

HOUSE BILL No. 2412

By Committee on Appropriations

3-24

1 AN ACT concerning roads and highways; relating to motor fuels tax, rates,
2 trip permits and distribution of revenues; state highway fund; amending
3 K.S.A. 2016 Supp. 68-416, 79-3492b, 79-34,118, 79-34,141 and 79-
4 34,142 and repealing the existing sections.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2016 Supp. 68-416 is hereby amended to read as
8 follows: 68-416. The state highway fund shall be apportioned as follows:

9 (a) The secretary of transportation annually shall apportion and
10 distribute quarterly, on the first day of January, April, July and October, to
11 cities on the state highway system from the state highway fund moneys at
12 the rate of \$3,000 per year per lane per mile for the maintenance of streets
13 and highways in cities designated by the secretary as city connecting links.
14 Unless a consolidated street and highway fund is established pursuant to
15 K.S.A. 12-1,119, and amendments thereto, all moneys distributed by the
16 secretary shall be credited to the street and alley funds of such cities. All
17 moneys so distributed shall be used solely for the maintenance of city
18 connecting links. Maintenance of such city connecting links shall be as
19 prescribed in K.S.A. 68-416a, and amendments thereto. As used in this
20 subsection, "lane" means the portion of the roadway for use of moving
21 traffic of a standard width prescribed by the secretary. In lieu of such
22 apportionment, the secretary, by and with the consent of the governing
23 body of any city within the state of Kansas, may maintain such streets
24 within the city and pay for such maintenance from the highway fund.

25 (b) All of the remainder of such highway fund shall be used by the
26 secretary of transportation for:

27 (1) The construction, improvement, reconstruction and maintenance
28 of the state highway system;

29 (2) improvements in transportation programs to aid elderly persons,
30 persons with disabilities and the general public;

31 (3) for any purpose specified in K.S.A. 2016 Supp. 68-2314b, and
32 amendments thereto;

33 (4) the support and maintenance of the department of transportation;

34 (5) the expenses of administering the motor vehicle registration and
35 drivers' license laws; and

36 (6) the payment of losses to department of transportation employees

1 authorized by K.S.A. 2016 Supp. 75-5062, and amendments thereto.

2 *(c) On and after July 1, 2019, moneys credited to the state highway*
3 *fund shall be used for the purposes set forth in this section and for no*
4 *other governmental purposes. It is the intent of the legislature that the*
5 *moneys deposited in this fund shall remain intact and inviolate for the*
6 *purposes set forth in this section.*

7 Sec. 2. K.S.A. 2016 Supp. 79-3492b is hereby amended to read as
8 follows: 79-3492b. Alternatively to the methods otherwise set forth in this
9 act, special LP-gas permit users operating motor vehicles on the public
10 highways of this state may upon application to the director on forms
11 prescribed by the director elect to pay taxes in advance on LP-gas for each
12 and every motor vehicle owned or operated by them and propelled in
13 whole or in part with LP-gas during the calendar year and thereafter to
14 purchase LP-gas tax free in lieu of securing a bonded user's permit and
15 filing monthly reports and tax payments and keeping the records otherwise
16 provided for in this act. The amount of such tax for each motor vehicle
17 shall, except as otherwise provided, be based upon the gross weight of the
18 motor vehicle and the number of miles it was operated on the public
19 highways of this state during the previous year pursuant to the following
20 schedules:

1 In the event any additional motor vehicles equipped to use LP-gas as a
2 fuel are placed in operation by a special LP-gas permit user after the first
3 month of any calendar year, a tax shall become due and payable to this
4 state and is hereby imposed at the tax rate prescribed herein prorated on
5 the basis of the weight and mileage for the months operated in the calendar
6 year. The director shall issue special permit decals for each motor vehicle
7 on which taxes have been paid in advance as provided herein, which shall
8 be affixed on each such vehicle in the manner prescribed by the director.

9 Sec. 3. K.S.A. 2016 Supp. 79-34,118 is hereby amended to read as
10 follows: 79-34,118. Upon application to the director of taxation and
11 payment of the fee prescribed under this section any interstate motor fuel
12 user may obtain a 24-hour motor fuel permit or a 72-hour motor fuel
13 permit which shall authorize one commercial motor vehicle to be operated
14 for a period of 24 hours or 72 hours, respectively, without compliance with
15 the other provisions of the interstate motor fuel use act and in lieu of the
16 tax imposed by K.S.A. 79-34,109, and amendments thereto. The fee for
17 each 24-hour motor fuel permit issued under this section shall be \$13 *until*
18 *June 30, 2017, and \$15.50 thereafter.* The fee for each 72-hour motor fuel
19 permit issued under this section shall be \$25 *until June 30, 2017, and \$30*
20 *thereafter.* Motor fuel permits may be purchased in multiples of three upon
21 making proper application and payment of the required fees. The secretary
22 of revenue shall adopt rules and regulations specifying the conditions
23 under which motor fuel permits will be issued and providing for the
24 issuance thereof. The secretary may designate agents or contract with
25 private individuals, firms or corporations to issue such motor fuel permits
26 so that such permits will be obtainable at convenient locations.

27 Sec. 4. K.S.A. 2016 Supp. 79-34,141 is hereby amended to read as
28 follows: 79-34,141. (a) *Prior to July 1, 2017,* the tax imposed under this
29 act shall be not less than:

30 (1) On motor-vehicle fuels other than E85 fuels, \$.24 per gallon, or
31 fraction thereof;

32 (2) on special fuels, \$.26 per gallon, or fraction thereof;

33 (3) on LP-gas, other than compressed natural gas and liquefied
34 natural gas, \$.23 per gallon, or fraction thereof;

35 (4) on E85 fuels, \$.17 per gallon, or fraction thereof;

36 (5) on compressed natural gas, \$.24 per gallon, or fraction thereof;
37 and

38 (6) on liquefied natural gas, \$.26 per gallon, or fraction thereof.

39 (b) *On and after July 1, 2017, the tax imposed under this act shall be*
40 *not less than:*

41 (1) *On motor-vehicle fuels other than E85 fuels, \$.29 per gallon, or*
42 *fraction thereof;*

43 (2) *on special fuels, \$.31 per gallon, or fraction thereof;*

1 (3) *on LP-gas, other than compressed natural gas and liquefied*
2 *natural gas, \$.28 per gallon, or fraction thereof;*

3 (4) *on E85 fuels, \$.22 per gallon, or fraction thereof;*

4 (5) *on compressed natural gas, \$.29 per gallon, or fraction thereof;*
5 *and*

6 (6) *on liquefied natural gas, \$.31 per gallon, or fraction thereof.*

7 Sec. 5. K.S.A. 2016 Supp. 79-34,142 is hereby amended to read as
8 follows: 79-34,142. The state treasurer shall credit amounts received
9 pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and 79-34,118,
10 and amendments thereto, as follows: *Prior to July 1, 2017, to the state*
11 *highway fund 66.37% and to the special city and county highway fund*
12 *33.63%;*

13 *(b) beginning July 1, 2017, and prior to July 1, 2018, to the state*
14 *highway fund 71.70% and to the special city and county highway fund*
15 *28.30%; and*

16 *(c) beginning July 1, 2018, and thereafter, to the state highway fund*
17 *72.06% and to the special city and county highway fund 27.94%.*

18 Sec. 6. K.S.A. 2016 Supp. 68-416, 79-3492b, 79-34,118, 79-34,141
19 and 79-34,142 are hereby repealed.

20 Sec. 7. This act shall take effect and be in force from and after its
21 publication in the statute book.