

Kansas passes business-friendly legislation

New laws designed to decrease cost of doing business

Kansas lawmakers have again enacted new economic development legislation to help reduce a company's bottom-line cost of doing business in the state. The following are highlights of the recently completed 2009 Legislative Session:

Promoting Employment Across Kansas (PEAK) Act

Senate Bill 97 offers qualified companies that are relocating operations to Kansas the ability to retain 95 percent of their payroll withholding for a period of 5-7 years. Companies need to create at least 10 new jobs within two years in metropolitan areas or five new jobs within two years in all other counties of the state. High-impact projects that create 100 new jobs within five years can retain 95 percent of payroll withholding for 7-10 years. The number of years that withholding can be retained depends on the amount by which the annual average wage of the employees at the new Kansas worksite exceeds the county average wage.

Wind and Solar Energy Bond Financing Program

Senate Bill 108 will allow the State to issue up to \$5 million in bond financing for eligible wind and solar energy manufacturers locating in Kansas. The bonds are paid off from the payroll withholding of the new jobs. To qualify, a project must create at least 200 new jobs within five years, pay at least a \$32,500 average salary and generate a minimum capital investment of \$30 million.

Investments in Major Projects and Comprehensive Training

Senate Bill 120 offers the state increased flexibility with workforce training funding, as qualified projects can now utilize a component of this program to assist in paying up to six months of trainees' wages during training.

For details on this new legislation and how it can impact your next site location decision, contact Barb Hake at (913) 345-8347 or bhake@kansascommerce.com.