

SESSION OF 2025

SUPPLEMENTAL NOTE ON SENATE BILL NO. 117

As Recommended by Senate Committee on
Commerce

Brief*

SB 117 would expand the property tax exemption for Strother Field Airport to include property owned by the political subdivisions comprising the Strother Field Airport Commission regardless of the date of acquisition and to specify the exempt uses for such property.

Property subject to the exemption would include property used for aviation-related purposes, to promote aviation commerce, or to provide revenue to operate all Strother Field components and activities.

[*Note:* Current law restricts ownership to the Strother Field Airport Commission and does not extend the exemption to political subdivisions comprising it.]

Background

The bill was introduced by the Senate Committee on Commerce at the request of a representative of Strother Field Airport and Industrial Park.

Senate Committee on Commerce

In the Senate Committee hearing, **proponent** testimony was provided by a representative of Strother Field Airport and Industrial Park who stated Strother Field provides a

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

significant economic benefit to South Central Kansas and to the state as a whole, and the bill would clarify the purpose of the exemption in current law and ensure the original intent of the Legislature in providing the exemption is safeguarded.

Written-only proponent testimony was provided by the city managers of Arkansas City and Winfield.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the Department of Revenue indicates enactment of the bill could reduce state revenues by \$3,478 in FY 2025, and by similar amounts in subsequent years. Of this amount, \$2,319 is from the Education Building Fund and the balance from the State Institutions Building Fund. The Department further indicates, to the extent that less property tax revenue would be available from the state's uniform mill levy to fund expenditures for school districts, an additional \$46,375 in state aid could be required from the State General Fund in FY 2025.

The Kansas Association of Counties and the League of Kansas Municipalities indicate enactment of the bill could reduce local property tax revenues used to finance local governments, which could shift the tax burden to other property classifications and types.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Economic development; taxation; property tax; exemptions; Strother Field airport