

Kansas Department of Commerce
Secretary Antonio Soave – Testimony regarding SB 474
Prepared for the House Committee on Taxation
Room 582-N, The Statehouse
March 24, 2016

To: The Honorable Marvin Kleeb, Chair
From: Antonio J. Soave, Secretary of Commerce
Subject: SB 474

Mr. Chairman, Members of the Committee: I rise today to discuss SB 474, which authorizes the state finance council to approve the sale of the Kansas Bioscience Authority and its assets as a designee of the Kansas Legislature.

SB 474 was amended in the Senate Committee of the Whole to incorporate important STAR Bonds reforms based on the “Ten Points for STAR Bonds Reform Memorandum” that was submitted as testimony in yesterday’s House Committee on Taxation hearing on HB 2738. As you are aware, we in the Kansas Department of Commerce believe that STAR Bonds, along with our other primary and principal incentives, represent important economic development tools for our state. As a result, we support the expansion of STAR Bonds, albeit with certain guidelines in place that are intended for the betterment of the program.

I applaud Chairman Kleeb, Vice-Chairman Suellentrop and Members of the Committee for their diligent work on STAR Bonds reform. Multiple meetings over many months have taken place in an effort to receive input and feedback from stakeholders, developers and local government.

For clarity, the “Ten Points for STAR Bonds Reform Memorandum” was intended to serve as a basic guide to enact reform legislation. The Ten Points are intended to be recommendations from a business perspective to the Legislature on reforming STAR Bonds.

I am certainly willing to work with Members of the Committee on Taxation, the entire Legislature and other stakeholders to negotiate the best possible STAR Bonds Reform legislation possible. This will ensure that STAR Bonds remain an important economic development tool for our cities, our counties and our state.

Sincerely,



Antonio J. Soave
Secretary of Commerce