

STATE OF KANSAS

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GOVERNOR LAURA KELLY

EXECUTIVE ORDER NO. 19-09

Promoting cooperation in economic development

WHEREAS, the Kansas City Region is of vital importance to the economic well-being and prosperity of the State of Kansas; and

WHEREAS, movement of existing businesses and jobs across the state line does not result in tangible economic growth within the Region; and

WHEREAS, Kansas and its citizens will benefit from real economic growth through new job creation and capital investment within the Region; and

WHEREAS, Kansas and Missouri should use their limited resources on efforts to grow the region and cease providing incentives to businesses that move across the border merely to access economic development incentives; and

WHEREAS, the states have long considered and discussed opportunities to help end the "Border War"; and

WHEREAS, greater cooperation between Kansas and Missouri and their respective local units of government will result in economic development opportunities to produce greater prosperity throughout the Region by allowing economic development incentives to be used to create new jobs and capital investment; and

WHEREAS, reaching a true resolution of the issues referred to as the "Border War" requires understanding and cooperation between the states and local governments.

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of Kansas, I hereby declare that:

1. On and after August 28, 2019, no state-level economic development incentive programs under my jurisdiction shall be used to incent businesses with jobs currently located in the Missouri counties of Jackson, Platte, Clay, or Cass to relocate those existing jobs to the Kansas counties of Johnson, Wyandotte, or Miami.
2. On and after August 28, 2019, Kansas' state-level economic development incentive programs shall be limited to the net new jobs created for any business or company relocating from the Missouri border counties of Platte, Jackson, Clay, or Cass into Johnson, Wyandotte, or Miami counties in Kansas.
3. State of Kansas economic development incentive programs subject to this Order include Promoting Employment Across Kansas, Kansas Industrial Training and Retraining, Job Creation Fund and

any other state loan funding or administered discretionary economic development incentive programs.

4. I also strongly encourage and expect local units of government in Kansas, who are not under my jurisdiction but whose cooperation will be critical to resolving the "Border War" and promoting true economic growth across the Region, to limit local incentives to net new jobs in the Region.
5. Additionally, in order to equalize local economic development incentives to the greatest extent possible, local government units in Missouri must not offer property tax abatements to relocating companies that exceed the 10-year term allowed in Kansas.
6. The Kansas Secretary of Commerce is directed to share with the Missouri Department of Economic Development information necessary to effectuate the purposes of this Order.
7. Additional provisions or steps required to accomplish the intent of this Order will be reflected in an Agreement signed by the governors of Kansas and Missouri. In the event this Order and the forthcoming Agreement are inconsistent or contradictory, this Order will control.
8. This Order is intended to satisfy the provisions of MO. REV. STAT. § 135.1670, Section 3, as amended by 2019 Senate Bill 182, regarding the issuance of "an executive order or similar action which prohibits the Kansas Department of Commerce or any other Kansas executive department from providing economic incentives for jobs that are relocated from a Missouri border county to a Kansas border county."
9. In the event any party—including relevant local government units—fails to demonstrate the requisite good faith and cooperation necessary to achieve the purposes of this Order, I may exercise my authority as Governor to rescind this Order. In particular, if any local government unit in Platte, Jackson, Clay, or Cass counties in Missouri, including the Kansas City Port Authority, provides property tax incentives for a term exceeding 10 years for the relocation of existing jobs from the Kansas counties of Johnson, Wyandotte, or Miami, I may exercise my authority to rescind this Order.

This document shall be filed with the Secretary of State as Executive Order No. 19-09 and is effective immediately.

THE GOVERNOR'S OFFICE

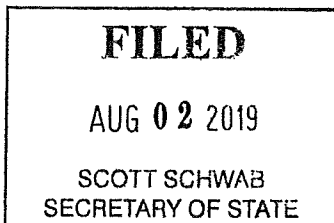
BY THE GOVERNOR

DATED

8.2.19

Secretary of State

Assistant Secretary of State



SECRETARY OF STATE