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March 13, 2015

TO: Chairman Donovan
Members of the Senate Assessment and Taxation Committee

RE: **SB 257**

Thank you for allowing us the opportunity to present testimony regarding Senate Bill 257. This testimony is being submitted on behalf of the Sumner County Commissioners and the Sumner County Economic Development Commission.

Our concern regarding this bill is with the "Eleventh" section. If this legislation is enacted the way it currently reads, it will affect the project we currently have under construction in Sumner County, all projects in the State that were granted exemptions after December 31, 1998 and the viability of future projects to be able to compete in the marketplace to sell the wind they would generate. Current projects, and ones under construction, have already based the sale of their power on the expectation that the tax exemption was in place for those projects. Counties have already formalized agreements/contracts with wind farm projects regarding PILOT payments and many of their budgets are based on this funding stream being available. It is unfair to the Counties and current Wind Farm projects to change the rules on them now.

Sumner County is hoping to attract additional wind farm projects to our county in the future. Should this legislation be enacted it will greatly reduce the chances of this happening. Companies do not want to locate projects in places where there is an uncertain business climate. If we in Kansas are going to support the growth of the wind industry in our State, then we need to do so with our actions as well our words. The wind industry is not the only industry this sends a negative signal to – other businesses may think twice before coming to our State, as they too will wonder what will happen to them if we change the rules on them after they locate here.

If it is felt that there must be a change in legislation, then we ought to at least allow those projects currently in operation, and those already committed to construction, to move forward under the rules and regulations that are currently in place and ensure any new regulations only apply to future endeavors.

March 13, 2015

Page 2

The wind industry has had a tremendous effect on the economy of our State, with the investment in the construction materials, the jobs created, the impact on local businesses, and the PILOT payments to the Counties, to name a few. We do not want to jeopardize the growth of this industry in our State and the positive impacts it has.

We understand the difficult situation the Legislature has in determining what effect legislation has on the economy of our State. That is why we respectfully submit this testimony for your review and consideration when making your decisions on this SB257.

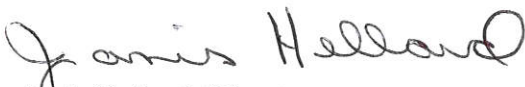
Thank you again for your time and consideration of our concerns.

Sincerely,



Commissioner Steve Warner

District 1



Janis Hellard, Director

Sumner County Economic Development