



9 S. Jefferson Ave.

Iola, Kansas 66749

January 25, 2022

Representative Adam Smith, Chair
House Committee on Taxation
Kansas State Capitol
300 SW 10th St.
Topeka, Kansas 66612

Dear Chairman Smith and Members of the Taxation Committee,

Thank you for the opportunity to speak on behalf of Thrive Allen County. Thrive Allen County is a nonprofit organization located in Iola that focuses on improving health, economic development, recreation and education conditions in our county and the state. Our vision is that Allen County will become the healthiest rural county in Kansas, and we do this through supporting and encouraging programs, policies and resources that promote access to healthcare, healthy lifestyles and positive community conversation.

It is with our organization's vision in mind that we ask that you support and pass a clean version of House Bill (HB) 2487. This legislation would eliminate the 6.5% state sales tax entirely on grocery food items. The Governor's office indicated they expected a family of four to save roughly 500 dollars annually on groceries with the elimination of the sales tax. Cutting the food sales tax has overwhelming bipartisan support. Now more than ever Kansas families need relief from the food sales tax, especially with record levels of inflation making it harder to put food on the table. Given the importance and urgency of this legislation, it should be passed in a clean bill to ensure the bill makes it through the legislative process. Supporting a simple and clean removal of the state sales tax would avoid it being used as a political tool, which could jeopardize its passage.

Food insecurity plagues communities across the state, but it is especially prevalent in our region of Southeast Kansas. According to data from Feeding America, one in six Southeast Kansans is food insecure and an even more troubling insight is an estimated one in four children in Southeast Kansas is food insecure. The access and affordability of healthy food is a basic need for everyone's survival and wellness, and it can't be understated how negatively food insecurity impacts children's brain development and growth. The threat food insecurity poses to children and families in the short-term and long-term warrants taking common sense action, such as passing HB 2487, to improve the affordability of groceries.

The removal of the food sales tax has the potential to encourage the consumption of healthier food. The high cost of healthier foods already discourages families from purchasing them, this price barrier is made worse after the state sales tax is applied. The increased cost of healthier foods puts them further out of reach

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for many Kansans, especially for low-income families who are struggling to pay for other necessities. Oftentimes folks in these situations will turn to less healthy, more affordable options at the grocery store.

Thrive urges legislators to pass HB 2487 not only to save Kansans money and improve the affordability of healthier foods, but for economic benefit to rural grocery stores. Rural grocery stores and farmers' markets struggle to compete price-wise with bigger chain stores and restaurants. Although gains in sales tax removal would be for all stores, increasing the affordability of grocery products would benefit these small businesses and their local communities that rely on them. Especially in times of economic hardship and difficulty for many rural grocery stores that face closures in Kansas, every dollar counts. A key strategy in combatting food insecurity is ensuring that we don't let our rural grocery stores close, which create new food deserts and have terrible consequences for those communities.

Thank you for the opportunity to speak in favor of this legislation on behalf of Thrive Allen County. We strongly urge you to keep this bill clean and focused on the food sales tax, deliver this win for Kansans.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisse Regehr". The signature is fluid and cursive, with the first name "Lisse" being more prominent than the last name "Regehr".

Lisse Regehr

CEO