



Written Testimony in Opposition of Senate Bill 546

Senate Assessment & Taxation Committee

March 18, 2024

Madam Chair and Members of the Committee,

We are writing to you today in opposition to Senate Bill 546 which would eliminate key elements of the Kansas business incentive toolbox. The Promoting Employment Across Kansas (PEAK) and High Performance Incentive Program (HPIP) programs that would be eliminated with the passage of SB 456 are the two primary incentive tools used by the state of Kansas for attraction and expansion of companies. This bill if enacted, will undo much of the progress that has been made in recent years in improving the competitiveness of Kansas as a location for companies to invest and add jobs. Kansas has gone from being one of the least competitive states in the region to a state that is now identified as one of the top states nationally for economic growth.

These programs that would be eliminated are the primary tools that communities both large and small can use for the benefit of both existing and new companies that are creating high wage jobs and investing in Kansas operations. These are programs that are performance-based and provide benefits/incentives over time as companies meet contracted commitments for new jobs, payroll and investment, which is a prudent way to operate. PEAK and HPIP have been critical to the decisions made by local companies to expand their operations in Douglas County, rather than make those investments in other locations, and have also been a significant factor for several new companies that have established operations in the county.

At a time when the business environment has become more and more competitive, it seems counterintuitive to eliminate the very programs that have allowed Kansas to be competitive, and to be recognized as a state that is gaining economic momentum. We are concerned that passage of SB 546 will lead to a reversal of the positive trends the state has recently experienced and will significantly reduce our economic growth opportunities moving forward. We strongly urge you to oppose passage of SB 546. Thank you for your service to Kansas and for your thoughtful consideration of our position on this proposed legislation.

Respectfully,

A handwritten signature in black ink that reads "Bonnie Lowe".

Bonnie Lowe, IOM,
President/CEO