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Assessment and Taxation Committee
Proponent Testimony for SB374
Chair Tyson and members of the Committee.

I am a proponent for SB374. We have allowed property tax inequities for industrial wind development for too long. I am not sure anyone likes taxes, but we are allowing these multimillion dollar developments to be erected across our state and not pay their fair share. This is grossly unfair to our students and schools as much of those unpaid property taxes would be going to our underfunded schools. How can we stand by and allow these profitable highly federally subsidized business's to not pay our schools who are in need of revenue?

The wind industry claims they make up for the unpaid property taxes with "Payments in Lieu of taxes or PILOT funds. PILOT funds do not work! For several reasons:

- 1) negotiated at the County level and thus the dollar amounts vary wildly across the state
- 2) Counties are not required to share these funds with schools
- 3) PILOT funds can be "cut off" at any time since they are not regulated
- 4) Most importantly PILOT funds paid are an estimated \$63 million less than what should be paid

Let's look at an example of how we are cheating our kids. In my county we have a power plant in LaCygne that generates \$15,888,000 in property taxes per year, close to \$7 million of that goes directly to the school system. In our neighboring county of Allen, there is an Industrial Wind Development that is paying only \$250,000 in PILOT funds. Per the Kansas Department of Revenue figures they should be paying almost \$4 million in property taxes.

It's time these big profitable companies start paying their fair share to the schools and communities of Kansas. The children and citizens of Kanas can't pay professional lobbyist to tell their story, they are counting on you to make it right. Thank You