

HCS SS SCS SB 825 -- KANSAS AND MISSOURI REGIONAL INVESTMENT  
DISTRICT COMPACT

SPONSOR: Koster (Pearce)

COMMITTEE ACTION: Voted "do pass" by the Committee on Job  
Creation and Economic Development by a vote of 18 to 0.

This substitute establishes the Regional Investment District Compact between the states of Missouri and Kansas to provide regional programs and initiatives that will produce significant benefits to the Kansas City metropolitan area by efficiently using resources regarding public transportation.

The legislatures of Kansas and Missouri must both enter into the compact. The compact will include the counties of Buchanan, Clay, Platte, Jackson, Cass, and Ray in Missouri and the counties of Wyandotte, Johnson, and Leavenworth in Kansas. Other cities, counties, and political subdivisions can join the compact.

The substitute:

- (1) Specifies the membership, duties, and powers of the commission which will govern the regional investment district and the oversight committee;
- (2) Specifies the purposes for which tax revenue may be spent;
- (3) Specifies the requirements of the program plan, which describes the regional program and authorizes the appropriation of revenue received from the sales tax authorized by the compact;
- (4) Authorizes the governing body of each participating county to levy a sales tax, upon voter approval, of up to 0.5%. The sales tax cannot be in effect for more than 15 years unless it is reviewed by the qualified electors of the county prior to its expiration. However, before this sales tax can be levied in any county, it must first receive voter approval in Jackson County, Missouri, and Johnson and Wyandotte counties in Kansas;
- (5) Specifies the form which the ballot questions must take;
- (6) Requires the commission to submit an annual report on its operations and transactions during the preceding year to the legislatures and governors of Missouri and Kansas and the governing bodies of all jurisdictions that participate in the compact. The report must be submitted by March 15 and must include an audit performed by a certified or licensed public accountant;

(7) Prohibits the commission and the committee from incurring debt of any kind or from pledging the credit of the Mid-America Regional Council, the State of Missouri, the State of Kansas, or any other jurisdiction that is a party to the council's articles of agreement;

(8) Establishes the Regional Investment Fund in the State Treasury. All sales tax revenue collected by participating counties will be collected by the Department of Revenue and deposited into the fund;

(9) Prohibits revenue from the sales tax from being allocated to any tax increment financing projects; and

(10) Allows Missouri counties to participate in the compact if, by July 1, 2007, Kansas has not authorized its counties to participate.

FISCAL NOTE: Estimated Income on General Revenue Fund of \$0 or Unknown in FY 2007, FY 2008, and FY 2009. No impact on Other State Funds in FY 2007, FY 2008, and FY 2009.

PROPONENTS: Supporters say that the bill is critical for improving public transportation needs in the Kansas City metropolitan area. It simply draws the boundaries for the bi-state transportation district. There is already broad public support for this compact. Improved public transportation is necessary so that citizens can have access to job opportunities. Good public transportation is economical and efficient because it ensures the smooth movement of people and goods while saving fuel and money.

Testifying for the bill were Senator Koster; City of Kansas City; Greater Kansas City Chamber of Commerce; Department of Transportation; Missouri Public Transit Association; Jackson County; Cass County; Mid-America Regional Council; Kansas City Regional Transit Alliance; and Kansas City Area Transportation Authority.

OPPONENTS: There was no opposition voiced to the committee.

Alice Hurley, Legislative Analyst