



**House Committee on Taxation
Testimony in Support of House Bill 2142
Presented by Eric Stafford, Vice President of Government Affairs**

Tuesday, February 9, 2021

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We appreciate the opportunity to testify in support of House Bill 2142 which establishes a process for businesses shut down during the pandemic to receive partial reimbursement on their property tax liability.

In December 2020, the *Omega Bootcamps v. State of Kansas* lawsuit was delayed to allow time for the Legislature to find a solution to the compensation provision of the Kansas Emergency Management Act. In a December 31, press release from the Attorney General's office stated "This lawsuit raises important public policy questions extending well beyond this individual case that would be better answered by the Legislature rather than the courts. I agree with the basic principle, **reflected in current law** (emphasis added) was not designed to address these sorts of business shutdown orders.

"Therefore, rather than proceeding directly to litigation, we have reached agreement with the plaintiffs to jointly ask the court to put this lawsuit on hold during the 2020 legislative session so we can ask the Legislature to consider in a comprehensive manner the public policy issue of compensation for losses caused by lockdowns."

It's important to state that the statement by the Attorney General acknowledges that existing law under the Kansas Emergency Management Act allows for compensation for businesses impacted under a state of emergency declaration.

We believe HB 2142 is an important first step in the discussion of confirming the statutory right of businesses for compensation due to loss of income caused by the shutdown, and ongoing restrictions for businesses in the state. Thank you for the opportunity to speak in support of House Bill 2142 and I'll be happy to answer questions at the appropriate time.