

SESSION OF 2005

SUPPLEMENTAL NOTE ON SENATE BILL NO. 209

As Amended by House Committee on Taxation

Brief*

SB 209, as amended, would make a number of changes in the Transportation Development District Act.

The bill would eliminate protest petition provisions that currently authorize property owners to force an election on the proposed imposition of a transportation development district sales tax; and would clarify that the public hearing on the advisability of creating the district also would be expanded to include the intention of the district to levy the tax.

Additional amendments to the act would:

- ! Clarify that petitions signed by property owners seeking to have municipalities form development districts would be required to include the maximum, as opposed to estimated, cost of the projects; and that notices related to the public hearings similarly would be required to include the maximum, as opposed to estimated, cost of the projects.

- ! Expand the definition of a transportation development district project by specifying a number of items to which the phrase "any other transportation related project or infrastructure" could refer. These would include utility relocation, sanitary and storm sewers and lift stations, and several others.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The original bill was supported by an attorney specializing in development district finance and by the League of Kansas Municipalities. The proponents noted that the protest petition and election procedure was not necessary or relevant, since the districts cannot be created unless 100 percent of affected property owners have signed petitions seeking their formation.

The Senate Assessment and Taxation Committee amended the bill at the suggestion of Senator Apple to change the requirements that petitions and notices contain the maximum cost of the projects (in lieu of the estimated cost). Another Senate Assessment and Taxation Committee amendment, which restores a requirement that transportation district sales taxes are subject to the provisions of the local sales tax act, is technical in nature.

The Senate Committee of the Whole amendments are technical in nature.

The House Committee on Taxation amended the bill to expand the definition of a "project" which may be financed through transportation development districts.

The bill does not have a fiscal impact for the state.