

Senate Concurrent Resolution No. 1611

By Senators V. Schmidt, Vratil, Kelly, Brungardt, Emler, Faust-Goudeau, Francisco, Haley, Hensley, Holland, Huntington, Kelsey, Kultala, Longbine, Marshall, McGinn, Morris, Owens, Reitz, A. Schmidt, Schodorf, Taddiken, Teichman and Umbarger

1-20

1 A PROPOSITION to amend article 11 of the constitution of the state of
2 Kansas by adding a new section thereto, concerning a contingency
3 reserve fund in the state treasury.
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5 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
6 *members elected (or appointed) and qualified to the Senate and two-*
7 *thirds of the members elected (or appointed) and qualified to the House*
8 *of Representatives concurring therein:*
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10 Section 1. The following proposition to amend the constitution of the
11 state of Kansas shall be submitted to the qualified electors of the state for
12 their approval or rejection: Article 11 of the constitution of the state of
13 Kansas is hereby amended by adding a new section to read as follows:

14 **“§14. Contingency Reserve Fund.**

15 "(a) On July 1, 2013, a contingency reserve fund shall be
16 established and maintained in the state treasury.

17 "(b) When state tax receipts for a fiscal year increase by more
18 than three percent over state tax receipts for the preceding fiscal
19 year, any increase in excess of three percent up to the next one
20 percent of state tax receipts collected shall be deposited in the
21 contingency reserve fund. Nothing in this subsection shall require
22 state tax receipts to be deposited in the contingency reserve fund
23 when the contingency reserve fund balance exceeds fifteen percent
24 of the preceding fiscal year's state tax receipts.

25 "(c) The legislature may provide, by law, for additional
26 amounts of state tax receipts to be deposited in the contingency
27 reserve fund.

28 "(d) (1) Withdrawals from the contingency reserve fund may
29 occur in the current fiscal year only when the current fiscal year's
30 estimated state tax receipts are less than the amount of actual state
31 tax receipts collected or otherwise received in the preceding fiscal
32 year. The amount subject to withdrawal shall not exceed the
33 difference between the current fiscal year's estimated state tax

1 receipts and the amount of actual state tax receipts collected or
2 otherwise received in the preceding fiscal year except that such
3 difference shall be reduced by the amount of the current fiscal
4 year's estimated state tax receipts not collected or otherwise
5 received as a result of any kind of tax reduction legislation enacted
6 by the legislature and approved by the governor in the current or
7 preceding fiscal year.

8 "(2) Withdrawals from the contingency reserve fund may
9 occur in the ensuing fiscal year only when the ensuing fiscal year's
10 estimated state tax receipts are less than the amount of estimated
11 state tax receipts in the current fiscal year. The amount subject to
12 withdrawal shall not exceed the difference between the ensuing
13 fiscal year's estimated state tax receipts and the amount of
14 estimated state tax receipts in the current fiscal year except that
15 such difference shall be reduced by the amount of the ensuing
16 fiscal year's estimated state tax receipts not collected or otherwise
17 received as a result of any kind of tax reduction legislation enacted
18 by the legislature and approved by the governor in the current or
19 preceding fiscal year.

20 "(3) For the purposes of subsections (d)(1) and (d)(2), the
21 attorney general shall be responsible for certifying whether any
22 kind of tax reduction legislation was enacted by the legislature and
23 approved by the governor and if so, the governor shall certify the
24 amount of such reduction. Any withdrawal authorized by this
25 subsection shall be provided for by law enacted in a separate bill
26 that does not include any other matter except a statement that the
27 conditions prescribed by this subsection exist and the authority to
28 transfer a specific amount of money from the contingency reserve
29 fund to the state general fund.

30 "(e) Amounts in the contingency reserve fund may be
31 invested as provided by law and the earnings thereon shall be
32 retained in the contingency reserve fund.

33 "(f) As used in this section, "state tax receipts" means receipts
34 from any state income tax, sales tax, compensating use tax or other
35 excise tax or tax in the nature of an excise tax, or estate or
36 inheritance tax, or tax in the nature of an estate or inheritance tax,
37 but shall not include receipts from any property tax, or tax in the
38 nature of a property tax, or any tax on motor fuels.

39 "(g) The legislature may enact laws to carry out the purposes
40 of this section."

41 Sec. 2. The following statement shall be printed on the ballot with the
42 amendment as a whole:

43 "Explanatory statement. The purpose of this amendment is to

1 establish a contingency reserve fund in the state treasury.

2 “A vote for this amendment will:

3 (1) Establish a contingency reserve fund in the state treasury.

4 Each year, if state tax receipts increase by more than three
5 percent over the amount of the preceding year, a portion of
6 the increase would be deposited in the contingency reserve
7 fund. Additional amounts could be deposited in this fund by
8 act of the legislature.

9 (2) Provide that amounts could be withdrawn from the
10 contingency reserve fund when state tax receipts are less than
11 the amount for the preceding year, other than amounts
12 resulting from any tax reduction legislation.

13 (3) Provide that any withdrawal from the fund must be a
14 separate bill containing only a statement that the conditions
15 exist for the withdrawal and the authority to withdraw and
16 deposit in the state general fund.

17 “A vote against this amendment would make no changes in current
18 law concerning the state's finance.”

19 Sec. 3. This resolution, if approved by two-thirds of the members
20 elected (or appointed) and qualified to the Senate, and two-thirds of the
21 members elected (or appointed) and qualified to the House of
22 Representatives shall be entered on the journals, together with the yeas and
23 nays. The secretary of state shall cause this resolution to be published as
24 provided by law and shall cause the proposed amendment to be submitted
25 to the electors of the state at the general election in the year 2012 unless a
26 special election is called at a sooner date by concurrent resolution of the
27 legislature, in which case it shall be submitted to the electors of the state
28 at the special election.

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