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Date: March 11, 2015

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To: House Taxation Committee

From: Larry R. Baer

Legal Counsel

Re: HB 2298

Testimony in Support

Thank you for allowing me to appear before you and testify on behalf of the League of Kansas Municipalities and our member cities in support of House Bill 2298. The League stands in support of the Rural Opportunity Zone (ROZ) program and supports the continuation of the program and its benefits contained in HB 2298 and believes that statutory sunset should be removed.

Rural Kansas faces shortages of many types of employees, including those critical to the efficient operation of local government. The ROZ program can be an effective tool for attracting individuals to fill these positions. Local governments have difficulty finding qualified individuals to serve as county and assistant county attorneys, city administrators, and many other jobs that require college degrees. These positions are integral to the efficient operation of local governments, and the ROZ program's provision for tax relief and student loan assistance can be important in attracting employees to fill them.

The ROZ program is beneficial to local government because it brings in new and needed employees and families to rural Kansas. These same incentives also encourage qualified individuals to seek out employment in leadership and management roles with cities and counties. We respectfully request that you pass HB 2298 out of committee.

Thank you. I will stand for questions at the appropriate time.