

Approved: March 23, 1999  
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT .

The meeting was called to order by Chairperson Bill Mason at 3:30 p.m. on March 16, 1999 in Room 522-S of the Capitol.

All members were present except: Representative Henderson  
Representative Weiland

Committee staff present: April Holman, Legislative Research Department  
Lynne Holt, Legislative Research Department  
Renae Jefferies, Office of Revisor of Statutes  
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Others attending: See Attached

Chairman Mason reminded the committee of the Governor's request for an audience for the Governor's Military Affairs Coordinating Council. The briefing is scheduled for March 25<sup>th</sup>, noon, or as soon as the house is adjourned, in room 423-S.

**HCR 5030: A resolution requesting a study on the function of housing as an economic development activity.**

Chairman Mason suggested that Representative Aday's resolution regarding a study on housing be placed on the agenda of the Joint Economic Development committee, during the interim session. It would not be necessary to move the resolution through the House and the Senate in order for the LCC to assign the topic to that committee. Representative Aday stated that he concurred with Chairman Mason's suggestion. The consensus of the committee was that the topic would be placed on the interim committee agenda.

**SB 179: An act concerning the high performance incentive program.**

Representative Gatewood moved that SB 179 be passed out favorably and placed on the consent calendar. Representative Aday seconded. Discussion followed regarding the time frame of the consent calendar verses carrying the bill and the implementation date. The motion carried.

**SB 76: An act that would expand the Tax Increment Financing (TIF) laws to include financing for buildings designated as historic theaters.**

Representative Kuether distributed copies of amendments for the bill (Attachment 1). The amendments follow: 1) Line 17 strikes out the phrase *constructed prior to 1940* replacing it with the phrase *more than 50 years old*. 2) Line 19, strikes the word *and* replacing it with the word *or*. 3) Line 20, 21 strikes out *eligible to be enrolled on the state historical register* and replaces it with *designated as eligible to be on the Kansas register of historic places and is a member of the Kansas historic theatre association*. 4) line 41, reinserts the word *and* 5) line 42, strikes out *and his-* 6) line 43 strikes out, *toric theaters as defined in section 1*. After explaining the amendments she added that the intent was to simplify the bill and the changes were basically technical clean-up.

Discussion followed regarding the changeable date on line 17, the definition of KS Historical Theatre Association and the intent of making the bill as flexible as possible.

Representative Kuether withdrew the entire first balloon Line 17 She moved that Line 21 strike the word *and* replacing it with *or*. That amendment would read: *designated as eligible to be on the Kansas register of historic places or is a member of the Kansas historic theatre association*. Representative Osborne seconded, The motion carried.

Representative Kuether moved that line 19 strike the word *and* replacing it with the word *or*, Representative Sharp seconded and the motion carried.

Representative Kuether moved that line 41 reinsert the word *and* and strike the phrase *and historic theaters as defined in section 1*. Representative Osborne seconded. The motion carried.

Representative Vickrey questioned the issue of eminent domain. Discussion followed.

Representative Sharp moved that SB 76 be passed out favorably as amended. Representative Campbell seconded. The motion carried.

The Chairman asked if there was further business, reminded them of the March 25 meeting and thanked them for their good work. He adjourned the meeting at 4:15 p.m. .



SENATE BILL No. 76

By Committee on Commerce

1-20

10 AN ACT concerning the preservation of historic theaters; amending  
11 K.S.A. 1998 Supp. 12-1770, 12-1771 and 12-1774 and repealing the  
12 existing sections.

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 New Section 1. ~~As used in this act~~ **For purposes of K.S.A. 12-1770**  
16 **et seq. and amendments thereto:**

17 (a) "Historic theater" means a building constructed prior to 1940  
18 which was constructed for the purpose of staging entertainment, includ-  
19 ing motion pictures, vaudeville shows ~~and~~ operas, that is owned and op-  
20 erated by a nonprofit corporation and ~~has been~~ **is eligible to be** enrolled  
21 on the state historical register;

or

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

28 New Sec. 2. The governing body of any municipality may designate  
29 a building within such municipality to be a historic theater if the governing  
30 body of the municipality and the secretary of commerce and housing  
31 agree that the building satisfies the requirements of subsection (a) of  
32 section 1 and will contribute significantly to the economic development  
33 of the city and surrounding area.

34 Sec. 3. K.S.A. 1998 Supp. 12-1770 is hereby amended to read as  
35 follows: 12-1770. It is hereby declared to be the purpose of this act to  
36 promote, stimulate and develop the general and economic welfare of the  
37 state of Kansas and its communities and to assist in the development and  
38 redevelopment of blighted areas and deteriorating areas which are not  
39 yet blighted, but may be so in the future located within cities, environ-  
40 mentally contaminated areas located within and without cities, enterprise  
41 zones located within cities ~~and~~ major tourism areas as defined in sub-

and

2 section (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, ~~and his-~~  
43 ~~toric theaters as defined in section 1,~~ thus promoting the general welfare

Economic Development  
MARCH 16, 1999  
Attachment 1

SENATE BILL No. 76

By Committee on Commerce

1-20

1-2

10 AN ACT concerning the preservation of historic theaters; amending  
11 K.S.A. 1998 Supp. 12-1770, 12-1771 and 12-1774 and repealing the  
12 existing sections.

13 *Be it enacted by the Legislature of the State of Kansas:*

14 New Section 1. *As used in this act For purposes of K.S.A. 12-1770*  
15 *et seq. and amendments thereto:*

16 (a) "Historic theater" means a building [constructed prior to 1940]  
17 which was constructed for the purpose of staging entertainment, includ-  
18 ing motion pictures, vaudeville shows and operas, that is owned and op-  
19 erated by a nonprofit corporation and has been is [eligible to be enrolled  
20 on the state historical register];

more than 50 years old

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

designated as eligible to be on the Kansas register of historic places and is a member of the Kansas historic theatre association

27 New Sec. 2. The governing body of any municipality may designate  
28 a building within such municipality to be a historic theater if the governing  
29 body of the municipality and the secretary of commerce and housing  
30 agree that the building satisfies the requirements of subsection (a) of  
31 section 1 and will contribute significantly to the economic development  
32 of the city and surrounding area.

33 Sec. 3. K.S.A. 1998 Supp. 12-1770 is hereby amended to read as  
34 follows: 12-1770. It is hereby declared to be the purpose of this act to  
35 promote, stimulate and develop the general and economic welfare of the  
36 state of Kansas and its communities and to assist in the development and  
37 redevelopment of blighted areas and deteriorating areas which are not  
38 yet blighted, but may be so in the future located within cities, environ-  
39 mentally contaminated areas located within and without cities, enterprise  
40 zones located within cities and, major tourism areas as defined in sub-  
41 section (a)(1)(D) of K.S.A. 12-1774, and amendments thereto, and his-  
42 toric theaters as defined in section 1, thus promoting the general welfare  
43