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Cherie Thomas-Schenker

Owner, Schenker Family Farms, Inc. DBA McCune Farm to Market Grocery

Proponent

House Bill 2261

Chairman Johnson and members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2261. I own a small grocery in McCune, Kansas which is in Western Crawford County. Until recently, McCune, population 400, had been a food desert for nearly 30 years. This means that people had to drive roughly 30 minutes to Pittsburg, Parsons, Girard or Oswego to purchase groceries.

Our Story

My husband and I are livestock farmers. We raise beef, pork and lamb with direct sales to consumers across the country via online sales. Our farm also provides meat to several large wholesale accounts such as Whole Foods Market. In addition, we are one of two companies in the U.S. which ships meat to soldiers serving overseas.

My husband and I are rural by choice. He is a retired engineer officer from the Army. I worked in corporate America and in schools prior to deciding that coming home to McCune, Kansas was the very best thing for our family. My ties run deep in Southeast Kansas and particularly McCune. Both of my great great-grandparents signed the request in 1881 for McCune to become an incorporated city.

When we needed to expand our farm offices and warehouse three years ago, we did a feasibility study. Part of that study revealed that we live in a food desert and that people were desperately wanting a place to shop locally for the basic necessities. My husband and I looked at each other and knew it was time to put our money where our mouth was. We are Kansans and if there is one thing Kansans do very well, it is thinking outside the box to solve a problem.

What did we do? We doubled the footprint of the building we were planning. We worked with USDA Rural Development for guidance and cobbled together a few small equipment grants. Then we took a leap of faith and borrowed a lot of money from our local banker.

Was it worth it? Yes. The first day we opened, an elderly lady came to our store for a few things and some coffee. With tears in her eyes, she explained that she does not drive outside of town anymore. She had been relying on someone to take her to a larger community once a month for groceries. In between times, she was forced to travel to the convenience store on 400 Highway to purchase milk and bread—at a very high price. In less than three minutes, this woman personified and justified our decision to take that unknown step.

Will we make a fortune selling groceries in McCune, Kansas? No. It is critical to the survival of our community? Yes. Research indicates that when a town loses its grocery store and access to fresh, healthy foods it becomes a community in crisis. Homes have a harder time selling and the list goes on.

Rural Kansas must fight to keep access to rural grocery stores. Eliminating or at least reducing the sales tax on food is a step in the right direction.

Impact on Rural Grocers

Because our community located within a hour's drive of Joplin, Missouri, many area residents make the drive a few times per month to shop there. While there, they typically fill up on gas, eat out and do other shopping besides grocery. The result of our lost sales tax costs Kansas counties along the border tens of thousands of dollars each year and slows economic growth.

The Other Side of the Coin

Like every issue, there are two sides to this coin. People need sales tax relief on the most basic item for living...food. On the flip side, small communities such as McCune rely on sales tax to help pave streets, keep cemeteries mowed and maintain safe water and services. In 2018, our community received \$22,417 in sales and use tax. A large portion of this money was generated by the food sales tax. While I support eliminating the food sales tax, I must stress that it is critical to look at the economic impact such a loss of funds would have on small communities. If the food sales tax does go away, what will replace those funds. While \$22,417 may not be a lot of money to larger towns or to many people, it is critical to the survival of a town with two full-time employees and a population depending on them to provide a basic quality of life.

Commitment to Kansans

As a parent, taxpayer and business owner, I support lowering the sales tax on food. This is not an easy task, nor is it a quick fix for rural Kansas. Working together, I am confident that a solution can be found to help small communities like McCune, Kansas where the quality of life cannot be equaled.

With Deepest Consideration:

Cherie M. Thomas-Schenker
Schenker Family Farms, Inc.
McCune, Kansas 66753

www.schenkerfarms.com

www.mccunemarket.com