29 *(e) "Rent constituting property taxes accrued" means 15% of the*
30 *gross rent actually paid in cash or its equivalent in 2020 or 2021, as*
31 *applicable, by a claimant solely for the right of occupancy of a retail*
32 *storefront on which ad valorem property taxes were levied in full for that*
33 *year. When a claimant occupies two or more different retail storefronts*
34 *in the same calendar year, rent constituting property taxes accrued shall*
35 *be computed by adding the rent constituting property taxes accrued for*
36 *each property rented by the claimant while occupied by the claimant as*
37 *its retail storefront during the year.*

38 *(f) "Retail storefront" means the real property in this state, whether*
39 *owned or rented, that is occupied by the claimant's business and where*
40 *the claimant conducts retail sales through customers' physical, on-site*
41 *presence. "Retail storefront" may consist of a part of a multi-purpose or*
42 *multi-retail storefront building. "Owned" includes a vendee in*
43 *possession under a land contract, a life tenant, a beneficiary under a*

1 *trust and one or more joint tenants or tenants in common.*

2 *New Sec. 3. (a) For tax years 2020 and 2021, a claimant shall be*
 3 *eligible for a claim for refund under this act if the claimant's eligible*
 4 *business operated at the retail storefront was operationally shut down or*
 5 *restricted by a COVID-19-related order or action imposed by the state, a*
 6 *local unit of government or a local health officer, including, but not*
 7 *limited to, by an executive order issued by the governor pursuant to*
 8 *K.S.A. 48-925, and amendments thereto, or any action taken by a local*
 9 *unit of government related to a state of disaster emergency declared*
 10 *pursuant to K.S.A. 48-924, and amendments thereto, or a state of local*
 11 *disaster emergency declared pursuant to K.S.A. 48-932, and*
 12 *amendments thereto.*

13 *(b) The amount of refund under this act shall be equal to 33% of*
 14 *the COVID-19 qualifying sum. The COVID-19 qualifying sum shall be*
 15 *the sum of the COVID-19 ordered shutdown days gross rebate amount*
 16 *calculated pursuant to subsection (c) and the COVID-19 ordered*
 17 *restricted operations days gross rebate amount calculated pursuant to*
 18 *subsection (d).*

19 *(c) The COVID-19 ordered shutdown days gross rebate amount*
 20 *shall be the amount of the claimant's property taxes accrued or rent*
 21 *constituting property taxes accrued for the tax year divided by the*
 22 *applicable factor set forth in the following schedule:*

<i>Number of ordered shutdown days</i>	<i>Divide property taxes accrued or rent constituting property taxes accrued by:</i>
<i>91 or more</i>	<i>3</i>
<i>61 to 90</i>	<i>4</i>
<i>31 to 60</i>	<i>6</i>
<i>1 to 30</i>	<i>12</i>

31 *(d) The COVID-19 ordered restricted operations days gross rebate*
 32 *amount shall be the amount of the claimant's property taxes accrued or*
 33 *rent constituting property taxes accrued for the tax year divided by the*
 34 *applicable factor set forth in the following schedule:*

<i>Number of ordered restricted operations days</i>	<i>Divide property taxes accrued or rent constituting property taxes accrued by:</i>
<i>211 or more</i>	<i>2</i>
<i>181 to 210</i>	<i>2.289</i>
<i>151 to 180</i>	<i>2.667</i>
<i>121 to 150</i>	<i>3.2</i>
<i>91 to 120</i>	<i>4</i>
<i>61 to 90</i>	<i>5.333</i>

1	<i>31 to 60</i>	<i>8</i>
2	<i>1 to 30</i>	<i>16</i>

3 *(e) For purposes of subsections (c) and (d), an eligible calendar day*
4 *may be counted only once as either an ordered shutdown day or an*
5 *ordered restricted operations day.*

6 *(f) A claimant with a qualifying business at a retail storefront that*
7 *ceased operations after March 1, 2020, and before January 1, 2021, is*
8 *eligible for a rebate only for tax year 2020.*

9 *(g) The maximum amount of a refund that may be claimed by a*
10 *claimant in any single tax year pursuant to this act shall be \$7,500.*

11 *New Sec. 4. A claimant may claim property tax relief under this act*
12 *with respect to property taxes accrued or rent constituting property taxes*
13 *accrued and, after audit by the director of taxation with respect to this*
14 *act, the allowable amount of such claim shall be paid, except as*
15 *otherwise provided in section 9, and amendments thereto, to the*
16 *claimant from the income tax refund fund. Such payment shall be made*
17 *upon warrants of the director of accounts and reports pursuant to*
18 *vouchers approved by the director of taxation or by any person*
19 *designated by the claimant, but no warrant issued shall be drawn in an*
20 *amount of less than \$5. No interest shall be allowed on any payment*
21 *made to a claimant pursuant to this act.*

22 *New Sec. 5. Only one claimant per retail storefront per year shall*
23 *be entitled to relief under this act.*

24 *New Sec. 6. For tax years 2020 and 2021, no claim shall be paid or*
25 *allowed unless such claim is filed with and in the possession of the*
26 *department of revenue on or before April 15, 2023, except that the*
27 *director of taxation may extend the time for filing any claim or accept a*
28 *claim filed after the filing deadline when good cause exists, if the claim*
29 *has been filed within four years of the deadline.*

30 *New Sec. 7. (a) In administering this act, the director of taxation*
31 *shall make available suitable forms with instructions for claimants.*

32 *(b) The secretary of revenue is hereby authorized to adopt such*
33 *rules and regulations as may be necessary for the administration of the*
34 *provisions of this act.*

35 *New Sec. 8. (a) Every claimant under this act shall provide to the*
36 *director of taxation, in support of a claim, reasonable proof of eligibility*
37 *for the refund.*

38 *(b) Every claimant who is a retail storefront owner, or whose claim*
39 *is based wholly or partly upon retail storefront ownership at some time*
40 *during the calendar year, shall supply to the director of taxation, in*
41 *support of a claim, the amount of property taxes levied upon the*
42 *property claimed as a retail storefront and a statement that the property*
43 *taxes accrued used for purposes of this act have been or will be paid by*

1 *the claimant. Upon request by the director, such claimant shall provide a*
2 *copy of the statement of property taxes levied upon the property claimed*
3 *as a retail storefront.*

4 *(c) Every claimant who is a retail storefront renter, or whose claim*
5 *is based wholly or partly upon retail storefront rental at some time*
6 *during the calendar year, shall supply to the division, in support of a*
7 *claim, a statement prescribed by the director certifying the amount of*
8 *gross rent paid and that ad valorem property taxes were levied in full for*
9 *that year on the property, all or a part of which was rented by the*
10 *claimant.*

11 *(d) The information required to be furnished under subsection (b)*
12 *or (c) shall be in addition to that required under subsection (a).*

13 *New Sec. 9. (a) The amount of any claim otherwise payable under*
14 *this act may be applied by the director of taxation against any liability*
15 *outstanding on the books of the department of revenue against the*
16 *claimant in the year that the claim relates.*

17 *(b) If there are delinquent property taxes for tax year 2020 or 2021*
18 *on a retail storefront owned by the claimant, the refund shall be paid to*
19 *the county treasurer of the county in which such retail storefront is*
20 *located and applied to such delinquent property taxes.*

21 *New Sec. 10. If there are delinquent property taxes for a tax year*
22 *commencing prior to January 1, 2020, on a retail storefront owned by*
23 *the claimant, the claimant shall not be eligible for the refund pursuant*
24 *to this act for such retail storefront.*

25 *New Sec. 11. In any case in which it is determined that a claim is or*
26 *was excessive and was filed with fraudulent intent, the claim shall be*
27 *disallowed in full, and, if the claim has been paid, the amount paid may*
28 *be recovered by assessment as income taxes are assessed, and such*
29 *assessment shall bear interest from the date of payment or credit of the*
30 *claim, until recovered, at the rate of 1% per month. The claimant in*
31 *such case and any person who assisted in the preparation or filing of*
32 *such excessive claim or supplied information upon which such excessive*
33 *claim was prepared, with fraudulent intent, shall be guilty of a class B*
34 *misdemeanor. In any case in which it is determined that a claim is or*
35 *was excessive and was negligently prepared, 10% of the corrected claim*
36 *shall be disallowed, and, if the claim has been paid, the proper portion of*
37 *any amount paid shall be similarly recovered by assessment as income*
38 *taxes are assessed, and such assessment shall bear interest at the rate of*
39 *1% per month from the date of payment until recovered. In any case in*
40 *which it is determined that a claim is or was excessive due to the fact*
41 *that the claimant neglected to include certain income received during*
42 *the year, the claim shall be corrected and the excess disallowed, and, if*
43 *the claim has been paid, the proper portion of any amount paid shall be*

1 *similarly recovered by assessment as income taxes are assessed.*

2 *New Sec. 12. A claim shall be disallowed if the director of taxation*
3 *finds that the claimant received title to such claimant's retail storefront*
4 *primarily for the purpose of receiving benefits under this act.*

5 *New Sec. 13. Each county shall pay to the state an amount equal to*
6 *33% of the refund claims paid pursuant to this act for eligible property*
7 *located in such county. A county may expend moneys from the county*
8 *general fund to pay the state pursuant to this section.*

9 *New Sec. 14. To the extent applicable, the provisions of K.S.A. 79-*
10 *3226, and amendments thereto, shall apply to claims for refunds*
11 *allowable pursuant to this act that may become in dispute.}*

12 ~~New Section 1. {New Sec. 15.} (a) Each person within this state shall~~
13 ~~act and manage the affairs of such person and such person's property in~~
14 ~~any way that reasonably will assist and not detract from the ability of the~~
15 ~~state and the public successfully to prevent and respond to contagious or~~
16 ~~infectious disease. This obligation includes appropriate personal service~~
17 ~~and appropriate use of property in response to a governmental action. This~~
18 ~~section neither increases nor decreases these obligations but recognizes~~
19 ~~their existence under the constitution and statutes and the common law of~~
20 ~~this state. Compensation for services or for the taking, use or restriction on~~
21 ~~use of property shall be only to the extent that obligations recognized in~~
22 ~~this subsection are exceeded in a particular case and only to the extent that~~
23 ~~the claimant may not be deemed to have volunteered services or property~~
24 ~~without compensation.~~

25 ~~(b)~~ Personal services shall not be compensated by the state or any
26 subdivision or agency thereof under this section except pursuant to statute
27 enacted or ordinance duly adopted therefor.

28 ~~(e){(b)}~~ Compensation for property shall be provided only if the
29 property was commandeered, restricted for use or otherwise used pursuant to
30 a governmental action and the destruction, use or restriction on use of
31 such property was ordered by a public official pursuant to such
32 governmental action.

33 ~~(d){(c)}~~ Any person claiming compensation for the use, restriction on
34 use, damage, loss or destruction of property under this section as a result
35 of a governmental action shall file a claim therefor in the district court in
36 the same manner as any other civil action. The court shall determine the
37 validity of such claim in the same manner and under the same procedures
38 prescribed for condemnation actions pursuant to K.S.A. 26-501 et seq.,
39 and amendments thereto. Unless the amount of compensation on account
40 of property damaged, lost or destroyed is agreed upon by the claimant and
41 the governmental entity, the amount of compensation shall be calculated in
42 the same manner as compensation due for a taking of property pursuant to
43 the condemnation law of this state.

1 *{(2) A claimant shall not be eligible for compensation if such*
2 *claimant knew or should have known of a dangerous condition and such*
3 *claimant failed to respond in a reasonable manner to address such*
4 *dangerous condition that resulted in the use, restriction on use, damage,*
5 *loss or destruction of property, including, but not limited to, sanitization*
6 *or food safety.}*

7 ~~(e)~~*{(d)}* Any award of compensation for the commandeering, use or
8 restriction on use of the property by the governmental entity shall:

9 (1) Be paid by the governmental entity ordering the commandeering,
10 use or restriction on use of the property at issue;

11 (2) be limited to the actual cost of such use or restriction on use as
12 determined by the board of appraisers; and

13 (3) not include loss of present or future profits, opportunity cost or
14 other extraordinary damages.

15 ~~(f)~~*{(e)}* As used in this section:

16 (1) "Governmental action" means an order, resolution or ordinance
17 related to a contagious or infectious disease *{in humans}* issued or adopted
18 by the state, county, city or other political subdivision of the state,
19 including, but not limited to, an order, resolution or ordinance issued or
20 adopted pursuant to a declared state of disaster emergency under K.S.A.
21 48-924, and amendments thereto, or a declared state of local disaster
22 emergency under K.S.A. 48-932, and amendments thereto, that mandates
23 the wearing of face masks, limits the size of gatherings of individuals,
24 restricts the operation of business, controls the movement of persons or
25 limits religious gatherings;

26 (2) "private property" means the same as defined in K.S.A. 77-703,
27 and amendments thereto, and any other personal or business property used
28 or restricted for use by a governmental entity pursuant to a governmental
29 action;

30 (3) "restriction on use" or "restricted for use" means:

31 (A) Any taking as defined in K.S.A. 77-703, and amendments
32 thereto;

33 (B) any restriction, limitation on access to or operation of private
34 property;

35 (C) exertion of control over any private property for any amount of
36 time pursuant to a governmental action; or

37 (D) substantially burdening the operation of any religious, civic,
38 business or commercial entity, whether for-profit or not-for-profit.

39 ~~(g)~~*{(f)}* This section shall only apply to a governmental action taken
40 on or after the effective date of this act.

41 ~~Sec. 2.—K.S.A. 2021 Supp. 79-1614 is hereby amended to read as~~
42 ~~follows: 79-1614. (a) (1) The owner of any building listed and assessed for~~
43 ~~property taxation purposes as real property that maintains a business on the~~

1 ~~property that was shut down or restricted because of any action taken by~~
2 ~~the state, county, city or other political subdivision of the state pursuant to~~
3 ~~an executive order issued by the governor pursuant to K.S.A. 48-925, and~~
4 ~~amendments thereto, or any action taken by a county, city or other political~~
5 ~~subdivision of the state related to a state of disaster emergency declared~~
6 ~~pursuant to K.S.A. 48-924, and amendments thereto, or a state of local~~
7 ~~disaster emergency declared pursuant to K.S.A. 48-932, and amendments~~
8 ~~thereto, or any action taken by a county, city or other political subdivision~~
9 ~~of the state related to a contagious or infectious disease pursuant to~~
10 ~~chapter 65 of the Kansas Statutes Annotated, and amendments thereto,~~
11 ~~may make application to the board of county commissioners of the county~~
12 ~~in which such property is located for the reimbursement of the property~~
13 ~~taxes levied upon such property during the shutdown or restriction.~~

14 ~~(2) The county treasurer shall reimburse from the county general fund~~
15 ~~any owner who makes an application or operator that joins in an~~
16 ~~application that is determined to be valid for the period of time that the~~
17 ~~shutdown or restriction remained in effect. For ordered shutdowns, the~~
18 ~~reimbursement shall be calculated as a $\frac{1}{365}$ amount of the total ad valorem~~
19 ~~real property taxes levied by the state, county and all other taxing~~
20 ~~subdivisions due for the property for the year multiplied by the number of~~
21 ~~calendar days the ordered shutdown was in effect. For ordered restrictions,~~
22 ~~the reimbursement shall be calculated as a $\frac{1}{365}$ amount of the total ad~~
23 ~~valorem real property taxes levied by the state, county and all other taxing~~
24 ~~subdivisions due for the property for the year multiplied by the percentage~~
25 ~~of the ordered restrictions and further multiplied by the number of calendar~~
26 ~~days the ordered restriction was in effect.~~

27 ~~(b) If the owner is the operator of the business on the property that~~
28 ~~was shut down or restricted, the owner shall be entitled to 100% of such~~
29 ~~reimbursement amount. If the owner is not the operator of such business~~
30 ~~that was shut down or restricted from conducting operations:~~

31 ~~(1) The owner shall disclose and attest to the identity of the operator~~
32 ~~of such business on the application form;~~

33 ~~(2) the owner shall be entitled to 50% of such reimbursement amount;~~

34 ~~(3) the operator of such business shall be entitled to 50% of such~~
35 ~~reimbursement amount if such operator joins in the owner's application;~~
36 ~~and~~

37 ~~(4) such operator that joins in the owner's application may elect to~~
38 ~~assign such operator's share of the reimbursement amount to the owner to~~
39 ~~be credited against any delinquent rent due to the owner.~~

40 ~~(c) If the state, a city or other political subdivision of the state was the~~
41 ~~governmental entity that shut down or restricted the business resulting in a~~
42 ~~reimbursement to an owner or operator pursuant to this section, such~~
43 ~~governmental entity that shut down or restricted the business shall~~

1 ~~reimburse the county for the cost of such reimbursement.~~

2 ~~(d) For purposes of this section, "restriction" or "restricted" means~~
3 ~~any occupancy limitation, limitation on periods of operation or the~~
4 ~~exertion by any governmental entity of other significant control on~~
5 ~~business resources or functionality.~~

6 ~~(e) The provisions of this section shall be applicable on and after~~
7 ~~January 1, 2022.~~

8 ~~Sec. 3. K.S.A. 2021 Supp. 79-1614 is hereby repealed.~~

9 ~~**{Sec. 16. K.S.A. 2021 Supp. 79-1614 is hereby amended to read as**~~
10 ~~**follows: 79-1614. (a) (1) The owner of any building listed and assessed**~~
11 ~~**for property taxation purposes as real property that maintains a business**~~
12 ~~**on the property that was shut down or restricted because of any action**~~
13 ~~**taken by the state, county, city or other political subdivision of the state**~~
14 ~~**pursuant to an executive order issued by the governor pursuant to K.S.A.**~~
15 ~~**48-925, and amendments thereto, or any action taken by a county, city or**~~
16 ~~**other political subdivision of the state related to a state of disaster**~~
17 ~~**emergency declared pursuant to K.S.A. 48-924, and amendments**~~
18 ~~**thereto, or a state of local disaster emergency declared pursuant to**~~
19 ~~**K.S.A. 48-932, and amendments thereto, or any action taken by a county,**~~
20 ~~**city or other political subdivision of the state related to a contagious or**~~
21 ~~**infectious disease in humans pursuant to chapter 65 of the Kansas Statutes**~~
22 ~~**Annotated, and amendments thereto, may make application to the board**~~
23 ~~**of county commissioners of the county in which such property is located**~~
24 ~~**for the reimbursement of the property taxes levied upon such property**~~
25 ~~**during the shutdown or restriction.**~~

26 ~~(2) An owner shall not be eligible for reimbursement if such owner~~
27 ~~knew or should have known of a dangerous condition and such owner~~
28 ~~failed to respond in a reasonable manner to address such dangerous~~
29 ~~condition that resulted in the shutdown or restriction, including, but not~~
30 ~~limited to, sanitization or food safety.~~

31 ~~(3) The county treasurer shall reimburse from the county general~~
32 ~~fund any owner who makes an application or operator that joins in an~~
33 ~~application that is determined to be valid for the period of time that the~~
34 ~~shutdown or restriction remained in effect. For ordered shutdowns, the~~
35 ~~reimbursement shall be calculated as a $\frac{1}{365}$ amount of the total ad~~
36 ~~valorem real property taxes levied by the state, county and all other~~
37 ~~taxing subdivisions due for the property for the year multiplied by the~~
38 ~~number of calendar days the ordered shutdown was in effect. For~~
39 ~~ordered restrictions, the reimbursement shall be calculated as a $\frac{1}{365}$~~
40 ~~amount of the total ad valorem real property taxes levied by the state,~~
41 ~~county and all other taxing subdivisions due for the property for the year~~
42 ~~multiplied by the percentage of the ordered restrictions and further~~
43 ~~multiplied by the number of calendar days the ordered restriction was in~~

1 *effect.*

2 *(b) If the owner is the operator of the business on the property that*
3 *was shut down or restricted, the owner shall be entitled to 100% of such*
4 *reimbursement amount. If the owner is not the operator of such*
5 *business that was shut down or restricted from conducting operations:*

6 *(1) The owner shall disclose and attest to the identity of the*
7 *operator of such business on the application form;*

8 *(2) the owner shall be entitled to 50% of such reimbursement*
9 *amount;*

10 *(3) the operator of such business shall be entitled to 50% of such*
11 *reimbursement amount if such operator joins in the owner's application;*
12 *and*

13 *(4) such operator that joins in the owner's application may elect to*
14 *assign such operator's share of the reimbursement amount to the owner*
15 *to be credited against any delinquent rent due to the owner.*

16 *(c) If the state, a city or other political subdivision of the state was*
17 *the governmental entity that shut down or restricted the business*
18 *resulting in a reimbursement to an owner or operator pursuant to this*
19 *section, such governmental entity that shut down or restricted the*
20 *business shall reimburse the county for the cost of such reimbursement.*

21 *(d) For purposes of this section, "restriction" or "restricted" means*
22 *any occupancy limitation, limitation on periods of operation or the*
23 *exertion by any governmental entity of other significant control on*
24 *business resources or functionality.*

25 ~~*(e) The provisions of this section shall be applicable on and after*~~
26 ~~*January 1, 2022.*~~

27 *Sec. 17. K.S.A. 2021 Supp. 79-1614 is hereby repealed.*

28 ~~*Sec. 4. {18.}*~~ This act shall take effect and be in force from and after
29 its publication in the Kansas register.