

# Past, Present, Future Issues In Kansas

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# 2019 Kansas Legislative Session

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**HB2223 Passed and Signed into Law**

**Two provisions:**

- **Requires analyses and reporting of certain economic development incentive programs to be performed by the Legislative Division of Post Audit and Department of Commerce**
- **Extends the maximum maturity on bonds issued to finance projects under the Kansas Rural Housing Incentive District Act**

## HB2223 – Legislative Division of Post Audit

- The bill authorizes the Legislative Post Audit Committee (Committee) to conduct a systematic and comprehensive review, analysis, and evaluation of each “economic development incentive program,” as that term is defined by the bill, every three years.
- Description of the economic development incentive program, including its history and goals;
- A literature review of the effectiveness of the incentive program, including an inventory of similar programs in other states;
- An estimate of the economic and fiscal impact of the incentive program, based on a variety of issues outlined in the bill.
- Confidential information must be redacted from any audit report.

## HB2223 – Department of Commerce

- Department must establish a database for the purpose of disclosing information on economic development incentive programs.
- Department must provide data on certain programs providing more than \$50,000 in annual incentives and make the information available to the public in a digital format.
- Taxpayer confidentiality provisions are modified to allow the Secretary of Revenue to disclose certain income and privilege tax credit information to the Department, except that certain social and domestic tax credits are excluded from the provisions of the bill, including adoption credits, earned income tax credits, food sales tax credits, child and dependent care tax credits, and homestead property tax refund credits.
- Starting in the 2020 Session, the Secretary of Commerce is required to make annual oral presentations to the Legislative Post Audit Committee; the House Committee on Commerce, Labor and Economic Development; and the Senate Committee on Commerce regarding incentive programs and their economic impact.

# 2019 Post Audit

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- **Kansas Department of Commerce: Evaluating the Department's Administration of the Job Creation Program Fund**
- <https://www.kslpa.org/audit-report-library/kansas-department-of-commerce-evaluating-the-departments-administration-of-the-job-creation-program-fund/>
- **Economic Development Initiatives Fund: Evaluating the State's Accountability Over the Use of EDIF Funding**
- <https://www.kslpa.org/audit-report-library/economic-development-initiatives-fund-evaluating-the-states-accountability-over-the-use-of-edif-funding/>

# 2020 Legislative Session

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- Reauthorization of the STAR Bonds program
- Reauthorization of the Rural Opportunity Zone program
- Reauthorization of Angel Investor Tax Credits
- Review of broadband access
- Overview of “border war”
- Interest in Workforce Development Issues
- Comprehensive Economic Development Strategy for Kansas



# Thank You!

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