

HB 1378 -- Tax Increment Financing

Sponsor: Portwood

This bill changes the laws regarding tax increment financing (TIF). In its main provisions, the bill:

- (1) Prohibits the revenue from an increase in any tax within a TIF district from being used for anything other than the specified purposes of the tax increase;
- (2) Requires that conditions and contingencies of commitments to finance redevelopment project costs be included in the required general description of a redevelopment plan;
- (3) Requires redevelopment plans adopted by municipal and county governments to be re-adopted by two-thirds of all members of the governing body if a petition is submitted according to procedures specified in the bill;
- (4) Requires that real property tax levies attributable to the residential portion of a TIF development pass through directly to the school district, unless a commission member representing the school district recommends against this or if the residential portion of the development is part of a central business district; and
- (5) Requires that when TIF is used for projects in the cities of Kansas City and St. Louis, those receiving the financing must make all good faith efforts to use minority or women business enterprises to help complete the project.