



AREA
DEVELOPMENT
COUNCIL

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THINKKC.COM

March 4, 2025

RE: Opposition to SB 283 – Sunsetting Economic Development Incentives

Dear Chairwoman Tyson and the Senate Assessment and Taxation Committee,

Kansas is at a critical economic crossroads. Senate Bill 283 proposes eliminating key programs that have fueled job growth, strengthened our communities and regions, and kept Kansas competitive in an aggressive business landscape. On behalf of the Kansas City Area Development Council, I urge you to oppose this legislation to prevent significant economic setbacks.

This bill, as written, would remove vital economic development incentives, including the High Performance Incentive Program (HPIP), Promoting Employment Across Kansas (PEAK), Job Creation Fund (JCF) and low-income housing tax credits. Such a move would hinder job creation, weaken workforce development efforts and stifle Kansas' economic progress at a time when stability and growth are essential.

Economic development incentives play a crucial role in helping drive sustained growth, fostering a cycle of increased investment and expanding tax revenues. While not the sole factor in economic success, they can significantly enhance the state's ability to compete in an intensely competitive landscape nationwide.

HPIP, PEAK and JCF have been instrumental in bringing high-paying jobs to Kansas. Without these programs, businesses may bypass the state entirely during initial evaluations, closing the door on countless job opportunities and capital investment without the chance to compete for the opportunity.

While affordable housing is not a direct responsibility of KCADC, its availability throughout the region is critical to the work we do in attracting jobs and investment to the region. Eliminating low-income housing tax credits will deepen workforce and housing shortages. A state that deliberately removes a key tool for housing development sends a troubling signal — one that businesses will not be able to ignore.

Other states, including Missouri, Oklahoma, Nebraska and Texas, aggressively court businesses with compelling operating environments and aggressive incentive packages. If Kansas unilaterally withdraws from the incentive landscape, the state runs the real risk of becoming an afterthought for corporate relocations and expansions, dealing a devastating blow to the economy. As the regional economic development organization for Kansas City, we need both state partners to be performing at the top of their game for our region to fully meet its potential.





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We must continually evaluate, innovate and market these powerful and effective incentive tools that have made Kansas a hub for business growth – not dismantle them. I urge you to reconsider SB 283 and pursue policies that ensure Kansas remains a leader in job creation and economic opportunity. I welcome the opportunity to discuss this matter further and to explore solutions that support both fiscal responsibility and economic success.

Respectfully,

Tim Cowden
President & CEO
Kansas City Area Development Council
816-591-1874



AT HISTORIC UNION STATION