

February 5, 2021

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 151D-S
Topeka, Kansas 66612

Dear Representative Tarwater:

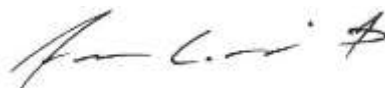
SUBJECT: Fiscal Note for HB 2170 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2170 is respectfully submitted to your committee.

HB 2170 would amend the Kansas Rural Housing Incentive District Act by allowing any city or county, which has established a rural housing incentive district, to use bond funding to renovate buildings or other structures that are located in a central business district as approved by the Secretary of Commerce and are more than 25 years old, primarily for residential use. Certification of the age of the building or other structure would be submitted to the Secretary by the governing body of the city or county. Eligible residential improvements would include only improvements made to the second or higher floors of a building or other structure. Improvements for commercial purposes would not be eligible.

The Department of Commerce states that enactment of HB 2170 would not have a fiscal effect to agency operations. The League of Kansas Municipalities indicates enactment of the bill would have a fiscal effect to cities; however, the League does not have enough information to determine what the effect would be. The Kansas Association of Counties states enactment of the bill could result in an increase in valuation, which could help offset property taxes for other properties in a county or pay for necessary infrastructure surrounding the improvement.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Wendi Stark, League of Municipalities
Sherry Rentfro, Department of Commerce
Jay Hall, Association of Counties