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March 12, 2021

To: Chairman Tyson and the Senate Committee on Assessment and Taxation:
From: Trisha Purdon, Executive Director of Montgomery County Action Council
Re: Written and Verbal Testimony in Support of HB 2237

Dear Chairman Tyson and Committee members:

Thank you for the opportunity to provide testimony on HB 2237, which would extend the current sunset date of July 1, 2021 to July 1, 2023 for the Rural Opportunity Zone Program (ROZ). The reason that we support this extension is to ensure that the Kansas Department of Commerce and the Revisers office has enough time to do a thorough analysis of another ROZ bill, and introduce that bill to this Committee. However, if it is not completed in time, we do not want to see this valuable program sunset and hurt rural counties and their efforts to stop population decline.

ROZ is important for rural counties like ours, which is why I'm providing testimony to support the extension of ROZ with HB 2237. Montgomery County (population ~33,000) is a heavy manufacturing county, and our employers are consistently one of the higher rural contributors to the Kansas Economy. However, as a border county, with nearby Oklahoma cities growing towards the Kansas border, we struggle to get our highest paying professionals to live in Kansas. Our industry in Montgomery County provides a lot of jobs in the region, but the wages that these well paying employers are providing, are leaving our state every day. Thus, we can't fully realize the economic impact that these thriving businesses could provide to the State of Kansas.

Consistently, we hear from all of our area businesses that workforce recruitment is the number one issue facing their business. Although we know that rural Kansas is an amazing place to live, it is harder for our employers to recruit highly qualified candidates to this region without additional incentives to compete with neighboring states and urban areas with a wider range of amenities than a rural community might enjoy.

ROZ is an excellent tool that we depend on to help our rural businesses compete for these employees. Commerce and the ROZ committee has a program to address the shortfalls of ROZ, but it needs more time and work before it is ready to be introduced this year. For this reason, we support HB 2237 and the extension of the current sunset date. This will give this innovative program ample time to transition and grow into the program that it was intended to be.

Sincerely,

Trisha Purdon
Executive Director
Montgomery County Action Council