

Unified Government of Wyandotte County and Kansas City, Kansas

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WRITTEN TESTIMONY

Senate Bill 468

On behalf of the Unified Government of Wyandotte County/Kansas City, Kansas

Senate Committee on Assessment and Taxagtion February 14, 2024

Good Morning Chairwoman Tyson and Members of the Committee:

My name is David Johnston, County Administrator for the Unified Government of Wyandotte County/Kansas City, Kansas. I am presenting this written testimony in opposition to Senate Bill 468, which prevents municipalities that utilize Industrial Revenue Bonds (IRBs), Tax Increment Financing (TIF) districts and/or tax abatements from exceeding the revenue neutral rate.

IRBs, TIFs and selected tax abatements are critical economic development tools for cities and counties like the Unified Government. Much of the success we have achieved in generating tax revenue for the State comes from our ability to utilize these key economic development incentives to attract businesses to our county and to encourage current business to expand their operations here in Wyandotte County. Wyandotte County is proud to be a significant economic engine for the State of Kansas.

While many people point to Village West when they think about economic growth in Wyandotte County, we have utilized IRBs and TIFs in blighted areas to bring economic activity to other parts of our county. One of the key priorities for the UG is to create more economic development east of I-635. If this bill were to become law, we fear that there will be decreased utilization of IRBs and TIFs, which, in turn, will result in fewer projects that create jobs.

The revenue neutral rate was established by the Legislature to bring greater accountability and transparency to local government taxation and budgeting. We view this bill as taking the revenue neutral rate concept in a new direction, one that will cause harm to our efforts to bring about meaningful economic development in Wyandotte County and in our great State. For these reasons, we ask that you not act favorably on Senate Bill 468.

Thank you for the opportunity to present the UG's perspective on this important issue.