

HOUSE BILL No. 2623

By Committee on Financial Institutions and Rural Development

2-8

establishing

1 AN ACT concerning rural development; relating to employment in rural
2 areas; ~~enacting~~ the rural remote worker incentive ~~act~~, ~~establishing~~
3 administrative responsibilities, powers, duties and rules and regulations
4 authority with the secretary of commerce; providing definitions,
5 requirements, procedures and incentives; creating the rural remote
6 worker incentive fund in the state treasury;

pilot program

; requiring certain reports to legislative committees

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. (a) The provisions of sections 1 through 5, and
10 amendments thereto, shall be known and may be cited as the rural remote
11 worker incentive act.

pilot program

12 Sec. 2. As used in this act:

13 (a) "~~Act~~" means the rural remote worker incentive act.

14 (b) "Business location" means the physical address where a business
15 conducts business operations including headquarters, branch and satellite
16 facilities.

17 (c) "County median wage" means the median wage paid to employees
18 located in the county where the business intends to establish remote jobs
19 as reported by the department of labor in such department's annual report
20 for the previous year.

21 (d) "Expanding business" means the expansion of an existing
22 business facility, division, office, department or other operation located in
23 the state of Kansas and locating in Kansas remote jobs directly related to
24 such business facility, division, office, department or other operation.

25 (e) "New business" means a facility, plant, division, office,
26 department or other business operations of an entity that was not doing
27 business in Kansas prior to the submission of an application for incentives
28 under this act.

29 (f) "Remote job" means a full-time permanent remote or mobile
30 employee of an expanding or new business who works from such
31 employee's residence or other space in a rural area for 30 or more hours
32 per week. "Remote job" does not mean a part-time, temporary or seasonal
33 employee.

34 (g) "Rural area" means a:

35 (1) City with a population of 60,000 or less located in a county with a
36 population of 80,000 or less; or

Proposed amendments to HB 2623
House Financial Institutions and Rural Development
Committee
February 21, 2022

Rural remote worker incentive pilot program, sunset date of
7-1-2027 and reporting requirements of the Department of
Commerce

Prepared by Office of Revisor of Statutes

sections 1 through 7, and amendments thereto

(e) "Program" means the rural remote worker
incentive pilot program.

Redesignate subsections accordingly

1 (2) county with a population of 40,000 or less.

2 (h) "Secretary" means the secretary of commerce.

3 Sec. 3. (a) An expanding or new business that creates a minimum of
4 five net new remote jobs in rural areas may apply to the secretary for the
5 incentives under ~~this act~~. All remote jobs shall be at least 30 miles from the
6 business location of such expanding or new business. To qualify for
7 incentives under ~~this act~~, the minimum wage for a remote job shall be
8 equal to or greater than the county median wage where the remote job is
9 located. The application for such incentives shall be submitted on a form
10 and in a manner prescribed by the secretary and shall include a copy of the
11 quarterly wage and unemployment tax return form of such business that is
12 submitted to the department of labor or other evidence required by the
13 secretary through rules and regulations.

14 (b) Subject to appropriations and upon approval by the secretary, the
15 expanding or new business shall receive a cash incentive payment of
16 \$4,000 per net new rural remote job created. Such cash incentive payments
17 shall be made from the rural remote worker incentive fund created in
18 section 4, and amendments thereto. The total amount of cash incentive
19 payments from the rural remote worker incentive fund shall not exceed
20 \$600,000.

21 (c) The secretary shall adopt rules and regulations necessary to
22 implement and administer the provisions of ~~this act~~.

23 Sec. 4. (a) There is hereby created in the state treasury the rural
24 remote worker incentive fund, which shall be administered by the
25 secretary or the secretary's designee. All expenditures from the fund shall
26 be for the purpose of providing the cash incentive payments in accordance
27 with section 3, and amendments thereto.

28 (b) All expenditures from the rural remote worker incentive fund
29 shall be made in accordance with appropriation acts upon warrants of the
30 director of accounts and reports issued pursuant to vouchers approved by
31 the secretary or the secretary's designee.

32 ~~Sec. 5. Incentives awarded to a business under this act may be in~~
33 ~~addition to any other economic development incentive program~~
34 ~~administered wholly or in part by the secretary, including, but not limited~~
35 ~~to, the Kansas industrial training and retraining programs, K.S.A. 74-5065~~
36 ~~et seq., and amendments thereto, the high performance incentive program,~~
37 ~~K.S.A. 74-50,131 et seq., and amendments thereto, the promoting~~
38 ~~employment across Kansas act, K.S.A. 74-50,210 et seq., and amendments~~
39 ~~thereto, and the job creation program fund, K.S.A. 74-50,224 et seq., and~~
40 ~~amendments thereto.~~

41 ~~Sec. 6. This act shall take effect and be in force from and after its~~
42 ~~publication in the statute book.~~

the program

(c) On June 30, 2027, the director of accounts and reports shall transfer all moneys in the rural remote worker incentive fund to the state general fund. On June 30, 2027, all liabilities of the rural remote worker incentive fund are hereby transferred to and imposed on the state general fund, and the rural remote worker incentive fund is hereby abolished.

the program

Sec. 6. (a) During the 2024 regular session of the legislature, the department of commerce shall present a report on the progress of the program to the house of representatives committee on financial institutions and rural development and the senate committee on commerce, or the successors of such committees.

Sec. 7. The provisions of sections 1 through 7, and amendments thereto, shall expire on July 1, 2027.