

SESSION OF 2019

SUPPLEMENTAL NOTE ON SENATE BILL NO. 135

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 135 would expand the list of eligible counties for participation in the Rural Opportunity Zone (ROZ) Program to include Atchison County, Cowley County, Crawford County, Dickinson County, Ford County, Franklin County, Miami County, and Pottawatomie County.

Background

The bill was introduced by Senators Hilderbrand, Alley, Hardy, Olson, Petersen, and Pyle. At the Senate Committee on Assessment and Taxation hearing, Senators Hilderbrand and Wilborn and a representative of the Crawford County Board of Commissioners testified in support of the bill. Written-only proponent testimony was provided by the Kansas Association of Counties, Kansas Hospital Association, Pittsburg Chamber of Commerce, and Pittsburg State University. No neutral or opponent testimony was provided.

On February 2, the Senate Committee amended the bill to include Ford County and Miami County as eligible counties.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue estimates enactment of the bill would be expected to reduce fiscal year 2020 State General Fund receipts by

*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>

\$472,000 and may require approximately \$63,000 from the State General Fund for the state obligations of the student loan repayment portion of the ROZ Program. Additionally, the Department of Commerce indicates it is at maximum work capacity for reviewing applications for the ROZ Program and indicates it would require an additional 1.0 FTE position for the additional applications. A revised fiscal note for the amended bill was not immediately available. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2020 Governor's Budget Report*.