

## HOUSE BILL No. 2401

By Committee on Appropriations

4-29

---

9 AN ACT concerning the Kansas bioscience authority; relating to the bi-  
10 oscience development and investment fund; amending K.S.A. 2008  
11 Supp. 74-99b34 and repealing the existing section.  
12

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

14 Section 1. K.S.A. 2008 Supp. 74-99b34 is hereby amended to read  
15 as follows: 74-99b34. (a) The bioscience development and investment  
16 fund is hereby created. The bioscience development and investment fund  
17 shall not be a part of the state treasury and the funds in the bioscience  
18 development and investment fund shall belong exclusively to the  
19 authority.

20 (b) Distributions from the bioscience development and investment  
21 fund shall be for the exclusive benefit of the authority, under the control  
22 of the board and used to fulfill the purpose, powers and duties of the  
23 authority pursuant to the provisions of K.S.A. 2008 Supp. 74-99b01 et  
24 seq., and amendments thereto.

25 (c) The secretary of revenue and the authority shall establish the base  
26 year taxation for all bioscience companies and state universities. The sec-  
27 retary of revenue, the authority and the board of regents shall establish  
28 the number of bioscience employees associated with state universities and  
29 report annually and determine the increase from the taxation base an-  
30 nually. The secretary of revenue and the authority may consider any ver-  
31 ifiable evidence, including, but not limited to, the NAICS code assigned  
32 or recorded by the department of labor for companies with employees in  
33 Kansas, when determining which companies should be classified as bio-  
34 science companies.

35 (d) For a period of 15 years from the effective date of this act, the  
36 state treasurer shall pay annually 95% of withholding above the base, as  
37 certified by the secretary of revenue, upon Kansas wages paid by biosci-  
38 ence employees to the bioscience development and investment fund. The  
39 state treasurer may make estimated payments to the bioscience authority  
40 more frequently based on estimates provided by the secretary of revenue  
41 and reconciled annually. On or before the 10th day of each month, the  
42 director of accounts and reports shall transfer from the state general fund  
43 to the bioscience development and investment fund interest earnings

1 based on:

2 (1) The average daily balance of moneys in the bioscience develop-  
3 ment and investment fund for the preceding month; and

4 (2) the net earnings rate of the pooled money investment portfolio  
5 for the preceding month.

6 ~~(e) The cumulative amounts of funds paid by the state treasurer to~~  
7 ~~the bioscience development and investment fund shall not exceed \$581.8~~  
8 ~~million.~~

9 ~~(f) The division of post audit is hereby authorized to conduct a post~~  
10 ~~audit in accordance with the provisions of the state legislative post audit~~  
11 ~~act to K.S.A. 46-1106 et seq. K.S.A. 46-1101 et seq., and amendments~~  
12 ~~thereto.~~

13 (g) At the direction of the authority, the fund may be held in the  
14 custody of and invested by the state treasurer, provided that the biosci-  
15 ence development and investment fund shall at all times be accounted  
16 for in a separate report from all other funds of the authority and the state.

17 Sec. 2. K.S.A. 2008 Supp. 74-99b34 is hereby repealed.

18 Sec. 3. This act shall take effect and be in force from and after its  
19 publication in the statute book.