



February 14, 2019

To: Chairman Hineman
From: Cowley County Economic Development Partnership

Re: Testimony in Support of HB 2131 (Spur Kansas Growth Act)

Thank you for the opportunity to provide testimony in favor of HB 2131, referred to as the "Spur Kansas Growth Act".

The reinstatement of the sales tax provisions from the old Enterprise Zone legislation will provide a valuable tool for our economic and community development.

Cowley County is home to a robust manufacturing base that we continually look for ways to support growth. Historically new businesses and expansions have not had access to the one tool they have continually asked for, sales tax exemption on construction and remodeling. Utilizing IRB (Industrial Revenue Bond) financing is not fiscally feasible, as well as not meeting strict qualifications for HPIP (High Performance Incentive Program).

Cowley County is also home to multiple communities with population under the 2,500 that would greatly benefit by having the option to offer sales tax exemptions for new retail opportunities. Our rural communities, like many across the state, have declining population and deteriorating buildings. We work as much as we can to encourage new businesses, but there are currently no programs for these communities to use to encourage investment in construction or remodeling.

As just one example, Burden with population of 535, in an effort to turn around their declining population has joined the PRIDE program. Their community-driven group has identified projects for revitalizing the community's main street, spur business growth and increase resident involvement. They have three buildings and one lot that would be ideal for recruiting projects that could benefit from the passing of HB 2131. A sales tax exemption may not sound like much to some, but to communities of 500 with no funding options, it could be the one thing to spur growth.

I urge you to support HB 2131 to provide a tool to support growth and development in all of our communities for retail and manufacturing projects. This will lead to job growth, increase in property values, as well as encourage business start-ups and expansions that will benefit all of Kansas.

If you have any questions that I may be of assistance on, please do not hesitate to contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Kerri Falletti".

Kerri Falletti, CEcD
Director

