

**Substitute for SENATE BILL No. 197**

By Committee on Commerce

2-18

1 AN ACT concerning the STAR bonds financing act; relating to STAR  
2 bond project district requirements; authorizing redevelopment of  
3 certain mall facilities as eligible STAR bond projects; *{authorizing the*  
4 *secretary of commerce to approve vertical construction within certain*  
5 *STAR bond project districts;}* requiring all businesses located in a  
6 STAR bond project district to provide visitor data to the secretary of  
7 commerce on a quarterly basis instead of an annual basis; requiring the  
8 secretary to make certain information concerning STAR bond projects  
9 publicly available on the website of the department of commerce;  
10 prohibiting state general fund moneys from being pledged for the  
11 repayment of any special obligation bond issued by a city or county to  
12 finance a STAR bond project; prohibiting a city or county from using  
13 eminent domain to acquire real property for a STAR bond project;  
14 extending the expiration date of the STAR bonds financing act to July  
15 1, 2028; amending K.S.A. 12-17,160, 12-17,166, 12-17,172 and 12-  
16 17,179 and K.S.A. 2024 Supp. 12-17,162 and 12-17,169 and repealing  
17 the existing sections.

18  
19 *Be it enacted by the Legislature of the State of Kansas:*

20 New Section 1. (a) The governing body of a city or county may  
21 establish one or more STAR bond projects for the purpose of the  
22 redevelopment of a mall facility in accordance with the provisions of the  
23 STAR bonds financing act, K.S.A. 12-17,160 et seq., and amendments  
24 thereto. The secretary of commerce shall review the STAR bond project  
25 plan and determine whether to approve such plan in accordance with the  
26 STAR bonds financing act. A mall STAR bond project may be located in a  
27 newly created mall STAR bond project district or in an existing STAR  
28 bond project district.

29 (b) Any mall STAR bond project approved by a city or county and  
30 the secretary in accordance with the STAR bonds financing act shall be  
31 eligible for financing by special obligation bonds payable from revenues  
32 described by K.S.A. 12-17,169(a)(1), and amendments thereto, which  
33 revenues may include 100% of the tax increment revenue received. Any  
34 special obligation bonds issued to finance a mall STAR bond project shall  
35 be subject to the provisions of the STAR bonds financing act. In the event  
36 that the city or county shall default in the payment of any STAR bonds

1 payable from revenues described in K.S.A. 12-17,169(a)(1), and  
2 amendments thereto, no public funds shall be used to pay the holders  
3 thereof except as specifically authorized by the STAR bonds financing act.  
4 Any bonds issued may pay for any or all amounts of the overall project  
5 costs and shall not be limited to payment of only a certain percentage of  
6 total project costs for such mall STAR bond project.

7 (c) This section shall be a part of and supplemental to the STAR  
8 bonds financing act.

9 ***{New Sec. 2. (a) The secretary of commerce may approve vertical***  
10 ***construction of any project within an approved STAR bond project***  
11 ***district in cities with a population under 60,000 if such approval is***  
12 ***granted prior to December 31, 2025.***

13 ***(b) This section shall be a part of and supplemental to the STAR***  
14 ***bonds financing act.***

15 ~~Sec. 2. {3.} K.S.A. 12-17,160 is hereby amended to read as follows:~~  
16 ~~12-17,160. It is hereby declared to be the purpose of this act to promote,~~  
17 ~~stimulate and develop the general and economic welfare of the state of~~  
18 ~~Kansas and its communities and to assist in the development and~~  
19 ~~redevelopment of eligible areas within and without a city thereby~~  
20 ~~promoting the general welfare of the citizens of this state, by authorizing~~  
21 ~~cities and counties to acquire certain property and to issue sales tax and~~  
22 ~~revenue (STAR) bonds for the financing of STAR bond projects as defined~~  
23 ~~in K.S.A. 12-17,162, and amendments thereto. It is further found and~~  
24 ~~declared that the powers conferred by this act are for a public purpose and~~  
25 ~~public use for which public money may be expended and the power of~~  
26 ~~eminent domain may be exercised. The necessity in the public interest for~~  
27 ~~the provisions of this act is hereby declared as a matter of legislative~~  
28 ~~determination.~~

29 ~~Sec. 3. {4.} K.S.A. 2024 Supp. 12-17,162 is hereby amended to read~~  
30 ~~as follows: 12-17,162. As used in the STAR bonds financing act, unless a~~  
31 ~~different meaning clearly appears from the context:~~

32 (a) "Auto race track facility" means: (1) An auto race track facility  
33 and facilities directly related and necessary to the operation of an auto race  
34 track facility, including, but not limited to, grandstands, suites and viewing  
35 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
36 centers, signage and temporary hospitality facilities, but excluding (2)  
37 hotels, motels, restaurants and retail facilities, not directly related to or  
38 necessary to the operation of such facility.

39 (b) "Commence work" means the manifest commencement of actual  
40 operations on the development site, such as, erecting a building,  
41 excavating the ground to lay a foundation or a basement or work of like  
42 description according to an approved plan of construction, with the  
43 intention and purpose to continue work until the project is completed.

1 (c) "De minimis" means an amount less than 15% of the land area  
2 within a STAR bond project district.

3 (d) "Developer" means any person, firm, corporation, partnership or  
4 limited liability company other than a city and other than an agency,  
5 political subdivision or instrumentality of the state. "Developer" includes  
6 the names of the owners, partners, officers or principals of the developer  
7 for purposes of inclusion of the name of the developer into any  
8 application, document or report pursuant to this act if such application,  
9 document or report is a public record.

10 (e) "Economic impact study" means a study to project the financial  
11 benefit of the project to the local, regional and state economies.

12 (f) "Eligible area" means a historic theater, *mall facility*, major  
13 tourism area, major motorsports complex, auto race track facility, river  
14 walk canal facility, major multi-sport athletic complex, major business  
15 facility, a major commercial entertainment and tourism area or a major  
16 professional sports complex as determined by the secretary.

17 (g) "Feasibility study" means a feasibility study as defined in K.S.A.  
18 12-17,166(b), and amendments thereto.

19 (h) "Historic theater" means a building constructed prior to 1940 that  
20 was constructed for the purpose of staging entertainment, including motion  
21 pictures, vaudeville shows or operas, that is operated by a nonprofit  
22 corporation and is designated by the state historic preservation officer as  
23 eligible to be on the Kansas register of historic places or is a member of  
24 the Kansas historic theatre association.

25 (i) "Historic theater sales tax increment" means the amount of state  
26 and local sales tax revenue imposed pursuant to K.S.A. 12-187 et seq., 79-  
27 3601 et seq. and 79-3701 et seq., and amendments thereto, collected from  
28 taxpayers doing business within the historic theater that is in excess of the  
29 amount of such taxes collected prior to the designation of the building as a  
30 historic theater for purposes of this act.

31 (j) "Major business facility" means a significant business  
32 headquarters or office building development designed to draw a substantial  
33 number of new visitors to Kansas and that has agreed to provide visitor  
34 tracking data to the secretary as requested by the secretary, including, but  
35 not limited to, residence zip code information, to be provided or held by  
36 the secretary without personally identifiable information. A major business  
37 facility shall meet sales tax increment revenue requirements that shall be  
38 established by the secretary independent of any associated retail businesses  
39 located in the STAR bond project district pursuant to the STAR bond  
40 project plan.

41 (k) "Major commercial entertainment and tourism area" means an  
42 area that may include, but not be limited to, a major multi-sport athletic  
43 complex.

(l) "Major motorsports complex" means a complex in Shawnee county that is utilized for the hosting of competitions involving motor vehicles, including, but not limited to, automobiles, motorcycles or other self-propelled vehicles other than a motorized bicycle or motorized wheelchair. Such project may include racetracks, all facilities directly related and necessary to the operation of a motorsports complex, including, but not limited to, parking lots, grandstands, suites and viewing areas, concessions, souvenir facilities, catering facilities, visitor and retail centers, signage and temporary hospitality facilities, but excluding hotels, motels, restaurants and retail facilities not directly related to or necessary to the operation of such facility.

(m) "Major tourism area" means an area for which the secretary has made a finding the capital improvements costing not less than \$100,000,000 will be built in the state to construct an auto race track facility.

(n) "Major multi-sport athletic complex" means an athletic complex that is utilized for the training of athletes, the practice of athletic teams, the playing of athletic games or the hosting of events. Such project may include playing fields, parking lots and other developments including grandstands, suites and viewing areas, concessions, souvenir facilities, catering facilities, visitor centers, signage and temporary hospitality facilities, but excluding hotels, motels, restaurants and retail facilities, not directly related to or necessary to the operation of such facility.

(o) "Major professional sports complex" means a project, approved or pursuant to an authorized agreement as provided by K.S.A. 2024 Supp. 12-17,181, and amendments thereto, located within this state including a stadium of not less than 30,000 seats for the purpose of the holding of national football league or major league baseball athletic contests and other events and gatherings or a practice or training facility utilized by a major professional sports franchise and all buildings, improvements, facilities or attractions located within any STAR bond project district as defined in subsection (cc)(2).

(p) "Major professional sports franchise" means any corporation, partnership or other entity that owns a team or franchise that is a member of the national football league or major league baseball that is located in any state adjacent to Kansas.

(q) "Market study" means a study to determine the ability of the project to gain market share locally, regionally and nationally and the ability of the project to gain sufficient market share to:

(1) Remain profitable past the term of repayment; and

(2) maintain status as a significant factor for travel decisions.

(r) "Market impact study" means a study to measure the impact of the proposed project on similar businesses in the project's market area.

(s) "Museum facility" means a separate newly-constructed museum building and facilities directly related and necessary to the operation thereof, including gift shops and restaurant facilities, but excluding hotels, motels, restaurants and retail facilities not directly related to or necessary to the operation of such facility. The museum facility shall be owned by the state, a city, county, other political subdivision of the state or a non-profit corporation, shall be managed by the state, a city, county, other political subdivision of the state or a non-profit corporation and may not be leased to any developer and shall not be located within any retail or commercial building.

(t) "Project" means a STAR bond project.

(u) "Project costs" means those costs necessary to implement a STAR bond project plan, including costs incurred for:

- (1) Acquisition of real property within the STAR bond project area;
- (2) payment of relocation assistance pursuant to a relocation assistance plan as provided in K.S.A. 12-17,173, and amendments thereto;
- (3) site preparation including utility relocations;
- (4) sanitary and storm sewers and lift stations;
- (5) drainage conduits, channels, levees and river walk canal facilities;
- (6) street grading, paving, graveling, macadamizing, curbing, guttering and surfacing;
- (7) street light fixtures, connection and facilities;
- (8) underground gas, water, heating and electrical services and connections located within the public right-of-way;
- (9) sidewalks and pedestrian underpasses or overpasses;
- (10) drives and driveway approaches located within the public right-of-way;
- (11) water mains and extensions;
- (12) plazas and arcades;
- (13) parking facilities and multilevel parking structures devoted to parking only;
- (14) landscaping and plantings, fountains, shelters, benches, sculptures, lighting, decorations and similar amenities;
- (15) auto race track facility;
- (16) major multi-sport athletic complex;
- (17) museum facility;
- (18) major motorsports complex;
- (19) rural redevelopment project, including costs incurred in connection with the construction or renovation of buildings or other structures;
- (20) major professional sports complex, including all costs necessary to implement a STAR bond project plan for the development of a major professional sports complex, including, but not limited to, costs incurred

1 for construction or renovation of a stadium and other buildings,  
2 improvements, structures, facilities, infrastructure improvements and  
3 utilities or any related expenses to develop and finance such complex;

4 (21) related expenses to redevelop and finance the project, except that  
5 for a STAR bond project financed with special obligation bonds payable  
6 from the revenues described in K.S.A. 12-17,169(a)(1) or (a)(2)(A) and (a)  
7 (2)(B), and amendments thereto, such expenses shall require prior  
8 approval by the secretary of commerce; ~~and~~

9 (22) *mall facility, including all costs necessary to implement a project*  
10 *plan for the redevelopment of a mall STAR bond project district, including*  
11 *costs incurred for the construction or renovation of interior and exterior*  
12 *structures, parking facilities and multi-level parking structures,*  
13 *infrastructure and utilities, the acquisition of personal property related*  
14 *thereto and any other related expenses necessary to develop and finance*  
15 *such mall facility; and*

16 (23) except as specified in paragraphs (1) through ~~(21)~~ (22) above,  
17 "project costs" does not include:

18 (A) Costs incurred in connection with the construction of buildings or  
19 other structures;

20 (B) fees and commissions paid to developers, real estate agents,  
21 financial advisors or any other consultants who represent the developers or  
22 any other businesses considering locating in or located in a STAR bond  
23 project district;

24 (C) salaries for local government employees;

25 (D) moving expenses for employees of the businesses locating within  
26 the STAR bond project district;

27 (E) property taxes for businesses that locate in the STAR bond project  
28 district;

29 (F) lobbying costs;

30 (G) any bond origination fee charged by the city or county;

31 (H) any personal property as defined in K.S.A. 79-102, and  
32 amendments thereto; and

33 (I) travel, entertainment and hospitality.

34 (v) "Projected market area" means any area within the state in which  
35 the project is projected to have a substantial fiscal or market impact upon  
36 businesses in such area.

37 (w) "River walk canal facilities" means a canal and related water  
38 features which flow through a major commercial entertainment and  
39 tourism area and facilities related or contiguous thereto, including, but not  
40 limited to, pedestrian walkways and promenades, landscaping and parking  
41 facilities.

42 (x) "Rural redevelopment project" means a project that is in an area  
43 outside of a metropolitan area with a population of more than 50,000, that

1 is of regional importance, with capital investment of at least \$3,000,000  
2 and that will enhance the quality of life in the community and region.

3 (y) "Sales tax and revenue" are those revenues available to finance  
4 the issuance of special obligation bonds as identified in K.S.A. 12-17,168,  
5 and amendments thereto.

6 (z) "STAR bond" means a sales tax and revenue bond.

7 (aa) "STAR bond project" means:

8 (1) An approved project to implement a project plan for the  
9 development of the established STAR bond project district that:

10 (A) (i) Has at least a \$75,000,000 capital investment and \$75,000,000  
11 in projected gross annual sales; or

12 (ii) for metropolitan areas with a population of between 50,000 and  
13 75,000, has at least a \$40,000,000 capital investment and \$40,000,000 in  
14 projected gross annual sales, if the project is deemed of high value by the  
15 secretary; or

16 (B) for areas outside of metropolitan areas with a population of more  
17 than 50,000, the secretary finds the project:

18 (i) Is an eligible area as defined in subsection (f); and

19 (ii) would be of regional or statewide importance;

20 (C) is a major tourism area as defined in subsection (m);

21 (D) is a major motorsports complex, as defined in subsection (l); or

22 (E) is a rural redevelopment project as defined in subsection (x); ~~or~~

23 (2) a project approved or pursuant to an authorized agreement as  
24 provided by K.S.A. 2024 Supp. 12-17,181, and amendments thereto, to  
25 implement one or more project plans for the development of a major  
26 professional sports complex with a combined capital investment of not less  
27 than \$1,000,000,000; *or*

28 (3) *an approved mall STAR bond project as defined in subsection (ll).*

29 (bb) "STAR bond project area" means the geographic area within the  
30 STAR bond project district in which there may be one or more projects.

31 (cc) "STAR bond project district" means:

32 (1) The specific area declared to be an eligible area as determined by  
33 the secretary in which the city or county may develop one or more STAR  
34 bond projects. A "STAR bond project district" includes a redevelopment  
35 district, as defined in K.S.A. 12-1770a, and amendments thereto, created  
36 prior to the effective date of this act for the Wichita Waterwalk project in  
37 Wichita, Kansas, provided, the city creating such redevelopment district  
38 submits an application for approval for STAR bond financing to the  
39 secretary on or before July 31, 2007, and receives a final letter of  
40 determination from the secretary approving or disapproving the request for  
41 STAR bond financing on or before November 1, 2007. No STAR bond  
42 project district shall include real property which has been part of another  
43 STAR bond project district unless such STAR bond project and STAR

1 bond project district have been approved by the secretary of commerce  
2 pursuant to K.S.A. 12-17,164 and 12-17,165, and amendments thereto,  
3 prior to March 1, 2016. A STAR bond project district in a metropolitan  
4 area with a population of more than 50,000, shall be a contiguous parcel of  
5 real estate and shall be limited to those areas being developed by the  
6 STAR bond project and any area of real property reasonably anticipated to  
7 directly benefit from the redevelopment project; or

8 (2) the specific area approved or pursuant to an authorized agreement  
9 as provided by K.S.A. 2024 Supp. 12-17,181, and amendments thereto,  
10 and that is declared to be an eligible area as determined by the secretary in  
11 which the city or county, or the secretary independently or with the  
12 participation of the city or county, as provided by K.S.A. 12-17,164, and  
13 amendments thereto, may develop one or more STAR bond projects as  
14 defined in subsection (aa)(2). Such area may include real property that is  
15 or has been a part of another STAR bond project district, however, any  
16 outstanding STAR bonds issued for such other STAR bond project district  
17 shall have priority for repayment. Any STAR bond project district as  
18 defined pursuant to this paragraph shall not be required to contain  
19 contiguous parcels of real estate or be limited to those areas being  
20 developed pursuant to any such STAR bond project.

21 (dd) "STAR bond project district plan" means the preliminary plan  
22 that identifies all of the proposed STAR bond project areas and identifies  
23 in a general manner all of the buildings, facilities and improvements in  
24 each that are proposed to be constructed or improved in each STAR bond  
25 project area.

26 (ee) "STAR bond project plan" means the plan adopted by a city or  
27 county for the development of a STAR bond project or projects in a STAR  
28 bond project district. "STAR bond project plan" includes a plan adopted by  
29 the secretary independently, the secretary with the participation of a city or  
30 county or a city or county as approved by the secretary, as provided by  
31 K.S.A. 12-17,164, and amendments thereto, for the development of a  
32 STAR bond project or projects as defined in subsection (aa)(2) in a STAR  
33 bond project district as defined in subsection (cc)(2) and approved or  
34 pursuant to an authorized agreement as provided by K.S.A. 2024 Supp. 12-  
35 17,181, and amendments thereto.

36 (ff) "Secretary" means the secretary of commerce.

37 (gg) "Substantial change" means, as applicable, a change wherein the  
38 proposed plan or plans differ substantially from the intended purpose for  
39 which the STAR bond project district plan was approved.

40 (hh) "Tax increment" means:

41 (1) Except as provided in paragraph (2), that portion of the revenue  
42 derived from state and local sales, use and transient guest tax imposed  
43 pursuant to K.S.A. 12-187 et seq., 12-1692 et seq., 79-3601 et seq. and 79-



1 3701 et seq., and amendments thereto, collected from taxpayers doing  
2 business within that portion of a STAR bond project district occupied by a  
3 project that is in excess of the amount of base year revenue. For purposes  
4 of this subsection, the base year shall be the 12-month period immediately  
5 prior to the month in which the STAR bond project district is established.  
6 The department of revenue shall determine base year revenue by reference  
7 to the revenue collected during the base year from taxpayers doing  
8 business within the specific area in which a STAR bond project district is  
9 subsequently established. The base year of a STAR bond project district,  
10 following the addition of area to the STAR bond project district, shall be  
11 the base year for the original area, and with respect to the additional area,  
12 the base year shall be any 12-month period immediately prior to the month  
13 in which additional area is added to the STAR bond project district. For  
14 purposes of this subsection, revenue collected from taxpayers doing  
15 business within a STAR bond project district, or within a specific area in  
16 which a STAR bond project district is subsequently established shall not  
17 include local sales and use tax revenue that is sourced to jurisdictions other  
18 than those in which the project is located. The secretary of revenue and the  
19 secretary of commerce shall certify the appropriate amount of base year  
20 revenue for taxpayers relocating from within the state into a STAR bond  
21 district.

22 (2) With respect to any STAR bond project district as defined in  
23 subsection (cc)(2), "tax increment" may include all revenue described in  
24 paragraph (1) collected from retail sales from any business within such  
25 STAR bond project district. "Tax increment" shall include all revenue  
26 derived from the sale of alcoholic liquor as defined in K.S.A. 79-41a01,  
27 and amendments thereto, pursuant to K.S.A. 79-4101 and 79-41a02, and  
28 amendments thereto, collected from consumers purchasing alcoholic  
29 liquor within such STAR bond project district that is in excess of the  
30 amount of base year revenue for such taxes. The "tax increment" for any  
31 such STAR bond project district that has been independently established  
32 by the secretary as provided by K.S.A. 12-17,164, and amendments  
33 thereto, shall not include local sales, use or transient guest tax imposed  
34 pursuant to K.S.A. 12-187 et seq. and 12-1692 et seq., and amendments  
35 thereto, unless approved by a participating city or county as provided by  
36 K.S.A. 12-17,164, and amendments thereto. If a STAR bond project  
37 district as defined in subsection (cc)(2) includes real property that is or has  
38 been part of another previously approved STAR bond project district, the  
39 "tax increment" shall also exclude that portion of state and local sales, use  
40 or transient guest tax revenue pledged to repayment of any STAR bonds  
41 issued for a previously approved STAR bond project within such other  
42 district while such bonds are outstanding. The amount of base year  
43 revenue for any revenue derived from the sale of alcoholic liquor and any

1 state sales and use taxes shall be set by the secretary in the secretary's sole  
2 discretion upon the establishment of a STAR bond project district as  
3 defined in K.S.A. 12-17,162(cc)(2), and amendments thereto. If local  
4 sales, use or transient guest tax revenue are also pledged by a city or  
5 county, whether such city or county is participating with the secretary, or is  
6 itself establishing such STAR bond project district, as provided by K.S.A.  
7 12-17,164, and amendments thereto, the amount of base year revenue for  
8 such local tax revenues shall be set by the city or county in the city or  
9 county's discretion and approved by the secretary. Base year revenue  
10 determinations by the secretary or by the city or county as approved by the  
11 secretary shall not be required to be based on the procedure provided in  
12 paragraph (1).

13 (ii) "Taxpayer" means a person, corporation, limited liability  
14 company, S corporation, partnership, registered limited liability  
15 partnership, foundation, association, nonprofit entity, sole proprietorship,  
16 business trust, group or other entity that is subject to the Kansas income  
17 tax act, K.S.A. 79-3201 et seq., and amendments thereto.

18 (jj) *"Mall" means an enclosed area comprised of multiple interior-*  
19 *facing businesses and stores primarily devoted to the in-person retail sale*  
20 *of goods and services and the parking, green space and arterial roads*  
21 *contiguous thereto.*

22 (kk) *"Mall facility" means an area containing a mall that is located*  
23 *within the state of Kansas.*

24 (ll) *"Mall STAR bond project" means an approved project to*  
25 *implement one or more project plans for the redevelopment of a mall STAR*  
26 *bond project district that:*

27 (1) *Has a combined capital investment of at least \$10,000,000; and*

28 (2) *contains a mall in which 50% or more of the total leasable area*  
29 *for businesses to operate in the mall is unoccupied.*

30 (mm) *"Mall STAR bond project district" means the specific area*  
31 *declared to be an eligible area as determined by the secretary that will*  
32 *include a mall STAR bond project.*

33 Sec.-4. {5.} K.S.A. 12-17,166 is hereby amended to read as follows:  
34 12-17,166. (a) One or more projects may be undertaken by a city or county  
35 within an established STAR bond project district upon submission of the  
36 project plan to the secretary of commerce and approval by the secretary as  
37 provided by K.S.A. 12-17,164, and amendments thereto. Any city or  
38 county proposing to undertake a STAR bond project shall prepare a STAR  
39 bond project plan in consultation with the planning commission of the city,  
40 and in consultation with the planning commission of the county, if any, if  
41 such project is located wholly outside the boundaries of the city. Any such  
42 project plan may be implemented in separate development stages.

43 (b) Any city or county proposing to undertake a STAR bond project

1 within a STAR bond project district established pursuant to K.S.A. 12-  
2 17,165, and amendments thereto, shall prepare a feasibility study to be  
3 conducted by one or more consultants selected and approved by the  
4 secretary, and the costs shall be paid by the developer or the city or county.  
5 The secretary shall have control and oversight authority over the scope,  
6 conduct and methodology of the study. The secretary may establish a list  
7 of preapproved consultants and approved study parameters and methods.  
8 The feasibility study shall contain the following:

9 (1) Whether a STAR bond project's revenue and tax increment  
10 revenue and other available revenues under K.S.A. 12-17,169, and  
11 amendments thereto, are expected to exceed or be sufficient to pay for the  
12 project costs;

13 (2) the effect, if any, a STAR bond project will have on any  
14 outstanding special obligation bonds payable from the revenues described  
15 in K.S.A. 12-17,169, and amendments thereto;

16 (3) a statement of how the jobs and taxes obtained from the STAR  
17 bond project will contribute significantly to the economic development of  
18 the state and region;

19 (4) visitation expectations and a plan describing how the number of  
20 visitors to the STAR bond project district will be tracked and reported to  
21 the secretary ~~on an annual~~ *a quarterly* basis. Such plan shall include, but  
22 not be limited to, obtaining and reporting visitor residence zip code data to  
23 the secretary. ~~All businesses located in the STAR bond district shall~~  
24 ~~provide visitor residence data requested by the secretary. Any such data~~  
25 ~~shall be provided in an aggregate manner without personally identifiable~~  
26 ~~information;~~

27 (5) the unique quality of the project;

28 (6) economic impact study, including the anticipated effect of the  
29 project on the regional and statewide economies;

30 (7) market study;

31 (8) market impact study;

32 (9) integration and collaboration with other resources or businesses;

33 (10) the quality of service and experience provided, as measured  
34 against national consumer standards for the specific target market;

35 (11) project accountability, measured according to best industry  
36 practices;

37 (12) the expected return on state and local investment that the project  
38 is anticipated to produce;

39 (13) a net return on investment analysis;

40 (14) a statement concerning whether a portion of the local sales and  
41 use taxes are pledged to other uses and are unavailable as revenue for the  
42 STAR bond project. If a portion of local sales and use taxes is so  
43 committed, the applicant shall describe the following:

1 (A) The percentage of city and county sales and use taxes collected  
2 that are so committed; and

3 (B) the date or dates on which the city and county sales and use taxes  
4 pledged to other uses can be pledged for repayment of bonds;

5 (15) an anticipated principal and interest payment schedule on the  
6 bond issue;

7 (16) a summary of community involvement, participation and support  
8 for the STAR bond project; and

9 (17) a full disclosure and description of all state, federal and local tax  
10 incentives that apply or, pursuant to the project plan, are anticipated to  
11 apply within the STAR bond district or that apply to any business located  
12 in or, pursuant to the project plan, that will locate in the district.

13 The failure to include all information enumerated in this subsection in  
14 the feasibility study for a STAR bond project shall not affect the validity of  
15 bonds issued pursuant to this act.

16 (c) If the city or county determines the project is feasible, the project  
17 plan shall include:

18 (1) A summary of the feasibility study done as defined in subsection  
19 (b);

20 (2) a reference to the district plan established under K.S.A. 12-  
21 17,165, and amendments thereto, that identifies the project area that is set  
22 forth in the project plan that is being considered;

23 (3) a description and map of the project area to be redeveloped;

24 (4) the relocation assistance plan as described in K.S.A. 12-17,172,  
25 and amendments thereto;

26 (5) a detailed description of the buildings and facilities proposed to be  
27 constructed or improved in such area;

28 (6) the names of the owners, partners, officers or principals of any  
29 developer of the project and of any associated business partner of any  
30 developer of the project that is involved in the STAR bond project; and

31 (7) any other information the governing body of the city or county  
32 deems necessary to advise the public of the intent of the project plan.

33 (d) A copy of the STAR bond project plan prepared by a city shall be  
34 delivered to the board of county commissioners of the county and the  
35 board of education of any school district levying taxes on property within  
36 the STAR bond project area. A copy of the STAR bond project plan  
37 prepared by a county shall be delivered to the board of education of any  
38 school district levying taxes on property within the STAR bond project  
39 area.

40 (e) Upon a finding by the planning commission that the STAR bond  
41 project plan is consistent with the intent of the comprehensive plan for the  
42 development of the city, and a finding by the planning commission of the  
43 county, if any, with respect to a STAR bond project located wholly outside

1 the boundaries of the city, that the STAR bond project plan is consistent  
2 with the intent of the comprehensive plan for the development of the  
3 county, the governing body of the city or county shall adopt a resolution  
4 stating that the city or county is considering the adoption of the STAR  
5 bond project plan. Such resolution shall:

6 (1) Give notice that a public hearing will be held to consider the  
7 adoption of the STAR bond project plan and fix the date, hour and place of  
8 such public hearing. In addition to any other notice, such notice shall be  
9 conspicuously provided at a prominent location on the first page of the  
10 website of the county or city, if the county or city has a website;

11 (2) describe the boundaries of the STAR bond project district within  
12 which the STAR bond project will be located and the date of establishment  
13 of such district;

14 (3) describe the boundaries of the area proposed to be included within  
15 the STAR bond project area; and

16 (4) state that the STAR bond project plan, including a summary of the  
17 feasibility study, market study, relocation assistance plan and financial  
18 guarantees of the prospective developer and a description and map of the  
19 area to be redeveloped or developed are available for inspection during  
20 regular office hours in the office of the city clerk or county clerk,  
21 respectively.

22 (f) (1) The date fixed for the public hearing to consider the adoption  
23 of the STAR bond project plan shall be not less than 30 nor more than 70  
24 days following the date of the adoption of the resolution fixing the date of  
25 the hearing.

26 (2) A copy of the city or county resolution providing for the public  
27 hearing shall be by certified mail, return receipt requested, sent by the city  
28 to the board of county commissioners of the county and by the city or  
29 county to the board of education of any school district levying taxes on  
30 property within the proposed STAR bond project area. Copies also shall be  
31 sent by certified mail, return receipt requested to each owner and occupant  
32 of land within the proposed STAR bond project area not more than 10 days  
33 following the date of the adoption of the resolution. The resolution shall be  
34 published once in the official city or county newspaper not less than one  
35 week nor more than two weeks preceding the date fixed for the public  
36 hearing. A sketch clearly delineating the area in sufficient detail to advise  
37 the reader of the particular land proposed to be included within the STAR  
38 bond project area shall be published with the resolution.

39 (3) At the public hearing, a representative of the city or county shall  
40 present the city's or county's proposed STAR bond project plan. The  
41 presentation shall include a discussion of the feasibility study, including a  
42 description of all state, federal and local tax incentives that apply within  
43 the STAR bond district or are anticipated to apply within the district

1 pursuant to the project plan or to any business located in the district or that  
2 will locate in the district pursuant to the project plan. Following the  
3 presentation of the STAR bond project area, all interested persons shall be  
4 given an opportunity to be heard. The governing body for good cause  
5 shown may recess such hearing to a time and date certain, which shall be  
6 fixed in the presence of persons in attendance at the hearing.

7 (g) The public hearing records and feasibility study shall be subject to  
8 the open records act, K.S.A. 45-215, and amendments thereto, and, if the  
9 city or county has a website, shall be placed conspicuously on such  
10 website at the same location or linked to the same location on the first  
11 page of the website as the notice for the hearing.

12 (h) Upon conclusion of the public hearing, the governing body may  
13 adopt the STAR bond project plan by ordinance or resolution passed upon  
14 a two-thirds vote of the members.

15 (i) ~~After~~ *Within 90 days of the adoption or modification* by the city or  
16 county governing body of a STAR bond project plan; *and within 90 days*  
17 *of the selling of the bonds:*

18 (1) The clerk of the city or county shall transmit a copy of the  
19 description of the land within the STAR bond project district, a copy of the  
20 ordinance or resolution adopting the plan and a map or plat indicating the  
21 boundaries of the district to the clerk, appraiser and treasurer of the county  
22 in which the district is located and to the governing bodies of the county  
23 and school district which levy taxes upon any property in the district. ~~Such~~  
24 ~~documents shall be transmitted following the adoption or modification of~~  
25 ~~the plan or a revision of the plan on or before January 1 of the year in~~  
26 ~~which the increment is first allocated to the taxing subdivision.~~

27 ~~(j) If the STAR bond project plan is approved,;~~

28 (2) the feasibility study shall be supplemented to include a copy of  
29 the minutes of the governing body meetings of any city or county whose  
30 bonding authority will be utilized in the STAR bond project, evidencing  
31 that a STAR bond project plan has been created, discussed and adopted by  
32 the city or county in a regularly scheduled open public meeting;

33 (3) *the city or county shall notify the residents thereof:*

34 (A) *That the STAR bond project plan has been adopted; and*

35 (B) *on a continuing basis, the amount of tax increment revenue*  
36 *received under K.S.A. 12-17,169, and amendments thereto; and*

37 (4) *the secretary shall make the following information publicly*  
38 *available on the department of commerce's website:*

39 (A) *The feasibility study;*

40 (B) *the STAR bond project plan;*

41 (C) *the financial guarantees of the prospective developer;*

42 (D) *on a continuing basis, any subsequent modified versions of the*  
43 *information required by subparagraphs (A) through (C); and*

1       (E) *on a continuing basis, visitor data pursuant to subsection (n).*

2       ~~(k)~~(j) Any substantial changes as defined in K.S.A. 12-17,162, and  
3 amendments thereto, to the STAR bond project plan as adopted shall be  
4 subject to a public hearing following publication of notice thereof at least  
5 twice in the official city or county newspaper.

6       ~~(h)~~(k) Any STAR bond project shall be completed within 20 years  
7 from the date of the approval of the STAR bond project plan. The  
8 maximum maturity on bonds issued to finance projects pursuant to this act  
9 shall not exceed 20 years.

10       ~~(m)~~(l) Kansas resident employees shall be given priority  
11 consideration for employment in construction projects located in a STAR  
12 bond project area.

13       ~~(n)~~(m) Any developer of a STAR bond project shall commence work  
14 on the project within two years from the date of adoption of the STAR  
15 bond project plan. Should the developer fail to commence work on the  
16 STAR bond project within the two-year period, funding for such project  
17 shall cease and the developer of such project or complex shall have one  
18 year to resubmit the project to the secretary and to appeal to the secretary  
19 for reapproval of such project and the funding for it. Should the project be  
20 reapproved, the two-year period for commencement shall apply.

21       (n) (1) *On and after July 1, 2026, all entities located in a STAR bond*  
22 *district that use a point-of-sale system, including, but not limited to, any*  
23 *nonprofit entity, shall collect visitor data entered at the point of sale and*  
24 *transfer such data to the secretary on a quarterly basis. Any such data*  
25 *shall:*

26       (A) *Be collected in an aggregate manner without personally*  
27 *identifiable information; and*

28       (B) *include, but not be limited to, visitor residence zip code data,*  
29 *including cash sales.*

30       (2) *The secretary shall make such visitor data publicly available on*  
31 *the department's website within 90 days of being received by the secretary.*  
32 *Such publicly available data shall include a calculation by the secretary of*  
33 *the number of in-state and out-of-state visitors to the STAR bond project*  
34 *each quarter.*

35       (3) *As used in this subsection, "point-of-sale system" means any*  
36 *combination of a cash register, ledger or other device or system, such as a*  
37 *scanner capable of recovering stored information related to visitor data*  
38 *and the price or computing the price of any individual item that is sold or*  
39 *offered for sale at retail.*

40       Sec. ~~5~~. {6.} K.S.A. 2024 Supp. 12-17,169 is hereby amended to read  
41 as follows: 12-17,169. (a) (1) Any city or county shall have the power to  
42 issue special obligation bonds in one or more series to finance the  
43 undertaking of any STAR bond project in accordance with the provisions

1 of this act. Rural redevelopment projects, as defined in K.S.A. 12-17,162,  
2 and amendments thereto, may also be financed without the issuance of  
3 special obligation bonds up to an amount not to exceed \$10,000,000 for  
4 each project. Such special obligation bonds or rural redevelopment project  
5 costs shall be made payable, both as to principal and interest:

6 (A) From revenues of the city or county derived from or held in  
7 connection with the undertaking and carrying out of any STAR bond  
8 project or projects under this act including historic theater sales tax  
9 increments;

10 (B) from any private sources, contributions or other financial  
11 assistance from the ~~state or~~ federal government;

12 (C) from a pledge of 100% of the tax increment revenue received by  
13 the city from any local sales and use taxes, including the city's share of any  
14 county sales tax, which are collected from taxpayers doing business within  
15 that portion of the city's STAR bond project district established pursuant to  
16 K.S.A. 12-17,165, and amendments thereto, occupied by a STAR bond  
17 project, except for amounts committed to other uses by election of voters  
18 or pledged to bond repayment prior to the approval of the STAR bond  
19 project;

20 (D) at the option of the county in a city STAR bond project district,  
21 from a pledge of all of the tax increment revenues received by the county  
22 from any local sales and use taxes which are collected from taxpayers  
23 doing business within that portion of the city's STAR bond project district  
24 established pursuant to K.S.A. 12-17,165, and amendments thereto, except  
25 for amounts committed to other uses by election of voters or pledged to  
26 bond repayment prior to the approval of a STAR bond project;

27 (E) in a county STAR bond project district, from a pledge of 100% of  
28 the tax increment revenue received by the county from any county sales  
29 and use tax, but excluding any portions of such taxes that are allocated to  
30 the cities in such county pursuant to K.S.A. 12-192, and amendments  
31 thereto, which are collected from taxpayers doing business within that  
32 portion of the county's STAR bond project district established pursuant to  
33 K.S.A. 12-17,165, and amendments thereto, occupied by a STAR bond  
34 project;

35 (F) from a pledge of all or a portion of the tax increment revenue  
36 received from any state sales taxes which are collected from taxpayers  
37 doing business within that portion of the city's or county's STAR bond  
38 project district occupied by a STAR bond project, except that for any  
39 STAR bond project district established and approved by the secretary on or  
40 after January 1, 2017, such tax increment shall not include any sales tax  
41 revenue from retail automobile dealers, and except that for any STAR  
42 bond project district established after July 1, 2021, with existing sales tax  
43 revenue at the time the district was established, such pledge shall not



1 exceed 90% of the new tax increment revenue that is in excess of the base  
2 existing sales tax revenue received from any state sales taxes;

3 (G) at the option of the city or county and with approval of the  
4 secretary, from all or a portion of the transient guest tax of such city or  
5 county;

6 (H) at the option of the city or county and with approval of the  
7 secretary: (i) From a pledge of all or a portion of increased revenue  
8 received by the city or county from franchise fees collected from utilities  
9 and other businesses using public right-of-way within the STAR bond  
10 project district; or (ii) from a pledge of all or a portion of the revenue  
11 received by a city or county from local sales taxes or local transient guest  
12 and local use taxes; or

13 (I) by any combination of these methods.

14 The city or county may pledge such revenue to the repayment of such  
15 special obligation bonds prior to, simultaneously with, or subsequent to the  
16 issuance of such special obligation bonds.

17 (2) (A) Special obligation bonds issued by a city or county to finance  
18 a STAR bond project as defined in K.S.A. 12-17,162(aa)(2), and  
19 amendments thereto, that has been approved by the secretary in  
20 accordance with K.S.A. 2024 Supp. 12-17,181, and amendments thereto,  
21 shall be made payable, both as to principal and interest, from a pledge of:

22 (i) Any method or combination of the methods described in  
23 paragraph (1), except that tax increment revenue from sales taxes shall  
24 include sales tax revenue from all retail sales of any business located  
25 within the district and up to 100% of the new state sales tax increment  
26 revenue that is in excess of the base sales tax revenue, as set in the  
27 secretary's discretion, received from any state sales taxes. The city or  
28 county shall have discretion to set the base sales tax revenue for local sales  
29 and use taxes as approved by the secretary;

30 (ii) tax increment revenue from up to 100% of the taxes imposed on  
31 the sale of alcoholic liquor, as defined in K.S.A. 79-41a01, and  
32 amendments thereto, collected from sales within the district pursuant to  
33 K.S.A. 79-4101 and 79-41a02, and amendments thereto; and

34 (iii) if approved by the secretary, moneys from the attracting  
35 professional sports to Kansas fund of the department of commerce.

36 (B) As authorized by the secretary, the Kansas development finance  
37 authority shall have the power to issue special obligation bonds in one or  
38 more series to finance the undertaking of a STAR bond project as defined  
39 in K.S.A. 12-17,162(aa)(2), and amendments thereto, that has been  
40 established by a city or county and approved by the secretary of commerce  
41 pursuant to K.S.A. 2024 Supp. 12-17,181, and amendments thereto, or  
42 undertaken independently by the secretary pursuant to K.S.A. 12-17,164,  
43 and amendments thereto, with or without the participation of the city or

1 county. Such special obligation bonds shall not be general obligations of  
2 the state. Any such bonds and interest thereon shall be an obligation only  
3 of the Kansas development finance authority and shall not constitute a debt  
4 of the state of Kansas within the meaning of section 6 or 7 of article 11 of  
5 the constitution of the state of Kansas and shall not pledge the full faith  
6 and credit or the taxing power of the state of Kansas. Such special  
7 obligation bonds shall be made payable, both as to principal and interest,  
8 solely from:

9 (i) Tax increment revenue as determined in the secretary's discretion,  
10 from up to 100% of state sales taxes, including state sales tax revenue  
11 from all retail sales of any business located within the district;

12 (ii) tax increment revenue from up to 100% of the taxes imposed on  
13 the sale of alcoholic liquor as defined in K.S.A. 79-41a01, and  
14 amendments thereto, from sales within the district pursuant to K.S.A. 79-  
15 4101 and 79-41a02, and amendments thereto;

16 (iii) if approved by the city or county, revenue from any of the other  
17 methods or combination of methods as provided in subparagraph (A)(i);  
18 and

19 (iv) if approved by the secretary, moneys from the attracting  
20 professional sports to Kansas fund of the department of commerce.

21 (C) For purposes of this paragraph, "district" means the STAR bond  
22 project district as defined in K.S.A. 12-17,162(cc)(2), and amendments  
23 thereto. Revenues may be collected pursuant to this paragraph from  
24 noncontiguous parcels of real estate and areas not being developed by a  
25 STAR bond project as defined in subsection (aa)(2) within such STAR  
26 bond project district.

27 (D) Any revenues that have been pledged to pay one or more STAR  
28 bonds previously issued pursuant to this act shall be used first to satisfy  
29 any remaining obligations of such bonds.

30 (3) Bonds issued under subsection (a)(1) or (a)(2)(A) shall not be  
31 general obligations of the city or the county, nor in any event shall they  
32 give rise to a charge against its general credit or taxing powers, or be  
33 payable out of any funds or properties other than any of those set forth in  
34 subsection (a)(1) or (a)(2)(A) and such bonds shall so state on their face.

35 (4) Bonds issued under the provisions of subsection (a)(1) or (a)(2)  
36 (A) shall be special obligations of the city or county and are declared to be  
37 negotiable instruments. Such bonds shall be executed by the mayor and  
38 clerk of the city or the chairperson of the board of county commissioners  
39 and the county clerk and sealed with the corporate seal of the city or  
40 county. All details pertaining to the issuance of such special obligation  
41 bonds and terms and conditions thereof shall be determined by ordinance  
42 of the city or by resolution of the county.

43 All special obligation bonds issued pursuant to this act and all income

1 or interest therefrom shall be exempt from all state taxes. Such special  
2 obligation bonds shall contain none of the recitals set forth in K.S.A. 10-  
3 112, and amendments thereto. Such special obligation bonds shall,  
4 however, contain the following recitals: (i) The authority under which such  
5 special obligation bonds are issued; (ii) such bonds are in conformity with  
6 the provisions, restrictions and limitations thereof; and (iii) that such  
7 special obligation bonds and the interest thereon are to be paid from the  
8 money and revenue received as provided in subsection (a)(1) and (a)(2).

9 (5) Any city or county issuing special obligation bonds under the  
10 provisions of this act may refund all or part of such issue pursuant to the  
11 provisions of K.S.A. 10-116a, and amendments thereto. If and as approved  
12 by the secretary of commerce, the Kansas development finance authority  
13 may refund all or part of any issue of special obligation bonds issued for a  
14 project as defined in K.S.A. 12-17,162(aa)(2), and amendments thereto, by  
15 the Kansas development finance authority under the provisions of this act  
16 pursuant to the provisions of K.S.A. 74-8912, and amendments thereto,  
17 and this act.

18 (6) *Under no circumstance shall state general fund moneys be*  
19 *pledged for the repayment of any special obligation bond issued by a city*  
20 *or county to finance a STAR bond project pursuant to subsection (a)(1) or*  
21 *(a)(2).*

22 (b) (1) Subject to the provisions of subsection (b)(2), any city shall  
23 have the power to issue full faith and credit tax increment bonds to finance  
24 the undertaking, establishment or redevelopment of any major motorsports  
25 complex, as defined in K.S.A. 12-17,162, and amendments thereto. Such  
26 full faith and credit tax increment bonds shall be made payable, both as to  
27 principal and interest: (A) From the revenue sources identified in  
28 subsection (a)(1) or by any combination of these sources; and (B) subject  
29 to the provisions of subsection (b)(2), from a pledge of the city's full faith  
30 and credit to use its ad valorem taxing authority for repayment thereof in  
31 the event all other authorized sources of revenue are not sufficient.

32 (2) Except as provided in subsection (b)(3), before the governing  
33 body of any city proposes to issue full faith and credit tax increment bonds  
34 as authorized by this subsection, the feasibility study required by K.S.A.  
35 12-17,166(b), and amendments thereto, shall demonstrate that the benefits  
36 derived from the project will exceed the cost and that the income  
37 therefrom will be sufficient to pay the costs of the project. No full faith  
38 and credit tax increment bonds shall be issued unless the governing body  
39 states in the resolution required by K.S.A. 12-17,166(e), and amendments  
40 thereto, that it may issue such bonds to finance the proposed STAR bond  
41 project. The governing body may issue the bonds unless within 60 days  
42 following the conclusion of the public hearing on the proposed STAR  
43 bond project plan a protest petition signed by 3% of the qualified voters of

1 the city is filed with the city clerk in accordance with the provisions of  
2 K.S.A. 25-3601 et seq., and amendments thereto. If a sufficient petition is  
3 filed, no full faith and credit tax increment bonds shall be issued until the  
4 issuance of the bonds is approved by a majority of the voters voting at an  
5 election thereon. Such election shall be called and held in the manner  
6 provided by the general bond law. The failure of the voters to approve the  
7 issuance of full faith and credit tax increment bonds shall not prevent the  
8 city from issuing special obligation bonds in accordance with this section.  
9 No such election shall be held in the event the board of county  
10 commissioners or the board of education determines, as provided in  
11 K.S.A. 12-17,165, and amendments thereto, that the proposed STAR bond  
12 project district will have an adverse effect on the county or school district.

13 (3) As an alternative to subsection (b)(2), any city which adopts a  
14 STAR bond project plan for a major motorsports complex, but does not  
15 state its intent to issue full faith and credit tax increment bonds in the  
16 resolution required by K.S.A. 12-17,166(e), and amendments thereto, and  
17 has not acquired property in the STAR bond project area may issue full  
18 faith and credit tax increment bonds if the governing body of the city  
19 adopts a resolution stating its intent to issue the bonds and the issuance of  
20 the bonds is approved by a majority of the voters voting at an election  
21 thereon. Such election shall be called and held in the manner provided by  
22 the general bond law. The failure of the voters to approve the issuance of  
23 full faith and credit tax increment bonds shall not prevent the city from  
24 issuing special obligation bonds pursuant to subsection (a)(1). Any project  
25 plan adopted by a city prior to the effective date of this act in accordance  
26 with K.S.A. 12-1772, and amendments thereto, shall not be invalidated by  
27 any requirements of this act.

28 (4) During the progress of any major motorsports complex project in  
29 which the project costs will be financed, in whole or in part, with the  
30 proceeds of full faith and credit tax increment bonds, the city may issue  
31 temporary notes in the manner provided in K.S.A. 10-123, and  
32 amendments thereto, to pay the project costs for the major motorsports  
33 complex project. Such temporary notes shall not be issued and the city  
34 shall not acquire property in the STAR bond project area until the  
35 requirements of subsection (b)(2) or (b)(3), whichever is applicable, have  
36 been met.

37 (5) Full faith and credit tax increment bonds issued under this  
38 subsection shall be general obligations of the city and are declared to be  
39 negotiable instruments. Such bonds shall be issued in accordance with the  
40 general bond law. All such bonds and all income or interest therefrom shall  
41 be exempt from all state taxes. The amount of the full faith and credit tax  
42 increment bonds issued and outstanding which exceeds 3% of the assessed  
43 valuation of the city shall be within the bonded debt limit applicable to

1 such city.

2 (6) Any city issuing full faith and credit tax increment bonds under  
3 the provisions of this subsection may refund all or part of such issue  
4 pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

5 (c) (1) For each project established by a city or county financed with  
6 special obligation bonds payable from the revenues described in  
7 subsection (a)(1) and (a)(2), the city or county shall prepare and submit to  
8 the secretary by October 1 of each year, a report describing the status of  
9 any projects within such STAR bond project area, any expenditures of the  
10 proceeds of special obligation bonds that have occurred since the last  
11 annual report and any expenditures of the proceeds of such bonds expected  
12 to occur in the future, including the amount of sales tax revenue, how such  
13 revenue has been spent, the projected amount of such revenue, the  
14 anticipated use of such revenue and the names of the owners, partners,  
15 officers or principals of any developer and of any associated business  
16 partners of any developer that are involved in the STAR bond project. The  
17 department of commerce shall compile this information and submit a  
18 report annually to the governor and the legislature by February 1 of each  
19 year.

20 (2) (A) In addition to the report referenced in paragraph (1), the  
21 department of commerce, in cooperation with the department of revenue,  
22 shall submit a report to the senate commerce committee and the house  
23 commerce, labor and economic development committee by January 31 of  
24 each session. The report shall include the following information for the last  
25 three calendar years and the most current year-to-date information  
26 available with respect to each STAR bond district:

27 (i) The gross annual sales, gross annual sales projected pursuant to  
28 the STAR bond project plan and feasibility study, gross annual sales  
29 required to meet bond debt service requirements and other expenses,  
30 amount of sales tax collected and the amount of any "base" sales taxes  
31 being allocated to the district;

32 (ii) the total amount of bond payments and other expenses incurred;

33 (iii) the total amount of bonds issued and the balance of the bonds, by  
34 district and by project in the district;

35 (iv) the remaining cash balance in the project to pay future debt  
36 service and other expenses;

37 (v) any new income producing properties being brought into a district  
38 and the base revenue going to the state general fund and incremental sales  
39 tax increases going to the district with respect to such properties;

40 (vi) the amount of bonds issued to repay private investors in the  
41 project with calculations showing the private and state share of  
42 indebtedness;

43 (vii) the percentage of local effort sales tax actually committed to the

1 district compared to the state's share of sales tax percentage committed to  
2 the district;

3 (viii) the number of out-of-state visitors to a project and description  
4 of the data gathered pursuant to the visitor tracking plan, including, but not  
5 limited to, residence zip code data, a discussion of the visitor attraction  
6 properties of projects in the districts, and a comparison of the number of  
7 out-of-state visitors with the number of in-state visitors; and

8 (ix) if any information or data is not available, an explanation as to  
9 why it is not available.

10 (B) Either the senate commerce committee or the house committee on  
11 commerce, labor and economic development may amend the information  
12 required in the report with additional requests and clarification on a going  
13 forward basis.

14 (3) Cities, counties and developers shall provide all information  
15 requested by the secretary for the secretary's database as provided by  
16 K.S.A. 2024 Supp. 74-50,227, and amendments thereto. If the city or  
17 county has a website, a conspicuous link directly to the information  
18 pertaining to the city or county's STAR bond project on the secretary's  
19 database shall be placed on the city's or county's website. A separate link  
20 shall be provided for each STAR bond project of the city or county.

21 (d) The reports pursuant to subsection (c)(1) and (2) shall include a  
22 description of all state, federal and local tax incentives that apply within  
23 the STAR bond district or to any business located in the district.

24 (e) (1) A city or county may use the proceeds of special obligation  
25 bonds or any uncommitted funds derived from sources set forth in this  
26 section to pay the bond project costs as defined in K.S.A. 12-17,162, and  
27 amendments thereto, to implement the STAR bond project plan.

28 (2) As authorized by the secretary, the Kansas development finance  
29 authority may issue and use the proceeds of special obligation bonds to  
30 pay the bond project costs as defined in K.S.A. 12-17,162, and  
31 amendments thereto, to implement a STAR bond project plan for a project  
32 as defined in K.S.A. 12-17,162(aa)(2), and amendments thereto.

33 (f) With respect to a STAR bond project district established prior to  
34 January 1, 2003, for which, prior to January 1, 2003, the secretary made a  
35 finding as provided in subsection (a) that a STAR bond project would  
36 create a major tourism area for the state, such special obligation bonds  
37 shall be payable both as to principal and interest, from a pledge of all of  
38 the revenue from any transient guest, state and local sales and use taxes  
39 collected from taxpayers as provided in subsection (a) whether or not  
40 revenues from such taxes are received by the city.

41 Sec. ~~6.~~ **{7.}** K.S.A. 12-17,172 is hereby amended to read as follows:  
42 12-17,172. (a) ~~Any city or county which has adopted a STAR bond project~~  
43 ~~plan in accordance with the provisions of this act may purchase or~~

1 otherwise acquire real property in connection with such project plan. Upon  
2 a <sup>2</sup>/<sub>3</sub> vote of the members of the governing body thereof, a city or county  
3 may acquire by condemnation any interest in real property, including a fee  
4 simple title thereto, which it deems necessary for or in connection with any  
5 project plan of an area located within the project district; however, eminent  
6 domain may be used only as authorized by K.S.A. 26-501b, and  
7 amendments thereto.

8 Any such city or county may exercise the power of eminent domain in  
9 the manner provided by K.S.A. 26-501 et seq., and amendments thereto. In  
10 addition to any compensation or damages allowed under the eminent  
11 domain procedure act, such city or county shall also provide for the  
12 payment of relocation assistance as provided in K.S.A. 12-17,173, and  
13 amendments thereto. *No city or county shall exercise eminent domain  
14 power to acquire real property for a STAR bond project.*

15 (b) Any real property *otherwise* acquired by a city or county ~~under~~  
16 ~~the provisions of K.S.A. 26-501 et seq., and amendments thereto,~~ may be  
17 sold, transferred or leased to a developer, in accordance with the STAR  
18 bond project plan and under such other conditions as may be agreed upon.  
19 Any real property acquired pursuant to this section that is sold, transferred  
20 or leased to a project developer for a specific project shall be sold,  
21 transferred or leased to such developer on the condition that such property  
22 shall be used only for that specific approved project. If the developer does  
23 not utilize the entire tract of the real property acquired pursuant to this  
24 section that is sold, transferred or leased in accordance with the STAR  
25 bond project plan, that portion of property not used shall not be sold,  
26 transferred or leased by the developer to another developer party, but shall  
27 be deeded back to the city or county. If the developer paid the city or  
28 county for the land, a percentage of the original purchase price paid to the  
29 city or county ~~which~~ *that* represents the percentage of the entire tract being  
30 deeded back to the city or county shall be reimbursed to the developer  
31 upon the deeding of the property back to the city or county.

32 (c) Any transfer by the project developer of real property acquired  
33 pursuant to this section shall be valid only if approved by a <sup>2</sup>/<sub>3</sub> majority  
34 vote of the members of the governing body of ~~this the~~ city or county  
35 *where such real property is located.*

36 ~~Sec. 7. {8.}~~ K.S.A. 12-17,179 is hereby amended to read as follows:  
37 12-17,179. (a) A city that created a redevelopment district in an eligible  
38 area that was approved for STAR bonds prior to the effective date of this  
39 act for the city of Manhattan Discovery Center on December 28, 2006, and  
40 the Schlitterbahn project in Wyandotte county on December 23, 2005, may  
41 by ordinance elect to have the provisions of this act applicable to such  
42 redevelopment district.

43 (b) ~~Subject to the provisions of section 61(h) of chapter 5 of the 2020~~

1 ~~Session Laws of Kansas,~~ The provisions of ~~this act~~ *K.S.A. 12-17,160 et*  
2 *seq., and amendments thereto*, regarding STAR bond projects shall expire  
3 on and after July 1, ~~2026~~ 2028.  
4     ~~Sec.-8: {9.}~~ K.S.A. 12-17,160, 12-17,166, 12-17,172 and 12-17,179  
5 and K.S.A. 2024 Supp. 12-17,162 and 12-17,169 are hereby repealed.  
6     ~~Sec.-9: {10.}~~ This act shall take effect and be in force from and after  
7 its publication in the statute book.