

# AGREEMENT BETWEEN THE STATE OF KANSAS AND THE STATE OF MISSOURI FOR PROMOTING ECONOMIC DEVELOPMENT IN THE KANSAS CITY REGION

This Agreement, dated \_\_\_\_\_, 2019, between Laura Kelly, Governor of the State of Kansas, and Michael L. Parson, Governor of the State of Missouri (collectively “the Governors”), provides a framework for greater cooperation between the State of Kansas and the State of Missouri (collectively “the States”) to promote the long-term economic growth of the Kansas City Region.

**WHEREAS**, the Kansas City Region is among the nation’s largest metropolitan areas divided by a state line; and

**WHEREAS**, the taxpayers of both States would benefit from greater cooperation between the States and their respective local communities to promote economic growth for the Kansas City Region as a whole; and

**WHEREAS**, the States agree that reaching a true resolution of these issues involves an understanding and cooperation with the local governments in the Kansas City Region.

**NOW THEREFORE**, in consideration of the foregoing, the Governors hereby agree as follows:

## 1. Definitions:

- a. “Kansas City Region”, the Missouri counties of Jackson, Clay, Platte, and Cass; and the Kansas counties of Johnson, Wyandotte, and Miami;
- b. “Eligible company”, a private sector for-profit business that is eligible for either the Missouri Works program (§§ 620.2000–.2020 RSMo) or the Promoting Employment Across Kansas (PEAK) program (K.S.A. §§ 74-50,210–50,219). An eligible company shall include the headquarters or administrative offices of certain non-eligible companies, including non-profit organizations. An eligible company shall not include retail business, hotels, local services, and related businesses;
- c. “Net new jobs”, the number of jobs for employees, as defined in each applicable incentive program, above the base employment of an eligible company, provided that the base employment shall only include the jobs that exist in the Kansas City Region of the state from which the company is relocating;
- d. “Relocating company”, an eligible company that is considering relocating from a community in the Kansas City Region to another community in the other state within the Kansas City Region.

## 2. Limitation of State Incentives for Relocating

**Companies:** The Governors agree to limit state incentives for relocating companies as follows:

- a. State incentive programs shall be limited to the net new jobs created by relocating companies. To the extent permitted by law, the Governors agree to share information to assist one another with determining the number of net new jobs for relocating companies.
- b. State of Missouri incentive programs covered by this Agreement shall include the programs referenced in § 135.1670 RSMo, including Missouri Works, Business Use Incentives for Large-scale Development (BUILD) (§§ 100.700–.850 RSMo), and the new or expanded business facility tax credit (§§ 135.100–.155 RSMo), and the following discretionary programs: training funds under §§ 620.800–.809 RSMo, state or a state agency loan funding including use of the business extension service team fund (§ 620.1023 RSMo), and any other state-administered discretionary business incentive programs.
- c. State of Kansas incentive programs covered by this Agreement shall include PEAK, Kansas Industrial Training and Retraining (K.S.A. §§ 74-5065–5068), Job Creation Fund (K.S.A. §§ 74-50,224), state or a state agency loan funding, and any other state-administered discretionary business incentive programs.
- d. The limitations on the use of state incentives indicated herein shall be effective upon the later of Missouri enacting and implementing Missouri Senate Bill No. 182 (2019), and execution of this Agreement, and this Agreement shall expire in accordance with Senate Bill No. 182. This Agreement shall apply to any and all relocating companies that have not been issued a state incentive proposal as of the date of the Agreement by the Governors. The limitations on the use of state incentives indicated herein shall not apply to relocating companies that have been issued a state incentive proposal prior to the date of this Agreement.
- e. Each State reserves the right to rescind this Agreement in writing in the event either determines that the other is not limiting state incentives, is not sharing information as necessary to determine compliance as promised in this Agreement, or the objectives of cooperation and equalization of incentives being offered to relocating companies are not met.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**STATE OF KANSAS**

**STATE OF MISSOURI**

---

Laura Kelly, Governor

---

Michael L. Parson, Governor