

HCS HB 908 -- ECONOMIC DEVELOPMENT INCENTIVES IN THE KANSAS CITY METROPOLITAN AREA

SPONSOR: Nolte (Berry)

COMMITTEE ACTION: Voted "do pass" by the Committee on International Trade and Job Creation by a vote of 15 to 0.

This substitute prohibits the issuance of a tax credit under certain economic incentive programs for an otherwise qualifying job if the job relocates to the State of Missouri from the State of Kansas and from within 30 miles of the Missouri border if Kansas prohibits any tax credit for jobs or economic incentives for job creation or an incentive for any job that moves from Missouri to Kansas and the new location is within 30 miles of the Missouri border.

If, within two years of the substitute's effective date, Kansas has not enacted substantially similar legislation, for every \$1 spent by Kansas for promoting economic development in the Kansas counties that are part of the Kansas City metropolitan area, Missouri must spend \$1.50 for promoting economic development in the Missouri counties that are part of the Kansas City metropolitan area. "Kansas City metropolitan area" means the multi-county metropolitan area straddling the border between Missouri and Kansas consisting of the Missouri counties of Cass, Clay, Jackson, and Platte and the Kansas counties of Johnson, Leavenworth, and Wyandotte.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of More than \$100,000 in FY 2012, FY 2013, and FY 2014. No impact on Other State Funds in FY 2012, FY 2013, and FY 2014.

PROPOSERS: Supporters say that something needs to be done to stop a business from moving its location back and forth over the state line in order to receive ever-increasing economic incentives. The greater Kansas City metropolitan area cannot compete against the State of Kansas without help from the State of Missouri, and this legislation will provide that assistance.

Testifying for the bill was Representative Berry.

OPPOSERS: There was no opposition voiced to the committee.