February 8, 2025



Senator Larry Alley Senate Commerce Committee Kansas State Capitol - 300 SW 10th St. Topeka, Kansas 66612

Re: Senate Bill No. 117 Proponent Written Testimony

Chairman Alley and Committee Members-

I am writing on behalf of the cities of Winfield and Arkansas City to request your support for Senate Bill 117, an important economic development measure that seeks to clarify and uphold the unique property tax exemption originally granted to Strother Field Airport and its industrial park. This bill is crucial to ensuring the continued economic success and self-sufficiency of Strother Field, a vital economic engine for South Central Kansas.

Strother Field, which began as a military airport during World War II, has evolved into a thriving municipal airport and industrial park that generates significant economic impact. In fact, as of 2022, it supports a \$2.1 billion economic footprint, accounting for nearly half of Kansas's general aviation economic impact. With over 1,700 jobs and a payroll of nearly \$200 million, Strother Field is critical to the economy of our region.

More importantly, Strother Field operates without burdening the taxpayers of Arkansas City or Winfield. The rents paid by the companies that occupy the industrial park cover the costs of airport operations. However, this economic model is being jeopardized by the legal uncertainty surrounding the airport's tax-exempt status.

In 1991 and 1992, the Kansas Legislature recognized Strother Field's unique status and granted it an exemption from property taxes on all land and buildings within the airport and industrial park. This exemption was vital to its continued growth, as it ensured Strother Field could operate as a self-sustaining economic engine without imposing tax burdens on local residents.

However, recent legal challenges have raised questions about whether Strother Field is still entitled to this exemption. These challenges have led to substantial legal costs and the potential for significant property tax liabilities, threatening Strother Field's ability to remain selfsupporting. To date, Arkansas City and Winfield have spent over \$500,000 in protest and contesting these legal issues, and they are now at risk of having to impose a property tax on airport/industrial park land—a tax that would place an undue burden on local taxpayers.

Senate Bill 117 will clarify the original intent of the 1991 exemption, reaffirming Strother Field's status as a tax-exempt property. It is a critical step to ensure that the economic vitality of this region is not undermined by legal confusion and excessive tax liabilities.

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Strother Field is home to critical industries, including the only GE engine overhaul facility in North America and key manufacturers in aerospace, plastics, and elevator controls. These industries rely on Strother Field's infrastructure, and continued uncertainty about its tax status threatens to drive businesses away, damaging the broader economy of South Central Kansas.

I urge you to support Senate Bill 117. The continued success of Strother Field is vital not only to the cities of Winfield and Arkansas City but to the entire state of Kansas. By clarifying its taxexempt status, we can ensure that Strother Field continues to serve as a self-sustaining economic powerhouse without imposing additional burdens on taxpayers.

Thank you for your attention and we wish you success in this legislative session in considering the many issues before you. I appreciate the opportunity today to provide testimony in support of SB 117.

Sincerely,

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Taggart Wall City Manager

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