

February 4, 2021

The Honorable Robert Olsen, Chairperson  
Senate Committee on Commerce  
Statehouse, Room 236A-E  
Topeka, Kansas 66612

Dear Senator Olsen:

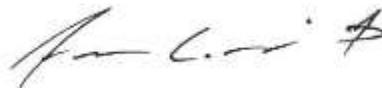
**SUBJECT:** Fiscal Note for SB 90 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 90 is respectfully submitted to your committee.

SB 90 would amend the Kansas Rural Housing Incentive District Act by allowing any city or county, which has established a rural housing incentive district, to use bond funding to renovate buildings or other structures that are located in a central business district as approved by the Secretary of Commerce and are more than 25 years old, primarily for residential use. Certification of the age of the building or other structure would be submitted to the Secretary by the governing body of the city or county. Eligible residential improvements would include only improvements made to the second or higher floors of a building or other structure. Improvements for commercial purposes would not be eligible.

The Department of Commerce states that enactment of SB 90 would not have a fiscal effect to agency operations. The League of Kansas Municipalities indicates enactment of the bill would have a fiscal effect to cities; however, the League does not have enough information to determine what the effect would be. The Kansas Association of Counties states enactment of the bill could result in an increase in valuation, which could help offset property taxes for other properties in a county or pay for necessary infrastructure surrounding the improvement.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Jay Hall, Association of Counties  
Sherry Rentfro, Department of Commerce  
Wendi Stark, League of Municipalities