

HOUSE BILL No. 2005

By Joint Committee on Economic Development

12-15

AN ACT concerning tax increment financing; reorganization thereof; amending K.S.A. 12-1772 and K.S.A. 2000 Supp. 12-1770, 12-1770a, 12-1771, 12-1771a, 12-1771b, 12-1771c, 12-1771d, 12-1773, 12-1774, 12-1774a, 12-1775, 19-101a, 74-5093, 79-3620, 79-3620b and 79-3710 and repealing the existing sections; also repealing K.S.A. 2000 Supp. 12-1774b.

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

Section 1. K.S.A. 2000 Supp. 12-1770 is hereby amended to read as follows: 12-1770. It is hereby declared to be the purpose of this act to promote, stimulate and develop the general and economic welfare of the state of Kansas and its communities and to assist in the development and redevelopment of ~~blighted areas and deteriorating areas which are not yet blighted, but may be so in the future located within cities, environmentally contaminated areas located within and without cities, enterprise zones located within cities and, major tourism areas as defined in subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, thus eligible areas within and without a city~~ thereby promoting the general welfare of the citizens of this state, by authorizing cities to acquire certain property and to issue special obligation bonds and full faith and credit tax increment bonds for the financing of redevelopment projects. It is further found and declared that the powers conferred by this act are for public uses and purposes for which public money may be expended and the power of eminent domain exercised. The necessity in the public interest for the provisions of this act is hereby declared as a matter of legislative determination.

Sec. 2. K.S.A. 2000 Supp. 12-1770a is hereby amended to read as follows: 12-1770a. ~~For purposes of K.S.A. 12-1770 et seq. and amendments thereto:~~

~~(a) "Historic theater" means a building constructed prior to 1940 which was constructed for the purpose of staging entertainment, including motion pictures, vaudeville shows or operas, that is operated by a nonprofit corporation and is designated by the state historic preservation officer as eligible to be on the Kansas register of historic places or is a member of the Kansas historic theatre association;~~

1 ~~—(b) “sales tax increment” means the amount of state and local sales~~
2 ~~tax revenue imposed pursuant to K.S.A. 12-187 et seq., 79-3601 et seq.~~
3 ~~and 79-3701 et seq., and amendments thereto, collected from taxpayers~~
4 ~~doing business within the historic theater that is in excess of the amount~~
5 ~~of such taxes collected prior to the designation of the building as a historic~~
6 ~~theater for purposes of this act. As used in this act, unless the context~~
7 ~~clearly shows otherwise:~~

8 (a) *“Auto race track facility” means: (1) An auto race track facility*
9 *and facilities directly related and necessary to the operation of an auto*
10 *race track facility, including, but not limited to, grandstands, suites and*
11 *viewing areas, concessions, souvenir facilities, catering facilities, visitor*
12 *and retail centers, signage and temporary hospitality facilities, but ex-*
13 *cluding (2) hotels, motels, restaurants and retail facilities, not directly*
14 *related to or necessary to the operation of such facility.*

15 (b) *“Blighted area” means an area which:*

16 (1) *Because of the presence of a majority of the following factors,*
17 *substantially impairs or arrests the development and growth of the mu-*
18 *nicipality or constitutes an economic or social liability or is a menace to*
19 *the public health, safety, morals or welfare in its present condition and*
20 *use:*

21 (A) *A substantial number of deteriorated or deteriorating structures;*

22 (B) *predominance of defective or inadequate street layout;*

23 (C) *unsanitary or unsafe conditions;*

24 (D) *deterioration of site improvements;*

25 (E) *tax or special assessment delinquency exceeding the fair value of*
26 *the land;*

27 (F) *defective or unusual conditions of title including but not limited*
28 *to cloudy or defective titles, multiple or unknown ownership interests to*
29 *the property;*

30 (G) *improper subdivision or obsolete platting or land uses;*

31 (H) *the existence of conditions which endanger life or property by fire*
32 *or other causes; or*

33 (I) *conditions which create economic obsolescence; or*

34 (2) *has been identified by any state or federal environmental agency*
35 *as being environmentally contaminated to an extent that requires a re-*
36 *medial investigation; feasibility study and remediation or other similar*
37 *state or federal action; or*

38 (3) *previously was found by resolution of the governing body to be a*
39 *slum or a blighted area under K.S.A. 17-4742 et seq., and amendments*
40 *thereto.*

41 (c) *“Conservation area” means any improved area comprising 15%*
42 *or less of the land area within the corporate limits of a city in which 50%*
43 *or more of the structures in the area have an age of 35 years or more,*

1 *which area is not yet blighted, but may become a blighted area due to the*
2 *existence of a combination of two or more of the following factors:*

- 3 (1) *Dilapidation, obsolescence or deterioration of the structures;*
- 4 (2) *illegal use of individual structures;*
- 5 (3) *the presence of structures below minimum code standards;*
- 6 (4) *building abandonment;*
- 7 (5) *excessive vacancies;*
- 8 (6) *overcrowding of structures and community facilities; or*
- 9 (7) *inadequate utilities and infrastructure.*

10 (d) *“Eligible area” means a blighted area, conservation area, enter-*
11 *prise zone, historic theater or major tourism area.*

12 (e) *“Enterprise zone” means an area within a city that was designated*
13 *as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107*
14 *through 12-17,113, and amendments thereto, prior to its repeal and the*
15 *conservation, development or redevelopment of the area is necessary to*
16 *promote the general and economic welfare of such city.*

17 (f) *“Environmental increment” means the increment determined pur-*
18 *suant to subsection (b) of K.S.A. 12-1771a, and amendments thereto.*

19 (g) *“Environmentally contaminated area” means an area of land hav-*
20 *ing contaminated groundwater or soil which is deemed environmentally*
21 *contaminated by the department of health and environment or the United*
22 *States environmental protection agency.*

23 (h) *“Feasibility study” means a comprehensive study which shows*
24 *whether a redevelopment project’s benefits and tax increment revenue will*
25 *exceed or be sufficient to pay for the redevelopment project costs.*

26 (i) *“Historic theater” means a building constructed prior to 1940*
27 *which was constructed for the purpose of staging entertainment, including*
28 *motion pictures, vaudeville shows or operas, that is operated by a non-*
29 *profit corporation and is designated by the state historic preservation*
30 *officer as eligible to be on the Kansas register of historic places or is a*
31 *member of the Kansas historic theatre association.*

32 (j) *“Historic theater sales tax increment” means the amount of state*
33 *and local sales tax revenue imposed pursuant to K.S.A. 12-187 et seq., 79-*
34 *3601 et seq. and 79-3701 et seq., and amendments thereto, collected from*
35 *taxpayers doing business within the historic theater that is in excess of*
36 *the amount of such taxes collected prior to the designation of the building*
37 *as a historic theater for purposes of this act.*

38 (k) *“Major tourism area” means a redevelopment area project to be*
39 *built in Kansas that:*

- 40 (1) *Has capital improvements costing not less than \$100,000,000; and*
- 41 (2) *is an auto race track facility.*

42 (l) *“Real property taxes” means all taxes levied on an ad valorem basis*
43 *upon land and improvements thereon.*

1 (m) "Redevelopment project costs" means those costs incurred to de-
2 velop the redevelopment project to include but not limited to such costs
3 as:

- 4 (1) Acquisition of property within the redevelopment project area;
- 5 (2) payment of relocation assistance;
- 6 (3) site preparation;
- 7 (4) sanitary and storm sewers and lift stations;
- 8 (5) drainage conduits, channels and levees;
- 9 (6) street grading, paving, graveling, macadamizing, curbing, gutter-
10 ing and surfacing;
- 11 (7) street light fixtures, connection and facilities;
- 12 (8) underground gas, water, heating and electrical services and con-
13 nections located within the public right-of-way;
- 14 (9) sidewalks and pedestrian underpasses or overpasses;
- 15 (10) drives and driveway approaches located within the public right-
16 of-way;
- 17 (11) water mains and extensions;
- 18 (12) plazas and arcades;
- 19 (13) parking facilities;
- 20 (14) landscaping and plantings, fountains, shelters, benches, sculp-
21 tures, lighting, decorations and similar amenities; and
- 22 (15) all related expenses to redevelop and finance the redevelopment
23 project.

24 Redevelopment project costs shall not include costs incurred in con-
25 nection with the construction of buildings or other structures to be owned
26 by or leased to such developer, however, the "redevelopment project costs"
27 shall include costs incurred in connection with the construction of build-
28 ings or other structures to be owned or leased to such developer which
29 includes an auto race track facility or is in a redevelopment district in-
30 cluding some or all of the land and buildings comprising a state mental
31 institution closed pursuant to section 2 of chapter 219 of the 1995 Session
32 Laws of Kansas.

33 (n) "Redevelopment district" means the specific area declared to be a
34 blighted area, conservation area, enterprise zone, historic theater or major
35 tourism area in which the city or county may develop one or more re-
36 development projects.

37 (o) "Redevelopment district plan" means the preliminary plan that
38 identifies all of the proposed redevelopment project areas and identifies
39 in a general manner all of the buildings, facilities and improvements in
40 each that are proposed to be constructed or improved in each redevelop-
41 ment project area.

42 (p) "Redevelopment project" means the approved project to imple-
43 ment a comprehensive plan or plans for the development of the established

1 redevelopment district.

2 (q) "Redevelopment project plan" means the plan adopted by a mu-
3 nicipality for the development of a redevelopment project or projects
4 which conforms with K.S.A. 12-1772, and amendments thereto, in a re-
5 development district.

6 (r) "Secretary" means the secretary of commerce and housing.

7 (s) "Statewide as well as local importance" means a redevelopment
8 project that the secretary concludes will create at least:

9 (1) Capital improvements costing not less than \$300,000,000; and

10 (2) not less than 1,500 permanent and seasonal employment positions
11 as defined by K.S.A. 74-50,114, and amendments thereto.

12 (t) "Substantial change" means a change wherein the redevelopment
13 project's proposed plan or plans differ from the intended purpose for
14 which the redevelopment district plan was granted.

15 (u) "Tax increment" means that amount of ad valorem taxes collected
16 from real property located within the redevelopment district that is in
17 excess of the amount which is produced from such property and attrib-
18 utable to the assessed valuation of such property prior to the redevelop-
19 ment district plan or revision of the plan, as authorized by K.S.A. 2000
20 Supp. 12-1771c, and amendments thereto, and is transmitted to the
21 county pursuant to K.S.A. 12-1776, and amendments thereto.

22 (v) "Taxing subdivision" means the county, city, unified school dis-
23 trict and any other taxing subdivision levying real property taxes, the
24 territory or jurisdiction of which includes any currently existing or sub-
25 sequently created redevelopment district.

26 Sec. 3. K.S.A. 2000 Supp. 12-1771 is hereby amended to read as
27 follows: 12-1771. ~~(a) No city shall exercise any of the powers conferred~~
28 ~~by K.S.A. 12-1770 et seq., and amendments thereto, unless the governing~~
29 ~~body of such city has adopted a resolution finding that the specific project~~
30 ~~area sought to be redeveloped is a blighted area, a conservation area, a~~
31 ~~major tourism area as defined in K.S.A. 12-1774, and amendments~~
32 ~~thereto, a historic theater as defined in K.S.A. 2000 Supp. 12-1770a, and~~
33 ~~amendments thereto, or was designated prior to July 1, 1992, as an en-~~
34 ~~terprise zone pursuant to K.S.A. 12-17,110 prior to its repeal, and the~~
35 ~~conservation, development or redevelopment of such area is necessary to~~
36 ~~promote the general and economic welfare of such city. Enterprise zones~~
37 ~~designated prior to July 1, 1992, may be enlarged by the city to an area~~
38 ~~not exceeding 25% of the city's land area upon a finding by the secretary~~
39 ~~of the department of commerce and housing that a redevelopment project~~
40 ~~proposed by the city which requires the enlargement is of statewide im-~~
41 ~~portance and that it will meet the criteria specified in subsection (a)(1)(D)~~
42 ~~of K.S.A. 12-1774, and amendments thereto. A unified government, es-~~
43 ~~tablished pursuant to K.S.A. 12-340 et seq., and amendments thereto,~~

1 may enlarge an enterprise zone, established within its jurisdiction prior
2 to July 1, 1992, to an area not exceeding 200% of the area of the original
3 enterprise zone regardless of whether such enlargement crosses the
4 boundary of a city within the jurisdiction of the unified government if the
5 secretary of commerce and housing makes the same findings required for
6 enlargement of an enterprise zone by a city. For the purpose of this
7 subsection, the term "blighted area" means an area which: (1) Because
8 of the presence of a majority of the following factors, substantially impairs
9 or arrests the sound development and growth of the municipality or con-
10 stitutes an economic or social liability or is a menace to the public health,
11 safety, morals or welfare in its present condition and use: (A) A sub-
12 stantial number of deteriorated or deteriorating structures; (B) predom-
13 inance of defective or inadequate street layout; (C) unsanitary or unsafe
14 conditions; (D) deterioration of site improvements; (E) diversity of own-
15 ership; (F) tax or special assessment delinquency exceeding the fair value
16 of the land; (G) defective or unusual conditions of title; (H) improper
17 subdivision or obsolete platting or land uses; (I) the existence of condi-
18 tions which endanger life or property by fire and other causes; or (J)
19 conditions which create economic obsolescence; or (2) has been identified
20 by any state or federal environmental agency as being environmentally
21 contaminated to an extent that requires a remedial investigation, feasi-
22 bility study and remediation or other similar state or federal action; or (3)
23 previously was found by resolution of the governing body to be a slum or
24 a blighted area under K.S.A. 17-4742 *et seq.*, and amendments thereto.
25 — For the purpose of this subsection, conservation area means any im-
26 proved area within the corporate limits of a city in which 50% or more
27 of the structures in the area have an age of 35 years or more, which area
28 is not yet blighted, but may become a blighted area due to the existence
29 of a combination of two or more of the following factors: (i) Dilapidation,
30 obsolescence or deterioration of the structures; (ii) illegal use of individual
31 structures; (iii) the presence of structures below minimum code stan-
32 dards; (iv) building abandonment; (v) excessive vacancies; (vi) overcrowd-
33 ing of structures and community facilities; or (vii) inadequate utilities and
34 infrastructure. Not more than 15% of the land area of a city may be found
35 to be a conservation area.
36 — (b) — The powers conferred upon cities under the provisions of K.S.A.
37 12-1770 *et seq.*, and amendments thereto, shall be exercised by cities, as
38 determined by resolution adopted pursuant to K.S.A. 12-1772, and
39 amendments thereto, (1) in enterprise zones designated prior to July 1,
40 1992, including any area added to such enterprise zone after July 1, 1992,
41 pursuant to subsection (a), (2) in blighted areas of cities and counties
42 described by subsection (a)(2), (3) in conservation areas of cities, (4) in
43 major tourism areas as defined in K.S.A. 12-1774 and amendments

1 thereto (5) in blighted areas of cities, as determined by resolution adopted
2 pursuant to K.S.A. 17-4742 *et seq.*, and amendments thereto or (6) for
3 buildings designated as historic theaters pursuant to K.S.A. 2000 Supp.
4 12-1771d.

5 ~~—(c) Within that portion of the city described in subsection (b), the~~
6 ~~governing body of a city may establish a district to be known as a “rede-~~
7 ~~velopment district”. Within that portion of a city and county described in~~
8 ~~subsection (b) excluding paragraph (3) of subsection (b), the governing~~
9 ~~body of the city, upon written consent of the board of county commis-~~
10 ~~sioners, may establish a district inclusive of land outside the boundaries~~
11 ~~of the city to be known as a redevelopment district. In all such cases, the~~
12 ~~board of county commissioners, prior to providing written consent, shall~~
13 ~~be subject to the same procedure for public notice and hearing as is~~
14 ~~required of a city pursuant to subsection (d) for the establishment of a~~
15 ~~redevelopment district. One or more redevelopment projects may be un-~~
16 ~~dertaken by a city within a redevelopment district after such redevel-~~
17 ~~opment district has been established in the manner provided by subsection~~
18 ~~(d).~~

19 ~~—(d) (a) Resolution procedure for a redevelopment district. Any city or~~
20 ~~unified government proposing to establish a redevelopment district within~~
21 ~~an eligible area shall adopt a resolution stating that the city is considering~~
22 ~~the establishment of a redevelopment district. Such resolution shall:~~

23 (1) Give notice that a public hearing will be held to consider the
24 establishment of a redevelopment district and fix the date, hour and place
25 of such public hearing;

26 (2) describe the proposed boundaries of the redevelopment district;

27 (3) describe a proposed comprehensive plan that identifies all of the
28 proposed redevelopment project areas and that identifies in a general
29 manner all of the buildings and facilities that are proposed to be con-
30 structed or improved in each redevelopment project area;

31 (4) state that a description and map of the proposed redevelopment
32 district are available for inspection at a time and place designated;

33 (5) state that the governing body will consider findings necessary for
34 the establishment of a redevelopment district.

35 Notice shall be given as provided in subsection ~~(e)~~ (b) of K.S.A. 12-
36 1772, and amendments thereto.

37 ~~(e) Upon the conclusion of the public hearing, the governing body~~
38 ~~may adopt a resolution to make any findings required by subsection (a)~~
39 ~~and may establish the redevelopment district by ordinance. Such reso-~~
40 ~~lution shall contain a comprehensive plan that identifies all of the pro-~~
41 ~~posed redevelopment project areas and identifies in a general manner all~~
42 ~~of the buildings and facilities that are proposed to be constructed or im-~~
43 ~~proved in each redevelopment project area. The boundaries of such dis-~~

1 ~~trict shall not include any area not designated in the notice required by~~
2 ~~subsection (d). Subject to the provisions of K.S.A. 2000 Supp. 12-1771e,~~
3 ~~and amendments thereto, any addition of area to the redevelopment dis-~~
4 ~~trict or any substantial change to the comprehensive plan shall be subject~~
5 ~~to the same procedure for public notice and hearing as is required for~~
6 ~~the establishment of the district. The boundaries of any such district in a~~
7 ~~major tourism area including an auto race track facility located in Wy-~~
8 ~~andotte county, shall, without regard to that portion of the district per-~~
9 ~~taining to the auto race track facility, be as follows: Beginning at the~~
10 ~~intersection of Interstate 70 and Interstate 435; West along Interstate 70~~
11 ~~to 118th Street; North along 118th Street to State Avenue; Northeastly~~
12 ~~along proposed relocated State Avenue to 110th Street; North along~~
13 ~~110th Street to Parallel Parkway; East along Parallel Parkway to Interstate~~
14 ~~435; South along Interstate 435 to Interstate 70.~~

15 *(b) Posthearing procedure. Upon the conclusion of the public hearing,*
16 *the governing body may adopt a resolution making the finding that the*
17 *specific area sought to be redeveloped is, as defined in K.S.A. 2000 Supp.*
18 *12-1770a, and amendments thereto, a blighted area, conservation area,*
19 *major tourism area or historic theater or was designated as an enterprise*
20 *zone prior to July 1, 1992, and may establish the redevelopment district*
21 *by ordinance. Such resolution shall contain a comprehensive plan that*
22 *identifies all of the proposed redevelopment project areas and identifies*
23 *in a general manner all of the buildings and facilities that are proposed*
24 *to be constructed or improved in each redevelopment project area. The*
25 *boundaries of such district shall not include any area not designated in*
26 *the notice required by subsection (a).*

27 *(c) The governing body of a city or a unified government may estab-*
28 *lish a redevelopment district within that city or county, excluding con-*
29 *servation areas of that city or county, upon written consent of the board*
30 *of county commissioners, and may establish a district inclusive of land*
31 *outside the boundaries of the city to be known as a redevelopment district.*
32 *Prior to providing written consent, the board of county commissioners*
33 *shall be subject to the same procedure for public notice and hearing as is*
34 *required of a city pursuant to subsection (a) for the establishment of a*
35 *redevelopment district. One or more redevelopment projects may be un-*
36 *dertaken by a city or unified government within a redevelopment district*
37 *after such redevelopment district has been established in the manner pro-*
38 *vided by this section.*

39 ~~(d)~~ *(d) No privately owned property subject to ad valorem taxes shall*
40 *be acquired and redeveloped under the provisions of K.S.A. 12-1770 et*
41 *seq., and amendments thereto, if the board of county commissioners or*
42 *the board of education levying taxes on such property determines by*
43 *resolution adopted within 30 days following the conclusion of the hearing*

1 for the establishment of the redevelopment district required by subsection
2 ~~(d)~~ (b) that the proposed redevelopment district will have an adverse
3 effect on such county or school district. *The board of county commissioners or board of education shall deliver a copy of such resolution to the*
4 *city. The city shall within 30 days of receipt of such resolution pass an*
5 *ordinance terminating the redevelopment district.*
6

7 ~~(g) Any redevelopment plan undertaken within the redevelopment~~
8 ~~district may be in separate development stages. Each plan shall be~~
9 ~~adopted according to the provisions of K.S.A. 12-1772, and amendments~~
10 ~~thereto, and shall fix a date for completion. Except as provided herein,~~
11 ~~any project shall be completed within 20 years from the date of transmittal~~
12 ~~of the redevelopment plan or a revision of the plan, as authorized by~~
13 ~~K.S.A. 2000 Supp. 12-1771c, and amendments thereto, to the county~~
14 ~~pursuant to K.S.A. 12-1776, and amendments thereto. Projects relating~~
15 ~~to environmental investigation and remediation under subsection (i) shall~~
16 ~~be completed within 20 years from the date a city enters into a consent~~
17 ~~decree agreement with the Kansas department of health and environment~~
18 ~~or the United States environmental protection agency. A redevelopment~~
19 ~~project in a major tourism area for an auto race track facility described~~
20 ~~in subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, shall~~
21 ~~be completed within 30 years from the date the secretary of commerce~~
22 ~~and housing makes the finding that the redevelopment project will create~~
23 ~~a major tourism area pursuant to subsection (a)(1)(D) of K.S.A. 12-1774,~~
24 ~~and amendments thereto.~~

25 ~~—(h) Any increment in ad valorem property taxes resulting from a re-~~
26 ~~development district undertaken in accordance with the provisions of this~~
27 ~~act, shall be apportioned to a special fund for the payment of the cost of~~
28 ~~the redevelopment project, including the payment of principal and interest~~
29 ~~on any special obligation bonds or full faith and credit tax increment~~
30 ~~bonds issued to finance such project pursuant to this act and may be~~
31 ~~pledged to the payment of principal and interest on such bonds. The~~
32 ~~maximum maturity on bonds issued to finance projects pursuant to this~~
33 ~~act shall not exceed 20 years except that: (1) Such maximum period of~~
34 ~~special obligation bonds not payable from revenues described by subsection~~
35 ~~(a)(1)(D) of K.S.A. 12-1774, and amendments thereto, issued to finance~~
36 ~~an auto race track facility shall not exceed 30 years; and (2) such~~
37 ~~maximum period, if the governor determines and makes and submits a~~
38 ~~finding to the speaker of the house of representatives and the president~~
39 ~~of the senate that a maturity greater than 20 years, but in no event ex-~~
40 ~~ceeding 30 years, is necessary for the economic feasibility of the financing~~
41 ~~of an auto race track facility with special obligation bonds payable pri-~~
42 ~~marily from revenues described by subsection (a)(1)(D) of K.S.A. 12-~~
43 ~~1774, and amendments thereto, may be extended in accordance with such~~

1 determination and finding.

2 —For the purposes of this act, “increment” means that amount of ad
3 valorem taxes collected from real property located within the redevel-
4 opment district that is in excess of the amount which is produced from
5 such property and attributable to the assessed valuation of such property
6 prior to the date the redevelopment plan or revision of the plan, as au-
7 thorized by K.S.A. 2000 Supp. 12-1771c, and amendments thereto, is
8 transmitted to the county pursuant to K.S.A. 12-1776, and amendments
9 thereto.

10 —(i) The governing body of a city, in contracts entered into with the
11 Kansas department of health and environment or the United States en-
12 vironmental protection agency, may pledge increments receivable in fu-
13 ture years to pay costs directly relating to the investigation and remedi-
14 ation of environmentally contaminated areas. The provisions in such
15 contracts pertaining to pledging increments in future years shall not be
16 subject to K.S.A. 10-1101 *et seq.* or 79-2925 *et seq.*, and amendments
17 thereto.

18 —(j) Before any redevelopment project is undertaken, a comprehensive
19 feasibility study, which shows the benefits derived from such project will
20 exceed the costs and that the income therefrom will be sufficient to pay
21 for the project shall be prepared. Such feasibility study shall be an open
22 public record.

23 —(k) If a city determines that revenues from sources other than prop-
24 erty taxes will be sufficient to pay any special obligation bonds issued to
25 finance a redevelopment project for an auto race track facility described
26 in subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto,
27 which the secretary of commerce and housing makes a finding that such
28 project will create a major tourism area pursuant to subsection (a)(1)(D)
29 of K.S.A. 12-1774, and amendments thereto, all real and personal prop-
30 erty, constituting an auto race track facility described in subsection
31 (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, in such redevel-
32 opment district shall be exempt from property taxation for a period end-
33 ing on the earlier of (1) the date which is 30 years after the date of the
34 finding by the secretary of commerce and housing with respect to such
35 major tourism area; or (2) the date on which no such special obligation
36 bonds issued to finance such auto race track facility in a major tourism
37 area remain outstanding.

38 —(l) Any major tourism area may include an additional area not ex-
39 ceeding 400 acres of additional property, excluding roads and highways,
40 in addition to the property necessary for the auto race track facility upon
41 a finding by the governor that the development plan and each project
42 within such additional area will enhance the major tourism area. For the
43 development of each project within such additional area the city shall

1 ~~select qualified developers pursuant to a request for proposals in accord-~~
2 ~~ance with written official procedures approved by the governing body of~~
3 ~~the city. Any project within such additional area that is financed in whole~~
4 ~~or in part by special obligation bonds payable from revenues derived from~~
5 ~~subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, shall~~
6 ~~not be entitled to any real property tax abatements or the revenues de-~~
7 ~~scribed in K.S.A. 12-1775, and amendments thereto. Any project within~~
8 ~~such additional area must be approved by the governor and construction~~
9 ~~must be commenced by July 1, 2002. The city shall prepare and submit~~
10 ~~annually to the governor, the secretary of commerce and housing and the~~
11 ~~legislature by each October 1, commencing October 1, 1999 and contin-~~
12 ~~uing until October 1, 2002, a report describing the status of any projects~~
13 ~~within such additional area. Any business located in Kansas within 50~~
14 ~~miles of a major tourism area that relocates into a major tourism area~~
15 ~~shall not receive any of the benefits of K.S.A. 12-1770 et seq., and amend-~~
16 ~~ments thereto.~~

17 *(e) Addition to area; substantial change. Subject to the provisions of*
18 *K.S.A. 2000 Supp. 12-1771c, and amendments thereto, any addition of*
19 *area to the redevelopment district or any substantial change as defined*
20 *in K.S.A. 12-1770a, and amendments thereto, to the comprehensive plan*
21 *shall be subject to the same procedure for public notice and hearing as is*
22 *required for the establishment of the district.*

23 Sec. 4. K.S.A. 2000 Supp. 12-1771a is hereby amended to read as
24 follows: 12-1771a. (a) The governing body of a city may establish an in-
25 crement in ad valorem taxes using the procedure set forth in subsection
26 (b) for projects that are initiated upon a finding that the area is a blighted
27 area ~~under subsection (a)(2) of K.S.A. 12-1771~~ *as defined under K.S.A.*
28 *2000 Supp. 12-1770a*, and amendments thereto, when the following con-
29 ditions exist:

30 (1) The proposed district has been identified by the Kansas depart-
31 ment of health and environment or the United States environmental pro-
32 tection agency to be an environmentally contaminated area;

33 (2) the city has entered into a consent decree or settlement agree-
34 ment or has taken action expressing an intent to enter into a consent
35 decree or settlement agreement with the Kansas department of health
36 and environment or the United States environmental protection agency
37 that addresses the investigation and remediation of the environmental
38 contamination;

39 (3) the consent decree or settlement agreement contains a provision
40 that has the effect of releasing property owners who are not responsible
41 for the contamination from the responsibility of paying the response costs
42 of the investigation and remediation of the contamination; and

43 (4) the city intends to establish a redevelopment district pursuant to

1 K.S.A. 12-1771, and amendments thereto, to wholly finance or partially
2 finance the investigation and remediation of contamination within such
3 district.

4 (b) An *environmental* increment established after a city has found
5 that the condition in ~~subsection (a)(2) of K.S.A. 12-1771~~ as defined in
6 *K.S.A. 2000 Supp. 12-1770a*, and amendments thereto, exists shall be set
7 on a yearly basis. For purposes of this section, a yearly basis shall be a
8 calendar year. Each year's increment shall be an amount sufficient to pay
9 the direct costs of investigation and remediation of the contaminated con-
10 dition anticipated to be incurred that year including principal and interest
11 due on any special obligation bonds or full faith and credit tax increment
12 bonds issued to finance in whole or in part the remediation and investi-
13 gation, costs relating to remediation investigation and feasibility studies,
14 operation and maintenance expenses and other expenses relating directly
15 to the investigation and remediation of contamination. Each year's *envi-*
16 *ronmental* increment shall not exceed 20% of the amount of taxes that
17 are produced by all taxing subdivisions within any currently existing or
18 subsequently created redevelopment district area in the year the rede-
19 velopment district is first established, notwithstanding that such subdivi-
20 sion was not required to receive notice of the establishment of the
21 district.

22 (c) The budget that establishes the yearly *environmental* increment
23 shall be certified by the city to the county clerk and county treasurer no
24 later than August 25th, preceding the calendar year for which the budget
25 is being set. Funds derived from an *environmental* increment established
26 by this section and interest on all funds derived from an *environmental*
27 increment established by this section may be used only for projects in-
28 volving the investigation and remediation of contamination in the district.

29 (d) The real property taxes produced by the *environmental* increment
30 established under subsection (b) from a redevelopment district estab-
31 lished under the provisions of K.S.A. 12-1771, and amendments thereto,
32 and this section shall be allocated and paid by the county treasurer to the
33 treasurer of the city and deposited in a special separate fund of the city
34 to pay the direct cost of investigation and remediation of contamination
35 in the redevelopment district. Any funds collected by the city from parties
36 determined to be responsible in any manner for the contaminated con-
37 dition shall be either: (1) Deposited in the same separate special fund
38 created hereunder, and with all interest earned thereon, may be used
39 only for projects involving the investigation and remediation of contam-
40 ination in the established redevelopment district; or (2) distributed to
41 parties who have entered into a contract with the city to pay a portion of
42 investigation and remediation of the contamination in the redevelopment
43 district and the terms of such contract provide that such parties are en-

1 titled to reimbursement for a portion of funds they have expended for
2 such investigation and remediation of contamination from the recovery
3 of costs that are collected from other third party responsible parties.

4 (e) A redevelopment district created under the provisions of this sec-
5 tion shall constitute a separate taxing district. If all costs for such inves-
6 tigation and remediation of contamination in the redevelopment district
7 have been paid and moneys remain in the special fund, such moneys shall
8 be remitted to each taxing subdivision which paid moneys into the special
9 fund on the basis of the proportion which the total amount of moneys
10 paid by such taxing subdivision into the special fund bears to the total
11 amount of all moneys paid by all taxing subdivisions into the fund.

12 ~~(e)~~ (f) Nothing in this section shall prevent any city from establishing
13 a redevelopment district for other purposes pursuant to K.S.A. 12-1770
14 *et seq.*, and amendments thereto, which may include part or all of the
15 real property included in the district established under this section.

16 (g) *Redevelopment projects relating to environmental investigation*
17 *and remediation under this section, and amendments thereto, shall be*
18 *completed within 20 years from the date a city enters into a consent decree*
19 *agreement with the Kansas department of health and environment or the*
20 *United States environmental protection agency.*

21 ~~(f)~~ (h) Nothing in this section shall be construed to affect the obli-
22 gations of the county to annually review the fair market value of property
23 in accordance with procedures set by law or to affect the right of any
24 taxpayer to protest and appeal the appraised or reappraised value of their
25 property in accordance with procedures set forth by law.

26 ~~(g)~~ (i) Commencing with the regular session of the legislature in 1993,
27 each city that establishes a redevelopment district under this section shall
28 make a status report on a biennial basis to the standing committee on
29 commerce of the senate and the standing committee on economic de-
30 velopment of the house of representatives during the month of January.
31 The status report shall contain information on the status of the investi-
32 gation and remediation of contamination in the redevelopment district.

33 (j) *For the purposes of this act, the governing body of a city, in con-*
34 *tracts entered into with the Kansas department of health and environment*
35 *or the United States environmental protection agency, may pledge incre-*
36 *ments receivable in future years to pay costs directly relating to the in-*
37 *vestigation and remediation of environmentally contaminated areas. The*
38 *provisions in such contracts pertaining to pledging increments in future*
39 *years shall not be subject to K.S.A. 10-1101 et seq. or 79-2925 et seq., and*
40 *amendments thereto.*

41 Sec. 5. K.S.A. 2000 Supp. 12-1771d is hereby amended to read as
42 follows: 12-1771d. The governing body of any municipality may designate
43 a building within such municipality to be a historic theater if the governing

1 body of the municipality and the secretary of commerce and housing
2 agree that the building satisfies the requirements of subsection ~~(a)~~ (i) of
3 K.S.A. 2000 Supp. 12-1770a, *and amendments thereto*, and will contribute
4 significantly to the economic development of the city and surrounding
5 area.

6 Sec. 6. K.S.A. 2000 Supp. 12-1771b is hereby amended to read as
7 follows: 12-1771b. ~~No individual, firm, partnership, association, corpo-~~
8 ~~ration or any other entity shall establish or operate any lottery within that~~
9 ~~portion of any redevelopment district occupied by a redevelopment pro-~~
10 ~~ject that has been found to be of statewide as well as local importance~~
11 ~~and to meet the other criteria specified in K.S.A. 12-1774 (a)(1)(D).~~

12 (a) *The boundaries of any redevelopment district in a major tourism*
13 *area including an auto race track facility located in Wyandotte county,*
14 *shall, without regard to that portion of the district pertaining to the auto*
15 *race track facility, be as follows: Beginning at the intersection of Interstate*
16 *70 and Interstate 435; West along Interstate 70 to 118th Street; North*
17 *along 118th Street to State Avenue; Northeasterly along proposed relo-*
18 *cated State Avenue to 110th Street; North along 110th Street to Parallel*
19 *Parkway; East along Parallel Parkway to Interstate 435; South along In-*
20 *terstate 435 to Interstate 70.*

21 (b) *Any major tourism area may include an additional area not ex-*
22 *ceeding 400 acres of additional property, excluding roads and highways,*
23 *in addition to the property necessary for the auto race track facility upon*
24 *a finding by the governor that the development plan and each project*
25 *within such additional area will enhance the major tourism area. For the*
26 *development of each project within such additional area the city shall*
27 *select qualified developers pursuant to a request for proposals in accord-*
28 *ance with written official procedures approved by the governing body of*
29 *the city. Any project within such additional area that is financed in whole*
30 *or in part by special obligation bonds payable from revenues derived from*
31 *subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, shall not*
32 *be entitled to any real property tax abatements or the revenues described*
33 *in K.S.A. 12-1775, and amendments thereto. Any project within such ad-*
34 *ditional area must be approved by the governor and construction must*
35 *be commenced by July 1, 2002. The city shall prepare and submit annually*
36 *to the governor, the secretary of commerce and housing and the legislature*
37 *by each October 1, commencing October 1, 1999, and continuing until*
38 *October 1, 2002, a report describing the status of any projects within such*
39 *additional area. Any business located in Kansas within 50 miles of a major*
40 *tourism area that relocates into a major tourism area shall not receive any*
41 *of the benefits of K.S.A. 12-1770 et seq., and amendments thereto.*

42 (c) *If a city determines that revenues from sources other than prop-*
43 *erty taxes will be sufficient to pay any special obligation bonds issued to*

1 *finance a redevelopment project for an auto race track facility as described*
2 *in subsection (a) of K.S.A. 2000 Supp. 12-1770a, and amendments thereto,*
3 *and the secretary of commerce and housing makes a finding that such*
4 *project will create a major tourism area pursuant to subsection (k) of*
5 *K.S.A. 2000 Supp. 12-1770a, and amendments thereto, all real and per-*
6 *sonal property, constituting an auto race track facility described in sub-*
7 *section (a) of K.S.A. 2000 Supp. 12-1770a, and amendments thereto, in*
8 *such redevelopment district shall be exempt from property taxation for a*
9 *period ending on the earlier of (1) the date which is 30 years after the*
10 *date of the finding by the secretary of commerce and housing with respect*
11 *to such major tourism area; or (2) the date on which no such special*
12 *obligation bonds issued to finance such auto race track facility in a major*
13 *tourism area remain outstanding.*

14 *(d) The city which is authorized to issue bonds pursuant to the pro-*
15 *visions of K.S.A. 12-1770 et seq. in order to finance a redevelopment*
16 *project in a major tourism area as defined by K.S.A. 2000 Supp. 12-1770a,*
17 *and amendments thereto, shall obtain underwriting services required by*
18 *the city for the issuance of such bonds pursuant to written proposals*
19 *received in accordance with this section.*

20 *(e) Each city which is authorized to issue such bonds shall establish*
21 *written official procedures for obtaining underwriting services required*
22 *for the issuance of such bonds, including specifications for requests for*
23 *proposals and criteria for evaluation of proposals on a competitive basis.*
24 *The proposal evaluation criteria shall include factors based on cost, ca-*
25 *capacity to provide the required services, qualifications and experience.*

26 *(f) Prior to the issuance of any such bonds to finance a redevelopment*
27 *project in a major tourism area after the effective date of this act, the city*
28 *shall publish notice of a request for proposals to provide the underwriting*
29 *services that are required by the city with regard to the proposed bond*
30 *issuance and shall mail requests for proposals to qualified interested par-*
31 *ties upon request for such notice. The city shall award contracts for such*
32 *underwriting services from the proposals received in accordance with the*
33 *procedures and evaluation criteria adopted by the city for such purpose.*
34 *A city shall publish such notice in the official newspaper of the city.*

35 *(g) A redevelopment project in a major tourism area for an auto race*
36 *track facility described in subsection (a) of K.S.A. 2000 Supp. 12-1770a,*
37 *and amendments thereto, shall be completed within 30 years from the*
38 *date the secretary makes the finding that the redevelopment project will*
39 *create a major tourism area pursuant to subsection (k) of K.S.A. 2000*
40 *Supp. 12-1770a, and amendments thereto.*

41 *(h) The maximum maturity on bonds issued to finance projects pur-*
42 *suant to this act shall not exceed 20 years except that: (1) Such maximum*
43 *period of special obligation bonds not payable from revenues described*

1 by subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, is-
2 sued to finance an auto race track facility shall not exceed 30 years; and
3 (2) such maximum period, if the governor determines and makes and
4 submits a finding to the speaker of the house of representatives and the
5 president of the senate that a maturity greater than 20 years, but in no
6 event exceeding 30 years, is necessary for the economic feasibility of the
7 financing of an auto race track facility with special obligation bonds pay-
8 able primarily from revenues described by subsection (a)(1)(D) of K.S.A.
9 12-1774, and amendments thereto, may be extended in accordance with
10 such determination and finding.

11 New Sec. 7. (a) Enterprise zones designated prior to July 1, 1992,
12 may be enlarged by:

13 (1) The city to an area not exceeding 25% of the city's land area upon
14 a finding by the secretary of the department of commerce and housing
15 that a redevelopment project proposed by the city which requires the
16 enlargement is of statewide importance and that it will meet the criteria
17 specified in subsection (s) of K.S.A. 2000 Supp. 12-1770a, and amend-
18 ments thereto; or

19 (2) a unified government, established pursuant to K.S.A. 12-340 *et*
20 *seq.*, and amendments thereto, may enlarge an enterprise zone, estab-
21 lished within its jurisdiction prior to July 1, 1992, to an area not exceeding
22 200% of the area of the original enterprise zone regardless of whether
23 such enlargement crosses the boundary of a city within the jurisdiction
24 of the unified government upon a finding by the secretary of commerce
25 and housing that the redevelopment project proposed by the unified gov-
26 ernment which requires the enlargement is of statewide importance and
27 that it will meet the criteria specified in subsection (s) of K.S.A. 12-1770a
28 and subsection (a)(1)(D) of K.S.A. 12-1774, and amendments thereto.

29 Sec. 8. K.S.A. 2000 Supp. 12-1771c is hereby amended to read as
30 follows: 12-1771c. (a) The provisions of this section shall apply to all cities
31 in which a redevelopment *project* plan has been dormant and a tax in-
32 crement has not been received within three years or more following adop-
33 tion of the ordinance establishing a redevelopment *project* plan pursuant
34 to subsection (e) of K.S.A. 12-1772, and amendments thereto, and the
35 boundaries of such plan include a portion of the land subject to the ju-
36 risdiction of the capitol area plaza authority established under the pro-
37 visions of K.S.A. 75-2237, and amendments thereto.

38 (b) Such city may, by ordinance of the governing body passed by a
39 ~~two-thirds~~ ^{2/3} vote, revise the project areas of a previously approved but
40 dormant redevelopment *project* plan into separate stages. Such an ordi-
41 nance establishing one or more separate stages shall fix a date of com-
42 pletion and shall adopt, by reference, a revised *project* plan which shall
43 include: (1) a summary of a new comprehensive feasibility study required

1 by K.S.A. ~~12-1771~~ 12-1772, and amendments thereto; (2) a description
2 and map of the project area; (3) a detailed description of the buildings
3 and facilities proposed to be constructed or improved in such project area;
4 and (4) any other information the governing body deems necessary to
5 advise the public. A certified copy of such revised plan shall be transmit-
6 ted to the county pursuant to K.S.A. 12-1776 and amendments thereto
7 and to the capitol area plaza authority. The revised plan shall be an open
8 public record.

9 Sec. 9. K.S.A. 12-1772 is hereby amended to read as follows: 12-
10 1772. ~~(a) Any city proposing to undertake a redevelopment project within~~
11 ~~a redevelopment district established pursuant to K.S.A. 12-1771, and~~
12 ~~amendments thereto, shall prepare a redevelopment plan in consultation~~
13 ~~with the planning commission of the city. The redevelopment plan shall~~
14 ~~include: (1) A summary of the feasibility study required by K.S.A. 12-~~
15 ~~1771, and amendments thereto; (2) a reference to the redevelopment~~
16 ~~district plan established under K.S.A. 12-1771, and amendments thereto,~~
17 ~~that identifies the redevelopment project area that is set forth in the~~
18 ~~comprehensive plan that is being considered; (3) a description and map~~
19 ~~of the area to be redeveloped; (4) the relocation assistance plan required~~
20 ~~by K.S.A. 12-1777, and amendments thereto; (5) a detailed description~~
21 ~~of the buildings and facilities proposed to be constructed or improved in~~
22 ~~such area; and (6) any other information the governing body deems nec-~~
23 ~~essary to advise the public of the intent of the plan. A copy of the rede-~~
24 ~~velopment plan shall be delivered to the board of county commissioners~~
25 ~~of the county and the board of education of any school district levying~~
26 ~~taxes on property within the proposed redevelopment project area. Upon~~
27 ~~a finding by the planning commission that the redevelopment plan is~~
28 ~~consistent with the comprehensive general plan for the development of~~
29 ~~the city, the governing body of the city shall adopt a resolution stating~~
30 ~~that the city is considering the adoption of the plan. Such resolution shall:~~
31 ~~— (1) Give notice that a public hearing will be held to consider the~~
32 ~~adoption of the redevelopment plan and fix the date, hour and place of~~
33 ~~such public hearing;~~
34 ~~— (2) describe the boundaries of the redevelopment district within~~
35 ~~which the redevelopment project will be located and the date of estab-~~
36 ~~lishment of such district;~~
37 ~~— (3) describe the boundaries of the area proposed to be included~~
38 ~~within the redevelopment project area; and~~
39 ~~— (4) state that the redevelopment plan, including a summary of the~~
40 ~~feasibility study, relocation assistance plan and financial guarantees of the~~
41 ~~prospective developer and a description and map of the area to be re-~~
42 ~~developed are available for inspection during regular office hours in the~~
43 ~~office of the city clerk.~~

1 —Except as provided in paragraph (3) of subsection (b) of K.S.A. 12-
2 1774, and amendments thereto, if the governing body determines that it
3 may issue full faith and credit tax increment bonds to finance the rede-
4 velopment project, in whole or in part, the resolution also shall include
5 notice thereof.

6 —(b) The date fixed for the public hearing shall be not less than 30 or
7 more than 70 days following the date of the adoption of the resolution
8 fixing the date of the hearing.

9 —(c) A copy of the resolution providing for the public hearing shall be
10 delivered to the board of county commissioners of the county and the
11 board of education of any school district levying taxes on property within
12 the proposed redevelopment project area. Copies also shall be mailed by
13 certified mail to each owner and occupant of land within the proposed
14 redevelopment project area not more than 10 days following the date of
15 the adoption of the resolution. The resolution shall be published once in
16 the official city newspaper not less than one week or more than two weeks
17 preceding the date fixed for the public hearing. A sketch clearly deline-
18 ating the area in sufficient detail to advise the reader of the particular
19 land proposed to be included within the project area shall be published
20 with the resolution.

21 —(d) At the public hearing, a representative of the city shall present
22 the city's proposed redevelopment plan. Following the presentation of
23 the plan, all interested persons shall be given an opportunity to be heard.
24 The governing body for good cause shown may recess such hearing to a
25 time and date certain, which shall be fixed in the presence of persons in
26 attendance at the hearing.

27 —(e) Following the public hearing, the governing body may adopt the
28 redevelopment plan by ordinance passed upon a $\frac{2}{3}$ vote. Any substantial
29 changes to the plan as adopted shall be subject to public hearing following
30 publication of notice thereof at least twice in the official city newspaper.

31 *(a) Redevelopment projects. One or more redevelopment projects may*
32 *be undertaken by a city within an established redevelopment district. Any*
33 *such redevelopment project plan may be implemented in separate devel-*
34 *opment stages. Any city proposing to undertake a redevelopment project*
35 *within a redevelopment district established pursuant to K.S.A. 12-1771,*
36 *and amendments thereto, shall prepare a redevelopment project plan in*
37 *consultation with the planning commission of the city. The redevelopment*
38 *project plan shall include:*

39 *(1) A summary of the feasibility study done as defined in K.S.A. 2000*
40 *Supp. 12-1770a, and amendments thereto, which will be an open record;*

41 *(2) a reference to the redevelopment district plan established under*
42 *K.S.A. 12-1771, and amendments thereto, that identifies the redevelop-*
43 *ment project area that is set forth in the comprehensive plan that is being*

1 considered;

2 (3) a description and map of the area to be redeveloped;

3 (4) the relocation assistance plan required by K.S.A. 12-1777, and
4 amendments thereto;

5 (5) a detailed description of the buildings and facilities proposed to
6 be constructed or improved in such area; and

7 (6) any other information the governing body deems necessary to ad-
8 vise the public of the intent of the plan.

9 (b) Resolution requirements. A copy of the redevelopment project
10 plan shall be delivered to the board of county commissioners of the county
11 and the board of education of any school district levying taxes on property
12 within the proposed redevelopment project area. Upon a finding by the
13 planning commission that the redevelopment project plan is consistent
14 with the intent of the redevelopment district plan for the development of
15 the city, the governing body of the city shall adopt a resolution stating
16 that the city is considering the adoption of the project plan. Such reso-
17 lution shall:

18 (1) Give notice that a public hearing will be held to consider the
19 adoption of the redevelopment project plan and fix the date, hour and
20 place of such public hearing;

21 (2) describe the boundaries of the redevelopment district within
22 which the redevelopment project will be located and the date of establish-
23 ment of such district;

24 (3) describe the boundaries of the area proposed to be included within
25 the redevelopment project area; and

26 (4) state that the redevelopment project plan, including a summary
27 of the feasibility study, relocation assistance plan and financial guarantees
28 of the prospective developer and a description and map of the area to be
29 redeveloped are available for inspection during regular office hours in the
30 office of the city clerk.

31 Except as provided in paragraph (3) of subsection (b) of K.S.A. 12-
32 1774, and amendments thereto, if the governing body determines that it
33 may issue full faith and credit tax increment bonds to finance the rede-
34 velopment project, in whole or in part, the resolution also shall include
35 notice thereof.

36 (c) (1) Hearing. The date fixed for the public hearing shall be not less
37 than 30 nor more than 70 days following the date of the adoption of the
38 resolution fixing the date of the hearing.

39 (2) A copy of the resolution providing for the public hearing shall be
40 delivered to the board of county commissioners of the county and the
41 board of education of any school district levying taxes on property within
42 the proposed redevelopment project area. Copies also shall be mailed by
43 certified mail to each owner and occupant of land within the proposed

1 redevelopment project area not more than 10 days following the date of
2 the adoption of the resolution. The resolution shall be published once in
3 the official city newspaper not less than one week nor more than two
4 weeks preceding the date fixed for the public hearing. A sketch clearly
5 delineating the area in sufficient detail to advise the reader of the partic-
6 ular land proposed to be included within the project area shall be pub-
7 lished with the resolution.

8 (3) At the public hearing, a representative of the city shall present the
9 city's proposed redevelopment project plan. Following the presentation of
10 the project plan, all interested persons shall be given an opportunity to
11 be heard. The governing body for good cause shown may recess such
12 hearing to a time and date certain, which shall be fixed in the presence
13 of persons in attendance at the hearing.

14 (d) The public hearing records and feasibility study shall be subject
15 to the open records act, K.S.A. 45-215, and amendments thereto.

16 (e) Posthearing procedure. Following the public hearing, the govern-
17 ing body may adopt the redevelopment project plan by ordinance passed
18 upon a $\frac{2}{3}$ vote.

19 (f) Any substantial changes as defined in K.S.A. 2000 Supp. 12-1770a,
20 and amendments thereto, to the plan as adopted shall be subject to a public
21 hearing following publication of notice thereof at least twice in the official
22 city newspaper.

23 (g) Any project shall be completed within 20 years from the date of
24 transmittal of the redevelopment project plan or a revision of the project
25 plan as authorized by K.S.A. 2000 Supp. 12-1771c, and amendments
26 thereto, to the county pursuant to K.S.A. 12-1776, and amendments
27 thereto, except as otherwise provided in this act.

28 Sec. 10. K.S.A. 2000 Supp. 12-1773 is hereby amended to read as
29 follows: 12-1773. (a) Any city which has adopted a redevelopment *project*
30 plan in accordance with the provisions of this act may purchase or oth-
31 erwise acquire real property *in connection with such redevelopment pro-*
32 *ject plan*. Upon a $\frac{2}{3}$ vote of the members of the governing body thereof
33 a city may acquire by condemnation any interest in real property, includ-
34 ing a fee simple title thereto, which it deems necessary for or in connec-
35 tion with any redevelopment *project* plan of an area located within the
36 redevelopment district. Prior to the exercise of such eminent domain
37 power, the city shall offer to the owner of any property which will be
38 subject to condemnation with respect to any redevelopment project,
39 other than one which includes an auto race track facility, compensation
40 in an amount equal to the highest appraised valuation amount determined
41 for property tax purposes by the county appraiser for any of the three
42 most recent years next preceding the year of condemnation, except that,
43 if in the year next preceding the year of condemnation any such property

1 had been damaged or destroyed by fire, flood, tornado, lightning, explo-
2 sion or other catastrophic event, the amount offered should be equal to
3 the appraised valuation of the property which would have been deter-
4 mined taking into account such damage or destruction unless such prop-
5 erty has been restored, renovated or otherwise improved. However no
6 city shall exercise such eminent domain power to acquire real property
7 in a conservation area. Any such city may exercise the power of eminent
8 domain in the manner provided by K.S.A. 26-501 et seq., and amend-
9 ments thereto. In addition to the compensation or damage amount finally
10 awarded thereunder with respect to any property subject to proceedings
11 thereunder as a result of the construction of an auto race track facility,
12 such city shall provide for the payment of an amount equal to 25% of
13 such compensation or damage amount. In addition to any compensation
14 or damages allowed under the eminent domain procedure act, such city
15 shall also provide for the payment of relocation assistance as provided in
16 K.S.A. 12-1777, and amendments thereto.

17 (b) Any property acquired by a city under the provisions of this act
18 may be sold, *transferred* or leased to any person, firm or corporation,
19 hereinafter referred to as a developer, in accordance with the redevelop-
20 ment *project* plan and under such other conditions as may be agreed
21 upon. Such city may use the proceeds of special obligation bonds issued
22 under K.S.A. 12-1774, and amendments thereto, or full faith and credit
23 tax increment bonds issued under K.S.A. 12-1774, and amendments
24 thereto, or any uncommitted funds derived from those sources set forth
25 in paragraph (1) of subsection (a) of K.S.A. 12-1774, and amendments
26 thereto, *to pay the redevelopment costs as defined in K.S.A. 2000 Supp.*
27 *12-1770a, and amendments thereto*, to implement the redevelopment
28 project plan ~~including, without limitation:~~

- 29 ~~— (1) Acquisition of property within the project area;~~
30 ~~— (2) payment of relocation assistance;~~
31 ~~— (3) site preparation;~~
32 ~~— (4) sanitary and storm sewers and lift stations;~~
33 ~~— (5) drainage conduits, channels and levees;~~
34 ~~— (6) street grading, paving, graveling, macadamizing, curbing, gutter-~~
35 ~~ing and surfacing;~~
36 ~~— (7) street lighting fixtures, connection and facilities;~~
37 ~~— (8) underground gas, water, heating, and electrical services and con-~~
38 ~~nections located within the public right of way;~~
39 ~~— (9) sidewalks and pedestrian underpasses or overpasses;~~
40 ~~— (10) drives and driveway approaches located within public right of~~
41 ~~way;~~
42 ~~— (11) water mains and extensions;~~
43 ~~— (12) plazas and arcades;~~

- 1 ~~—(13) parking facilities;~~
2 ~~—(14) landscaping and plantings; fountains, shelters, benches, sculp-~~
3 ~~tures, lighting, decorations and similar amenities; and~~
4 ~~—(15) all related expenses to redevelop and finance the redevelopment~~
5 ~~project.~~

6 None of the proceeds from the sale of such bonds shall be used for the
7 construction of buildings or other structures to be owned by or to be
8 leased to such developer, except for proceeds of such bonds as may be
9 issued for a redevelopment project which includes an auto race track
10 facility and except for proceeds of such bonds as may be issued for a
11 redevelopment district including some or all of the land and buildings
12 comprising a state mental institution closed pursuant to section 2 of chap-
13 ter 219 of the 1995 Session Laws of Kansas.

14 Sec. 11. K.S.A. 2000 Supp. 12-1774 is hereby amended to read as
15 follows: 12-1774. (a) (1) Any city shall have the power to issue special
16 obligation bonds in one or more series to finance the undertaking of any
17 redevelopment project in accordance with the provisions of this act. Such
18 special obligation bonds shall be made payable, both as to principal and
19 interest:

20 (A) From property tax increments allocated to, and paid into a special
21 fund of the city under the provisions of K.S.A. 12-1775, and amendments
22 thereto;

23 (B) from revenues of the city derived from or held in connection with
24 the undertaking and carrying out of any redevelopment project or projects
25 under this act *including historic theater sales tax increments and envi-*
26 *ronmental increments;*

27 (C) from any private sources, contributions or other financial assis-
28 tance from the state or federal government;

29 (D) from a pledge of a portion or all of the revenue received by the
30 city from transient guest, sales and use taxes collected pursuant to K.S.A.
31 12-1696 *et seq.*, 79-3601 *et seq.*, 79-3701 *et seq.* and 12-187 *et seq.*, and
32 amendments thereto, and which are collected from taxpayers doing busi-
33 ness within that portion of the city's redevelopment district established
34 pursuant to K.S.A. 12-1771, and amendments thereto, occupied by a re-
35 development project if there first is a finding by the secretary of com-
36 merce and housing that the redevelopment project is of statewide as well
37 as local importance or will create a major tourism area for the state or if
38 the project is the restoration of a historic theater *as defined in subsection*
39 *(n) of K.S.A. 2000 Supp. 12-1770a, and amendments thereto.* ~~In making~~
40 ~~a finding that a redevelopment project is of statewide as well as local~~
41 ~~importance, the secretary must conclude at least: (i) That capital improve-~~
42 ~~ments costing not less than \$300,000,000 will be built in the state for such~~
43 ~~redemption project; and (ii) not less than 1,500 permanent and sea-~~

1 ~~sonal employment positions as defined by K.S.A. 74-50,114, and amend-~~
2 ~~ments thereto, will be created in the state by such redevelopment project.~~
3 ~~In making a finding that a redevelopment project will create a major~~
4 ~~tourism area within the state, the secretary must conclude at least: (i)~~
5 ~~That capital improvements costing not less than \$100,000,000 will be built~~
6 ~~in the state to construct a project for such major tourism area; and (ii)~~
7 ~~that the project constructed will be an auto race track facility. An auto~~
8 ~~race track facility means (i) an auto race facility and facilities directly~~
9 ~~related and necessary to the operation of an auto race track facility in-~~
10 ~~cluding, but not limited to, grandstands, suites and viewing areas, con-~~
11 ~~cessions and souvenir facilities, catering facilities, visitor and retail cen-~~
12 ~~ters, signage and temporary hospitality facilities; but excluding (ii) hotels,~~
13 ~~motels, restaurants and retail facilities not included in (i);~~

14 (E) (i) from a pledge of a portion or all increased revenue received
15 by the city from franchise fees collected from utilities and other busi-
16 nesses using public right-of-way within the redevelopment district; (ii)
17 from a pledge of a portion or all of the revenue received by the city from
18 sales taxes collected pursuant to K.S.A. 12-187, and amendments thereto;
19 or

20 (F) by any combination of these methods.

21 The city may pledge such revenue to the repayment of such special
22 obligation bonds prior to, simultaneously with, or subsequent to the is-
23 suance of such special obligation bonds.

24 (2) Bonds issued under paragraph (1) of subsection (a) shall not be
25 general obligations of the city, nor in any event shall they give rise to a
26 charge against its general credit or taxing powers, or be payable out of
27 any funds or properties other than any of those set forth in paragraph (1)
28 of this subsection and such bonds shall so state on their face.

29 (3) Bonds issued under the provisions of paragraph (1) of this sub-
30 section shall be special obligations of the city and are declared to be
31 negotiable instruments. They shall be executed by the mayor and clerk
32 of the city and sealed with the corporate seal of the city. All details per-
33 taining to the issuance of such special obligation bonds and terms and
34 conditions thereof shall be determined by ordinance of the city. All special
35 obligation bonds issued pursuant to this act and all income or interest
36 therefrom shall be exempt from all state taxes except inheritance taxes.
37 Such special obligation bonds shall contain none of the recitals set forth
38 in K.S.A. 10-112, and amendments thereto. Such special obligation bonds
39 shall, however, contain the following recitals, viz., the authority under
40 which such special obligation bonds are issued, they are in conformity
41 with the provisions, restrictions and limitations thereof, and that such
42 special obligation bonds and the interest thereon are to be paid from the
43 money and revenue received as provided in paragraph (1) of this

1 subsection.

2 (b) (1) Subject to the provisions of paragraph (2) of this subsection,
3 any city shall have the power to issue full faith and credit tax increment
4 bonds to finance the undertaking of any redevelopment project in ac-
5 cordance with the provisions of K.S.A. 12-1770 *et seq.*, and amendments
6 thereto other than a project determined by the secretary of commerce
7 and housing to be of statewide as well as local importance or will create
8 a major tourism area as specified in ~~subsection (a)(1)(D) of K.S.A. 12-~~
9 ~~1774 subsections (k) and (s) of K.S.A. 2000 Supp. 12-1770a~~, and amend-
10 ments thereto. Such full faith and credit tax increment bonds shall be
11 made payable, both as to principal and interest: (A) From the revenue
12 sources identified in paragraph (1)(A), (B), (C), (D) and (E) of subsection
13 (a) or by any combination of these sources; and (B) subject to the pro-
14 visions of paragraph (2) of this subsection, from a pledge of the city's full
15 faith and credit to use its ad valorem taxing authority for repayment
16 thereof in the event all other authorized sources of revenue are not
17 sufficient.

18 (2) Except as provided in paragraph (3) of this subsection, before the
19 governing body of any city proposes to issue full faith and credit tax in-
20 crement bonds as authorized by this subsection, the feasibility study re-
21 quired by K.S.A. ~~12-1771~~ 12-1772, and amendments thereto, shall dem-
22 onstrate that the benefits derived from the project will exceed the cost
23 and that the income therefrom will be sufficient to pay the costs of the
24 project. No full faith and credit tax increment bonds shall be issued unless
25 the governing body states in the resolution required by K.S.A. 12-1772,
26 and amendments thereto, that it may issue such bonds to finance the
27 proposed redevelopment project. The governing body may issue the
28 bonds unless within 60 days following the date of the public hearing on
29 the proposed redevelopment *project* plan a protest petition signed by 3%
30 of the qualified voters of the city is filed with the city clerk in accordance
31 with the provisions of K.S.A. 25-3601 *et seq.*, and amendments thereto.
32 If a sufficient petition is filed, no full faith and credit tax increment bonds
33 shall be issued until the issuance of the bonds is approved by a majority
34 of the voters voting at an election thereon. Such election shall be called
35 and held in the manner provided by the general bond law. The failure of
36 the voters to approve the issuance of full faith and credit tax increment
37 bonds shall not prevent the city from issuing special obligation bonds in
38 accordance with K.S.A. 12-1774, and amendments thereto. No such elec-
39 tion shall be held in the event the board of county commissioners or the
40 board of education determines, as provided in K.S.A. 12-1771, and
41 amendments thereto, that the proposed redevelopment district will have
42 an adverse effect on the county or school district.

43 (3) As an alternative to paragraph (2) of this subsection, any city which

1 adopts a redevelopment *project* plan but does not state its intent to issue
2 full faith and credit tax increment bonds in the resolution required by
3 K.S.A. 12-1772, and amendments thereto, and has not acquired property
4 in the redevelopment project area may issue full faith and credit tax in-
5 crement bonds if the governing body of the city adopts a resolution stating
6 its intent to issue the bonds and the issuance of the bonds is approved by
7 a majority of the voters voting at an election thereon. Such election shall
8 be called and held in the manner provided by the general bond law. The
9 failure of the voters to approve the issuance of full faith and credit tax
10 increment bonds shall not prevent the city from issuing special obligation
11 bonds pursuant to paragraph (1) of subsection (a). Any redevelopment
12 *project* plan adopted by a city prior to the effective date of this act in
13 accordance with K.S.A. 12-1772, and amendments thereto, shall not be
14 invalidated by any requirements of this act.

15 (4) During the progress of any redevelopment project in which the
16 city's costs will be financed, in whole or in part, with the proceeds of full
17 faith and credit tax increment bonds, the city may issue temporary notes
18 in the manner provided in K.S.A. 10-123, and amendments thereto, to
19 pay the city's cost for the project. Such temporary notes shall not be issued
20 and the city shall not acquire property in the redevelopment project area
21 until the requirements of paragraph (2) or (3) of this subsection, which-
22 ever is applicable, have been met.

23 (5) Full faith and credit tax increment bonds issued under this sub-
24 section shall be general obligations of the city and are declared to be
25 negotiable instruments. They shall be issued in accordance with the gen-
26 eral bond law. All such bonds and all income or interest therefrom shall
27 be exempt from all state taxes except inheritance taxes. The amount of
28 the full faith and credit tax increment bonds issued and outstanding which
29 exceeds 3% of the assessed valuation of the city shall be within the bonded
30 debt limit applicable to such city.

31 (6) Any city issuing special obligation bonds under the provisions of
32 this act may refund all or part of such issue pursuant to the provisions of
33 K.S.A. 10-116a, and amendments thereto.

34 (c) *Any increment in ad valorem property taxes resulting from a re-*
35 *development project in the established redevelopment district undertaken*
36 *in accordance with the provisions of this act, shall be apportioned to a*
37 *special fund for the payment of the cost of the redevelopment project,*
38 *including the payment of principal and interest on any special obligation*
39 *bonds or full faith and credit tax increment bonds issued to finance such*
40 *project pursuant to this act and may be pledged to the payment of prin-*
41 *cipal and interest on such bonds.*

42 Sec. 12. K.S.A. 2000 Supp. 12-1774a is hereby amended to read as
43 follows: 12-1774a. ~~(a)~~ In the event that the city shall default in the pay-

1 ment of any special obligation bonds as authorized pursuant to ~~K.S.A. 12-~~
2 ~~1774 (a)(1)(D)~~ *subsection (a)(1)(D) of K.S.A. 12-1774*, and amendments
3 thereto, no public funds shall be used to pay the holders thereof except
4 as otherwise specifically authorized in this act.

5 ~~(b) No property abutting the site of a redevelopment project deter-~~
6 ~~mined by the secretary of commerce and housing to be of statewide as~~
7 ~~well as local importance and to meet the other criteria specified by K.S.A.~~
8 ~~12-1774 (a)(1)(D), and amendments thereto, or property abutting any~~
9 ~~public infrastructure constructed to support such redevelopment project,~~
10 ~~shall be assessed for any infrastructure construction in connection with~~
11 ~~such project unless it is determined that such abutting property is spe-~~
12 ~~cifically benefited thereby.~~

13 Sec. 13. K.S.A. 2000 Supp. 12-1775 is hereby amended to read as
14 follows: 12-1775. (a) For the purposes of this act:

15 —(1) “Taxing subdivision” means the county, the city, the unified
16 school district and any other taxing subdivision levying real property taxes,
17 the territory or jurisdiction of which includes any currently existing or
18 subsequently created redevelopment district; and

19 —(2) “real property taxes” means all taxes levied on an ad valorem basis
20 upon land and improvements thereon.

21 —~~(b)~~ (a) Except for redevelopment projects satisfying the conditions of
22 ~~subsection (b) (c) of K.S.A. 12-1774 2000 Supp. 12-1771b~~, and amend-
23 ments thereto, all tangible taxable property located within a redevelop-
24 ment district shall be assessed and taxed for ad valorem tax purposes
25 pursuant to law in the same manner that such property would be assessed
26 and taxed if located outside such district, and all ad valorem taxes levied
27 on such property shall be paid to and collected by the county treasurer
28 in the same manner as other taxes are paid and collected. Except as
29 otherwise provided in this section, the county treasurer shall distribute
30 such taxes as may be collected in the same manner as if such property
31 were located outside a redevelopment district. Each redevelopment dis-
32 trict established under the provisions of this act shall constitute a separate
33 taxing unit for the purpose of the computation and levy of taxes.

34 (b) *No property abutting the site of a redevelopment project deter-*
35 *mined by the secretary of commerce and housing to be of statewide as*
36 *well as local importance and to meet the other criteria specified by sub-*
37 *section (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, or property*
38 *abutting any public infrastructure constructed to support such redevelop-*
39 *ment project, shall be assessed for any infrastructure construction in*
40 *connection with such project unless it is determined that such abutting*
41 *property is specifically benefited thereby.*

42 (c) Except for redevelopment projects satisfying the conditions of
43 ~~subsection (b) of K.S.A. 12-1774~~ (c) of K.S.A. 2000 Supp. 12-1771b, and

1 amendments thereto, beginning with the first payment of taxes which are
2 levied following the date of the redevelopment *project* plan or revision of
3 the *project* plan, as authorized by K.S.A. 2000 Supp. 12-1771c, and
4 amendments thereto, to the county pursuant to K.S.A. 12-1776, and
5 amendments thereto, real property taxes received by the county treasurer
6 resulting from taxes which are levied subject to the provisions of this act
7 by and for the benefit of a taxing subdivision, as ~~herein~~ defined in K.S.A.
8 2000 Supp. 12-1770a, on property located within such redevelopment
9 district constituting a separate taxing unit under the provisions of this
10 section, shall be divided as follows:

11 (1) From the taxes levied each year subject to the provisions of this
12 act by or for each of the taxing subdivisions upon property located within
13 a redevelopment district constituting a separate taxing unit under the
14 provisions of this act, the county treasurer first shall allocate and pay to
15 each such taxing subdivision all of the real property taxes collected which
16 are produced from that portion of the current assessed valuation of such
17 real property located within such separate taxing unit which is equal to
18 the total assessed value of such real property on the date of the estab-
19 lishment of the redevelopment district.

20 (2) Any real property taxes produced from that portion of the current
21 assessed valuation of real property within the redevelopment district con-
22 stituting a separate taxing unit under the provisions of this section in
23 excess of an amount equal to the total assessed value of such real property
24 on January 1 in the year preceding transmittal of the redevelopment *pro-*
25 *ject* plan or a revision of the plan, as authorized by K.S.A. 2000 Supp. 12-
26 1771c, and amendments thereto, to the county pursuant to K.S.A. 12-
27 1776, and amendments thereto, shall be allocated and paid by the county
28 treasurer to the treasurer of the city and deposited in a special fund of
29 the city to pay the cost of redevelopment projects including the payment
30 of principal of and interest on any special obligation bonds or full faith
31 and credit tax increment bonds issued by such city to finance, in whole
32 or in part, such redevelopment project. When such obligation bonds and
33 interest thereon have been paid, all moneys thereafter received from real
34 property taxes within such redevelopment district shall be allocated and
35 paid to the respective taxing subdivisions in the same manner as are other
36 ad valorem taxes. If such obligation bonds and interest thereon have been
37 paid before the completion of a project, the city may continue to use such
38 moneys for any purpose authorized by this act until such time as the
39 project is completed, but for not to exceed 20 years from the date of the
40 transmittal to the county of the redevelopment *project* plan or a revision
41 of the *project* plan as authorized by K.S.A. 2000 Supp. 12-1771c, and
42 amendments thereto.

43 (d) In any redevelopment *project* plan or in the proceedings for the

1 issuing of any special obligation bonds or full faith and credit tax incre-
2 ment bonds by the city to finance a redevelopment project, the property
3 tax increment portion of taxes provided for in paragraph (2) of subsection
4 (c) may be irrevocably pledged for the payment of the principal of and
5 interest on such obligation bonds, subject to the provisions of subsection
6 ~~(b)~~ (c) of K.S.A. ~~12-1771~~ 12-1774, and amendments thereto.

7 (e) A city may adopt a redevelopment *district* plan in which only a
8 specified percentage of the tax increment realized from taxpayers in the
9 redevelopment district are pledged to the redevelopment project. The
10 county treasurer shall allocate the specified percentage of the tax incre-
11 ment to the treasurer of the city for deposit in the special fund of the city
12 to finance the cost of redevelopment projects if the city has other available
13 revenues and pledges the revenues to the redevelopment project in lieu
14 of the tax increment. Any portion of such tax increment not allocated to
15 the city for the redevelopment project shall be allocated and paid in the
16 same manner as other ad valorem taxes.

17 Sec. 14. K.S.A. 2000 Supp. 19-101a is hereby amended to read as
18 follows: 19-101a. (a) The board of county commissioners may transact all
19 county business and perform all powers of local legislation and adminis-
20 tration it deems appropriate, subject only to the following limitations,
21 restrictions or prohibitions:

22 (1) Counties shall be subject to all acts of the legislature which apply
23 uniformly to all counties.

24 (2) Counties may not consolidate or alter county boundaries.

25 (3) Counties may not affect the courts located therein.

26 (4) Counties shall be subject to acts of the legislature prescribing
27 limits of indebtedness.

28 (5) In the exercise of powers of local legislation and administration
29 authorized under provisions of this section, the home rule power con-
30 ferred on cities to determine their local affairs and government shall not
31 be superseded or impaired without the consent of the governing body of
32 each city within a county which may be affected.

33 (6) Counties may not legislate on social welfare administered under
34 state law enacted pursuant to or in conformity with public law No. 271—
35 74th congress, or amendments thereof.

36 (7) Counties shall be subject to all acts of the legislature concerning
37 elections, election commissioners and officers and their duties as such
38 officers and the election of county officers.

39 (8) Counties shall be subject to the limitations and prohibitions im-
40 posed under K.S.A. 12-187 to 12-195, inclusive, and amendments thereto,
41 prescribing limitations upon the levy of retailers' sales taxes by counties.

42 (9) Counties may not exempt from or effect changes in statutes made
43 nonuniform in application solely by reason of authorizing exceptions for

1 counties having adopted a charter for county government.

2 (10) No county may levy ad valorem taxes under the authority of this
3 section upon real property located within any redevelopment *project* area
4 established under the authority of K.S.A. 12-1772, and amendments
5 thereto, unless the resolution authorizing the same specifically authorized
6 a portion of the proceeds of such levy to be used to pay the principal of
7 and interest upon bonds issued by a city under the authority of K.S.A.
8 12-1774, and amendments thereto.

9 (11) Counties shall have no power under this section to exempt from
10 any statute authorizing or requiring the levy of taxes and providing sub-
11 stitute and additional provisions on the same subject, unless the resolution
12 authorizing the same specifically provides for a portion of the proceeds
13 of such levy to be used to pay a portion of the principal and interest on
14 bonds issued by cities under the authority of K.S.A. 12-1774, and amend-
15 ments thereto.

16 (12) Counties may not exempt from or effect changes in the provi-
17 sions of K.S.A. 19-4601 through 19-4625, and amendments thereto.

18 (13) Except as otherwise specifically authorized by K.S.A. 12-1,101
19 through 12-1,109, and amendments thereto, counties may not levy and
20 collect taxes on incomes from whatever source derived.

21 (14) Counties may not exempt from or effect changes in K.S.A. 19-
22 430, and amendments thereto.

23 (15) Counties may not exempt from or effect changes in K.S.A. 19-
24 302, 19-502b, 19-503, 19-805 or 19-1202, and amendments thereto.

25 (16) (A) Counties may not exempt from or effect changes in K.S.A.
26 13-13a26, and amendments thereto.

27 (B) This provision shall expire on June 30, 2003.

28 (17) (A) Counties may not exempt from or effect changes in K.S.A.
29 71-301a, and amendments thereto.

30 (B) This provision shall expire on June 30, 2003.

31 (18) Counties may not exempt from or effect changes in K.S.A. 19-
32 15,139, 19-15,140 and 19-15,141, and amendments thereto.

33 (19) Counties may not exempt from or effect changes in the provi-
34 sions of K.S.A. 12-1223, 12-1225, 12-1225a, 12-1225b, 12-1225c and 12-
35 1226, and amendments thereto, or the provisions of K.S.A. 2000 Supp.
36 12-1260 through 12-1270 and 12-1276, and amendments thereto.

37 (20) Counties may not exempt from or effect changes in the provi-
38 sions of K.S.A. 19-211, and amendments thereto.

39 (21) Counties may not exempt from or effect changes in the provi-
40 sions of K.S.A. 19-4001 through 19-4015, and amendments thereto.

41 (22) Counties may not regulate the production or drilling of any oil
42 or gas well in any manner which would result in the duplication of reg-
43 ulation by the state corporation commission and the Kansas department

1 of health and environment pursuant to chapter 55 and chapter 65 of the
2 Kansas Statutes Annotated and any rules and regulations adopted pur-
3 suant thereto. Counties may not require any license or permit for the
4 drilling or production of oil and gas wells. Counties may not impose any
5 fee or charge for the drilling or production of any oil or gas well.

6 (23) Counties may not exempt from or effect changes in K.S.A. 79-
7 41a04, and amendments thereto.

8 (24) Counties may not exempt from or effect changes in K.S.A. 79-
9 1611, and amendments thereto.

10 (25) Counties may not exempt from or effect changes in K.S.A. 79-
11 1494, and amendments thereto.

12 (26) Counties may not exempt from or effect changes in subsection
13 (b) of K.S.A. 19-202, and amendments thereto.

14 (27) Counties may not exempt from or effect changes in subsection
15 (b) of K.S.A. 19-204, and amendments thereto.

16 (28) Counties may not levy or impose an excise, severance or any
17 other tax in the nature of an excise tax upon the physical severance and
18 production of any mineral or other material from the earth or water.

19 (29) Counties may not exempt from or effect changes in K.S.A. 79-
20 2017 or 79-2101, and amendments thereto.

21 (30) Counties may not exempt from or effect changes in K.S.A. 2-
22 3302, 2-3305, 2-3307, 17-5904, 17-5908, 47-1219 or 65-171d or K.S.A.
23 2000 Supp. 2-3318, 17-5909 or 65-1,178 through 65-1,199, and amend-
24 ments thereto.

25 (31) Counties may not exempt from or effect changes in K.S.A. 2000
26 Supp. 80-121, and amendments thereto.

27 (b) Counties shall apply the powers of local legislation granted in
28 subsection (a) by resolution of the board of county commissioners. If no
29 statutory authority exists for such local legislation other than that set forth
30 in subsection (a) and the local legislation proposed under the authority
31 of such subsection is not contrary to any act of the legislature, such local
32 legislation shall become effective upon passage of a resolution of the
33 board and publication in the official county newspaper. If the legislation
34 proposed by the board under authority of subsection (a) is contrary to an
35 act of the legislature which is applicable to the particular county but not
36 uniformly applicable to all counties, such legislation shall become effec-
37 tive by passage of a charter resolution in the manner provided in K.S.A.
38 19-101b, and amendments thereto.

39 (c) Any resolution adopted by a county which conflicts with the re-
40 strictions in subsection (a) is null and void.

41 Sec. 15. K.S.A. 2000 Supp. 74-5093 is hereby amended to read as
42 follows: 74-5093. As used in this act:

43 (a) "Blighted area" has the meaning ascribed to it in K.S.A. ~~42-1774~~

1 *2000 Supp. 12-1770a*, and amendments thereto;

2 (b) "committee" means the community strategic planning grant com-
3 mittee established by K.S.A. 74-5095 and amendments thereto;

4 (c) "metropolitan county" means the county of Douglas, Johnson,
5 Leavenworth, Sedgwick, Shawnee or Wyandotte;

6 (d) "neighborhood revitalization organization" means any group or-
7 ganized for the purpose of encouraging economic development in a
8 blighted area of a metropolitan county; and

9 (e) "nonmetropolitan county" means any county which is not a met-
10 ropolitan county.

11 Sec. 16. K.S.A. 2000 Supp. 79-3620 is hereby amended to read as
12 follows: 79-3620. (a) All revenue collected or received by the director of
13 taxation from the taxes imposed by this act shall be deposited daily with
14 the state treasurer. The state treasurer shall credit all revenue received
15 from this act, less amounts withheld as provided in subsection (b) and
16 amounts credited as provided in subsection (c) and (d), to the state gen-
17 eral fund.

18 (b) A refund fund, designated as "sales tax refund fund" not to exceed
19 \$100,000 shall be set apart and maintained by the director from sales tax
20 collections and estimated tax collections and held by the state treasurer
21 for prompt payment of all sales tax refunds including refunds authorized
22 under the provisions of K.S.A. 79-3635, and amendments thereto. Such
23 fund shall be in such amount, within the limit set by this section, as the
24 director shall determine is necessary to meet current refunding require-
25 ments under this act. In the event such fund as established by this section
26 is, at any time, insufficient to provide for the payment of refunds due
27 claimants thereof, the director shall certify the amount of additional funds
28 required to the director of accounts and reports who shall promptly trans-
29 fer the required amount from the state general fund to the sales tax refund
30 fund, and notify the state treasurer, who shall make proper entry in the
31 records.

32 (c) The state treasurer shall credit $\frac{5}{8}$ of the revenue collected or
33 received from the tax imposed by K.S.A. 79-3603, and amendments
34 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),
35 exclusive of amounts credited pursuant to subsection (d), in the state
36 highway fund.

37 (d) The state treasurer shall credit all revenue collected or received
38 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as
39 certified by the director, from taxpayers doing business within that por-
40 tion of a redevelopment district occupied by a redevelopment project that
41 was determined by the secretary of commerce and housing to be of state-
42 wide as well as local importance or will create a major tourism area for
43 the state as ~~specified in subsection (a)(1)(D) of K.S.A. 12-1774~~ *defined*

1 *in K.S.A. 2000 Supp. 12-1770a*, and amendments thereto, to the city bond
2 finance fund, which fund is hereby created. The provisions of this sub-
3 section shall expire when the total of all amounts credited hereunder and
4 under subsection (d) of K.S.A. 79-3710, and amendments thereto, is suf-
5 ficient to retire the special obligation bonds issued for the purpose of
6 financing all or a portion of the costs of such redevelopment project.

7 Sec. 17. K.S.A. 2000 Supp. 79-3620b is hereby amended to read as
8 follows: 79-3620b. Moneys credited to the city bond finance fund in ac-
9 cordance with the provisions of subsections (d) of K.S.A. 79-3620 and (d)
10 of K.S.A. 79-3710, and amendments thereto, shall be distributed bian-
11 nually to cities which have issued special obligation bonds to finance, in
12 whole or in part, a redevelopment project which was determined by the
13 secretary of commerce and housing to be of statewide as well as local
14 importance or will create a major tourism area for the state as ~~specified~~
15 ~~in subsection (a)(1)(D) of K.S.A. 12-1774 defined in K.S.A. 2000 Supp.~~
16 *12-1770a*, and amendments thereto. The state treasurer shall make such
17 biannual distributions on such dates as mutually agreed to by the city and
18 the state treasurer. The total of all distributions under this section shall
19 not exceed an amount determined to be sufficient to retire the principal
20 and interest payable on such special obligation bonds. Moneys paid to
21 cities hereunder shall be deposited in a special fund of the city to pay the
22 costs described herein.

23 Sec. 18. K.S.A. 2000 Supp. 79-3710 is hereby amended to read as
24 follows: 79-3710. (a) All revenue collected or received by the director
25 under the provisions of this act shall be deposited daily with the state
26 treasurer and the state treasurer shall credit the same, less amounts set
27 apart as provided in subsection (b) and amounts credited as provided in
28 subsection (c) and (d), to the general revenue fund of the state.

29 (b) A revolving fund, designated as "compensating tax refund fund"
30 not to exceed \$10,000 shall be set apart and maintained by the director
31 from compensating tax collections and estimated tax collections and held
32 by the state treasurer for prompt payment of all compensating tax refunds.
33 Such fund shall be in such amount, within the limit set by this section,
34 as the director shall determine is necessary to meet current refunding
35 requirements under this act.

36 (c) The state treasurer shall credit $\frac{5}{98}$ of the revenue collected or
37 received from the tax imposed by K.S.A. 79-3703, and amendments
38 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),
39 exclusive of amounts credited pursuant to subsection (d), in the state
40 highway fund.

41 (d) The state treasurer shall credit all revenue collected or received
42 from the tax imposed by K.S.A. 79-3703, and amendments thereto, as
43 certified by the director, from taxpayers doing business within that por-

1 tion of a redevelopment district occupied by a redevelopment project that
2 was determined by the secretary of commerce and housing to be of state-
3 wide as well as local importance or will create a major tourism area for
4 the state as ~~specified in subsection (a)(1)(D) of K.S.A. 12-1774~~ defined
5 in *K.S.A. 2000 Supp. 12-1770a*, and amendments thereto, to the city bond
6 finance fund created by subsection (d) of K.S.A. 79-3620, and amend-
7 ments thereto. The provisions of this subsection shall expire when the
8 total of all amounts credited hereunder and under subsection (d) of K.S.A.
9 79-3620, and amendments thereto, is sufficient to retire the special ob-
10 ligation bonds issued for the purpose of financing all or a portion of the
11 costs of such redevelopment project.

12 Sec. 19. K.S.A. 12-1772 and K.S.A. 2000 Supp. 12-1770, 12-1770a,
13 12-1771, 12-1771a, 12-1771b, 12-1771c, 12-1771d, 12-1773, 12-1774, 12-
14 1774a, 12-1774b, 12-1775, 19-101a, 74-5093, 79-3620, 79-3620b and 79-
15 3710 are hereby repealed.

16 Sec. 20. This act shall take effect and be in force from and after its
17 publication in the statute book.

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