

SESSION OF 2002

SUPPLEMENTAL NOTE ON SENATE BILL NO. 581

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 581 would provide an income tax credit to businesses that enter into an agreement with a school district in an underserved area to employ district science or math teachers during the months when school is not in session. Under the bill, a business contracting with a school district in a rural community or an underperforming urban area would receive a credit of 30 percent of the salary paid to teachers under the partnership agreement. Businesses contracting with other qualified school districts would receive a credit of 25 percent of the salary paid to teachers under the partnership agreement.

The income tax credit available to participating businesses could not exceed the amount of tax due.

Background

The Senate Committee held a hearing on SB 581, at which time Senator Nick Jordan and representatives of the Kansas Chamber of Commerce and Industry, the Kansas Association of School Boards, and the Kansas National Education Association testified on the bill.

The Senate Committee amended the bill by removing language which would have required that a business agree to employ a teacher for at least five school years and the teacher agree to continue employment as a teacher in the school district for at least five years.

The Division of the Budget reports that passage of SB 581, as introduced, would result in a reduction in State General Fund revenues

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/cgi-bin/fulltext/bills.cgi>

of \$486,750 and increased administrative expenditures of \$26,795 in FY 2003.