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Subject: Written Testimony in Opposition to SB546 by the Kansas City Area Development Council

Dear Committee Members,

On behalf of the Kansas City Area Development Council (KCADC), an organization dedicated to promoting economic growth and prosperity in the Kansas City region, I am submitting written testimony in strong opposition to Senate Bill 546 (SB546). With more than 48 years of experience in economic development and a proven track record of success, KCADC brings a wealth of expertise and insights to this critical issue. We greatly appreciate the Committee considering our input.

SB546 proposes to terminate vital economic development incentive programs, including the Promoting Employment Across Kansas (PEAK) and the High Performance Incentive Program (HPIP), effective July 1, 2024. These programs, which KCADC, along with a host of Kansas community partners, has leveraged to attract numerous businesses to the Kansas City region, have been instrumental in driving job growth, fostering investment and strengthening our local economy. The sudden termination of these programs would not only disrupt ongoing economic development efforts but also jeopardize the competitiveness of Kansas as a destination for businesses seeking to expand or relocate. KCADC's extensive experience in attracting and retaining businesses underscores the importance of maintaining these critical incentives to support continued growth and prosperity in our region.

Additionally, the proposed reduction in the corporate income tax rate outlined in SB546 raises concerns about its potential impact on state revenue and essential public services. While tax reform is necessary, it is imperative to ensure that any changes support sustainable economic growth and do not compromise the resources necessary for the well-being of our communities.

I encourage the Committee to continue its robust debate on tax reform but do not penalize the highly impactful incentive programs that have contributed greatly to Kansas' ability to attract and retain countless employers, not just in the KC region, but from Liberal to Leavenworth and Goodland to Gardner. Thank you to the Committee for its work to pursue strategies that support sustainable economic development, foster business growth and ensure shared prosperity for all Kansans.

KCADC stands ready to collaborate with the Committee to find solutions that support sustainable economic growth and prosperity for the Kansas City region and the state as a whole.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Cowden", is written over the word "Sincerely,".

Tim Cowden
President & CEO
Kansas City Area Development Council