

CHAMBER OF COMMERCE

- ECONOMIC DEVELOPMENT COUNCIL -

House Taxation Committee Wednesday, March 9, 2016 Testimony in Support of HB2609

Chairman Kleeb and Members of the Committee:

My name is Beth Johnson, and I am the Senior Vice President of Economic Development for the Overland Park Chamber of Commerce and Economic Development Council. I am submitting testimony today in support of House Bill 2609, which allows for several positive changes to the impending property tax lid on local units of government.

Overland Park has enjoyed great economic growth in the past several years. I am fortunate to represent a community that understands and promotes itself as a place for business growth and success. That business success has occurred through the relocation of new companies as well as the expansion of local businesses. Those projects have brought job growth to Overland Park, Johnson County and the State of Kansas.

When recruiting new companies to the area, we often work with national site location consultants. Those consultants assist companies to weigh the many factors that are considered when a location decision is pending. These factors include availability of real estate, a qualified workforce, and safe and efficient transportation infrastructure. During discussions with consultants over the past several months, many of them are inquiring about the fact that there is constant uncertainty and they are asking "What is going on in Kansas?"

Simply put, they as well as their clients, the businesses, are concerned about the uncertainty that is being created for local units of government based on the property tax lid. The imposed property tax lid will limit the ability of local governments to plan for the future and to fund those factors that companies value most. The lid could take away important funding sources for those items that companies value most, like transportation and other infrastructure, quality of life amenities, and public safety.

In order to be successful in our pursuit of job creation, we need to ensure that Kansas remains competitive. In order to remain competitive we need for local government to have the ability to fund those factors that matter most to business. While the property tax lid is still an imposition on local government, HB2609 does provide some changes that allow local government some flexibility when looking at future needs for infrastructure and community amenities; the very items that businesses desire when creating new jobs.

We ask that you support HB2609. Thank you for your consideration.