

February 24, 2011

The Honorable Richard Carlson, Chairperson  
House Committee on Taxation  
Statehouse, Room 274-W  
Topeka, Kansas 66612

Dear Representative Carlson:

**SUBJECT:** Fiscal Note for HB 2226 by House Committee on Financial Institutions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2226 is respectfully submitted to your committee.

HB 2226 would allow a city to determine if the costs of making certain infrastructure improvements that occur outside of a redevelopment district, but contiguous to any portion of the district, should be included in the project costs of a redevelopment. The bill excludes from "redevelopment project costs" the costs incurred in connection with the construction of buildings or other structures to be owned or leased to a developer which includes an auto race track facility or multilevel parking facility. A city or county would also be allowed to use a portion of its transient guest and local sales and use taxes to be pledged toward a special obligation bond payment. The bill would take effect upon its publication in the *Kansas Register*.

HB 2226 would have no fiscal effect on state revenues or expenditures. The League of Kansas Municipalities indicates that the bill would allow local governments to determine if certain costs should be included in a redevelopment project.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Steve Neske, Revenue  
Larry Baer, League of Municipalities