

THRIVE ALLEN COUNTY

SB 546

Opposition

Written

Lisse Regehr, CEO, Thrive Allen County

March 18th, 2024

Senator Caryn Tyson, Chair
Senate Committee on Assessment and Taxation,

Kansas State Capital
300 SW 10th St.
Topeka, KS 66612

Dear Chairwoman Tyson and members of the Senate Committee on Assessment and Taxation,

My name is Lisse Regehr and I am writing today in opposition to SB546 in relation to income tax and discontinuing tax credits and high performance incentive programs and owners promoting employment across Kansas.

The most terrible threat to rural Kansas communities is the steady population attrition evident via quantified data and personal observation. Recently, the Wichita State sponsored Center for Economic Development and Business Research shared their population forecast. This forecast predicts population trends for the state collectively and each county individually. According to this forecast Allen County's population will shrink by over 4%. Decreasing population is an overt problem with a complex series of causes and a necessarily complex toolbox of proposed solutions.

Within that toolbox should be incentivization by which industry partners can occupy physical space in rural Kansas communities, contribute to the economic ecosystem therein, employ members of the local workforce and recruit workers from elsewhere with the intention of residency. Eliminating economic encouragements such as the Promoting Employment Across Kansas and the High Performance Incentive Program reduces the likelihood that industries would choose to locate themselves in the types of rural communities that are situated at the center of our state's self-understanding and serve as the backbone to its pragmatism and its inspiring mythology. Rural Kansas is a context in which the American Dream is accessible and tangible—but not without the consistent partnership between communities and industry.

The elimination of said programs in conjunctions with a formalized reduction in the corporate tax rate would render that partnership automatically unequal. Corporations would naturally place themselves in the most geographically opportunistic locations with the most readily available workforce. That choice would rarely be in favor of a rural community. Rural communities could no longer posture themselves as communities on the cusp of growth. The partnership that gives soul to economic ecosystems would be replaced by pure commodification. That does not seem to align with the way in which Kansans understand themselves—as hospitable, compassionate, hard working and cooperative.

One would surmise that it is difficult to champion the cause of rural revitalization while simultaneously dismantling the means by which rural communities can welcome and nurture vibrant partnership with industries, whether present or prospective. PEAK and HPIP make those partnerships more likely. Such partnerships inspire industries to care for a community's health—its schools, landscape, public health and its citizens at large. Allen County is awash in stories of industry partners addressing issues such as housing, environmental well-being and access to healthcare for their employees *and* their neighbors. Rural communities in Allen County and throughout Kansas utilize these programs as steppingstones their citizens can use to realize economic security and vitality. Please vote “no” on SB 546.

Sincerely,

Lisse Regehr
President and CEO, Thrive Allen County
Resident of Allen County, KS