

STATE OF KANSAS

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HOUSE OF REPRESENTATIVES

MR. CHAIRMAN:

I move to amend **SB 24**, as amended by House Committee, on page 1, following line 6, by inserting:

"Section 1. (a) On and after January 1, 2025:

(1) The secretary of health and environment shall assess a carbon content charge against each distributor in the state based upon the carbon content of each unit of fuel sold by the distributor in the state. Except as provided in subsection (b), the secretary shall assess on each distributor the carbon content charge in accordance with the following schedule:

- (A) In calendar year 2025, \$100 per metric ton;
- (B) in calendar year 2026, \$150 per metric ton;
- (C) in calendar year 2027, \$200 per metric ton;
- (D) in calendar year 2028, \$250 per metric ton;
- (E) in calendar year 2029, \$300 per metric ton; and
- (F) in calendar year 2030, and each calendar year thereafter, an amount that is \$6 per metric ton more than the preceding year's charge.

(2) For each type of fuel, the secretary shall convert the amount per metric ton to a rate per unit of fuel using the most recent applicable carbon dioxide emissions coefficient published by the United States energy information administration. On or before December 1 of each year, the secretary shall publish the rate per unit of fuel that will be in effect during the following calendar year for each type of fuel.

(3) The secretary shall undertake all reasonable efforts to collect the charges required

pursuant to this section at the first point of sale of the fuel. A distributor shall collect the charges required pursuant to this section upon each sale of fuel to which the charge applies. The distributor shall identify the charges collected as a separate invoice entry. On or before the 15<sup>th</sup> day of each month, the distributor shall submit to the secretary the following:

- (A) The distributor's name and place of business;
- (B) the quantity and type of fuel sold in the preceding calendar month;
- (C) the assessment due for the fuel sold in the preceding calendar month; and
- (D) any other information required by the secretary.

(b) (1) The secretary shall determine each distributor's total carbon content emissions during calendar year 2020. Any distributor that achieves a carbon emissions reduction of 3% by calendar year 2025 shall be assessed a carbon content charge in an amount that is equal to 10% of the carbon content charge assessed as provided in subsection (a). In each subsequent calendar year, the secretary shall require distributors to reduce carbon emissions by 2% more than the preceding year's carbon emission reduction requirement. Any distributor meeting such carbon emission reduction in a calendar year shall be assessed a reduced carbon content charge in an amount that is equal to 10% of the charges required pursuant to subsection (a).

(2) On or before December 1, 2024, and each year thereafter, the secretary shall publish a list of the distributors that have achieved the carbon emission reductions necessary to reduce such distributors carbon content charges.

(3) On or before January 31, 2025, the secretary shall provide a report to the governor and the legislature on the program and shall provide a list of the distributors that have achieved the necessary carbon emission reductions to reduce the carbon content charges assessed upon each distributor.

- (c) The secretary shall adopt rules and regulations to implement the provisions of this

section.

(d) As used in this section:

(1) "Distributor" means any person or entity that:

(A) Imports or causes to be imported fuel for use, distribution or sale within the state;

or

(B) produces, refines, manufactures or compounds fuel within the state for use, distribution or sale.

(2) "Fuel" means any form and grade of butane, coal, clear diesel fuel, fuel oil, kerosene, natural gas and propane, but does not include gasoline, dyed diesel fuel or jet fuel.

(3) "Secretary" means the secretary of health and environment.

Sec. 2. (a) (1) There is hereby created in the state treasury the carbon dividend program fund, which shall be administered by the secretary of revenue. All expenditures from the carbon dividend program fund shall be for monthly dividend payments to Kansas taxpayers made in accordance with this section. All expenditures from the carbon dividend program fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of revenue or the secretary's designee.

(2) All moneys collected pursuant to section 1, and amendments thereto, shall be deposited in the state treasury 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 in the state treasury to the credit of the carbon dividend program fund.

(b) The secretary of revenue shall distribute to every Kansas taxpayer a monthly carbon dividend payment in accordance with this section. The secretary shall determine the amount that shall be distributed to each Kansas taxpayer by calculating the total amount of carbon content charges collected from distributors in the preceding monthly collection period pursuant to section

1, and amendments thereto, and dividing such amount by the total number of taxpayers that qualify for such monthly carbon dividend. The resulting quotient shall be the amount of the carbon dividend distributed to Kansas taxpayers for the given month.

(c) The secretary of revenue shall adopt rules and regulations to implement the provisions of this section.

(d) As used in this section, "Kansas taxpayer" means any resident of Kansas who filed Kansas individual income taxes in the preceding tax year as single, head of household, married filing separate or married filing jointly.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, after "concerning" by inserting "energy; relating to fuel sources; assessing carbon content charges upon sales of certain fuels; creating the carbon dividend program fund; relating to"

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\_\_\_\_\_ District.