

SESSION OF 2024

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2483**

As Amended by the House Committee on  
Commerce, Labor and Economic Development

**Brief\***

HB 2483, as amended, would eliminate the requirement for the Legislative Division of Post Audit (LPA) to conduct recurring audits of the implementation of the 911 system, Kansas Public Employees Retirement System (KPERs) audits, and the following economic development incentive audits:

- Economic development incentive programs administered by the Secretary of Commerce;
- Any tax credit program, except for social and domestic tax credits;
- Property that has been exempted from ad valorem taxation;
- Property that has been purchased, acquired, constructed, reconstructed, improved, equipped, furnished, repaired, enlarged, or remodeled with all or any part of the proceeds of revenue bonds issued and that is exempt from ad valorem taxation; and
- Any economic development fund, the Job Creation Fund, and Economic Development Initiatives Fund, as selected by the LPA.

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\*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>

The bill also would provide for the House Committee on Commerce, Labor and Economic Development or the Senate Committee on Commerce to recommend for review any new economic development incentive program that provides more than \$50,000 of annual incentives for review two years after the program commences.

## **Background**

The bill was introduced by the Legislative Post Audit Committee.

### ***House Committee on Commerce, Labor and Economic Development***

In the House Committee hearing, neutral testimony was provided by a representative of LPA, who generally stated any future audit requests could be made as an *ad-hoc* request.

No other testimony was provided.

The House Committee amended the bill to require one-time audits by LPA of new economic development incentive programs two years after implementation, and no later than three years, for those programs that:

- Provide more than \$50,000 of annual incentives from administering agencies;
- Have not been previously audited; and
- Have been recommended for review by either the House Committee on Commerce, Labor and Economic Development or the Senate Committee on Commerce.

Additionally, the House Committee amended the bill to remove the legislative requirement to review the Kansas 911 Act at the regular legislative session every five years.

### **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the LPA indicates enactment of the bill would reduce expenditures from the local 911 Operations Fund that pays for the 911 audit by approximately \$80,000 every five years.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2025 Governor's Budget Report*.

Legislative Post Audit; statutory audits; 911 implementation; KPERS; economic development