

## 2023 Kansas Statutes

**74-50,315. Reimbursement of payroll costs to qualified firms; eligibility; amount; additional amount if approved by state finance council; agreement; requirements and conditions; submission of claim; certification of eligibility by secretary of commerce; breach of agreement, repayment.** (a) On and after July 1, 2022, a qualified firm that meets the requirements of K.S.A. 2023 Supp. 74-50,312, and amendments thereto, and this section may be eligible for partial reimbursement of total payroll costs paid to qualified business facility employees during a taxable year, as approved by the secretary of commerce.

(b) As determined by the secretary a qualified firm shall be eligible for such reimbursement commencing on the date the qualified firm:

- (1) Enters into an agreement with the secretary as provided in K.S.A. 2023 Supp. 74-50,312, and amendments thereto;
- (2) commences construction of the qualified business facility; or
- (3) commences commercial operations at the qualified business facility.

(c) The amount of the reimbursement each year shall be up to 7.5%, as allowed by the secretary, of the total payroll costs for that year, as determined by the secretary. The secretary may grant such reimbursement for up to 10 successive years. In determining the percentage and number of successive years, the secretary shall, at a minimum, consider the factors set forth in K.S.A. 2023 Supp. 74-50,313(b) and (d), and amendments thereto, as applicable. The secretary may grant an additional increase in reimbursement of such costs up to a maximum total benefit of 10% of the eligible total payroll costs for a year for up to 10 successive years, if such percentage increase and number of years is approved by the state finance council as provided in subsection (d).

(d) The maximum reimbursement pursuant to this section that may be awarded in the secretary's discretion shall be 7.5% for 10 successive years. Prior to finalization of an agreement pursuant to K.S.A. 2023 Supp. 74-50,312, and amendments thereto, the secretary may seek approval by the state finance council of an increased benefit percentage up to 10% for up to 10 successive years, pursuant to the provisions of K.S.A. 2023 Supp. 74-50,312(e), and amendments thereto. Such approval shall require the affirmative vote of the governor and the majority of the legislative members of the state finance council. This matter is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c, and amendments thereto, except that the state finance council is expressly granted the authority to act on this matter at any time, including when the legislature is in session. Upon such approval, the secretary may incorporate terms providing for the additional benefit as approved by the state finance council into an agreement.

(e) To be eligible for the reimbursement, the qualified firm shall submit an application to the secretary in the form and manner required by the secretary and provide all information requested by the secretary. If approved by the secretary, the qualified firm shall enter into an agreement with the secretary with such terms and conditions as required by the secretary and this section.

(f) No claim for a reimbursement shall be paid unless the:

- (1) Qualified firm has met all requirements of K.S.A. 2023 Supp. 74-50,312, and amendments thereto, including entering into an agreement with the secretary of commerce that includes a commitment to make a qualified investment in the qualified business facility of at least \$1,000,000,000 within a period of five years;
- (2) secretary of commerce has certified, for each year for which a reimbursement is claimed, that the qualified firm meets all requirements of this act, rules and regulations of the secretary, if any, and the agreement entered into pursuant to K.S.A. 2023 Supp. 74-50,312, and amendments thereto, and this section; and
- (3) qualified firm has filed a claim with the secretary of commerce in the form and manner required by the secretary and including evidence as required by the secretary showing the amount of total payroll costs for the year the reimbursement is claimed.

(g) Subject to appropriations therefor, the allowable amount of such claim as determined by the secretary shall be paid to the qualified firm from the attracting powerful economic expansion payroll incentive fund, established by K.S.A. 2023 Supp. 74-50,316, and amendments thereto, upon warrants of the director of accounts and

reports pursuant to vouchers approved by the secretary or by any person designated by the secretary. No interest shall be allowed on any payment made to a qualified firm pursuant to this section.

(h) If the qualified firm breaches the terms and conditions of the agreement pursuant to K.S.A. 2023 Supp. 74-50,312, and amendments thereto, the reimbursements of total payroll costs pursuant to this section shall be repaid to the state as provided by K.S.A. 2023 Supp. 74-50,312, and amendments thereto.

**History:** L. 2022, ch. 3, § 5; February 10.