

SESSION OF 2007

SUPPLEMENTAL NOTE ON SENATE BILL NO. 242

As Amended by Senate Committee on
Commerce

Brief*

SB 242, as amended, would make the following changes to the Tax Increment Financing (TIFI) and Sales Tax and Revenue (STAR) Bond statutes:

- The bill would allow municipalities to issue special obligation bonds, with the approval of the Kansas Bioscience Authority in a bioscience development district. Under current law, special obligation bonds can be issued only in a redevelopment district.
- The bill would allow STAR bond proceeds to be used for the purpose of an incubator project, such costs also would include wet lab equipment including hoods, lab tables, heavy water equipment and all such other equipment found to be necessary or appropriate for a commercial incubator wet lab facility by the city or county in its resolution establishing such redevelopment district or a bioscience development district.
- The bill would amend the county's and the local school board's authority to prevent a STAR bond project by stating that the provisions that allow a county or school district to stop a project would not apply if the redevelopment project plan or the bioscience development project plan provides that ad valorem property tax revenues of the county or the school district levying taxes would not be adversely impacted.

Background

The Senate Committee hearing had two proponents of the bill, Robert Vancrum representing Greater Kansas City Chamber of Commerce; and Ashley Sherard, representing Lenexa Chamber of Commerce. No one appeared or provided any testimony in opposition or as a neutral party to the bill.

*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>

The Senate Committee made a technical change to the language regarding the county's and school board's authority to clarify intent of the provision in the bill.

The fiscal note indicates that the Department of Revenue believes that enactment of SB 242 would not have a fiscal effect on state revenues or expenditures. The bill would give local governments more flexibility within a redevelopment district or bioscience redevelopment district. However, any additional expenses or bond obligations that would result from enactment of the bill would be the responsibility of the redevelopment district or bioscience redevelopment district.