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**Date: February 14, 2024**  
**To: Chairwoman Tyson and the Senate Committee Assessment & Taxation**  
**From: City of Overland Park**  
**Re: SB 468 – Opposition (Written)**

Thank you for allowing the City of Overland Park to submit testimony in opposition to SB 468. This legislation would make municipalities choose between losing jobs to other states or failing to fund public services, and if passed would damage the quality of life of Kansans.

Tax increment financing (TIF) and property tax abatements are important tools for attracting and retaining jobs in Kansas communities, and essential to the state's economic growth. For example, in 2019 the City of Overland Park was able to retain a business that was considering relocating outside of Kansas by offering that business TIF to build a new headquarters within the community. Not just did the City retain that business by using TIF to help pay for the costs of their new headquarters, the business also committed to creating 1,000 new jobs over the next 10 years. In that same year, the City offered a property tax abatement to a company in exchange for the company building a brand new headquarters in the city and a commitment to add over 200 new jobs. Without these tools, Kansas could very easily have lost these important employers to cities in other states.

SB 468 would make cities choose between losing these job-creation opportunities or not exceeding the revenue neutral rate (RNR), a figure that has no relationship to the cost of funding public services. The RNR simply reflects the amount of property tax that was needed to fund public services in the previous year, and does not take into account inflation, population growth, and the need to expand services to new construction within the City.

Forcing municipalities to choose between losing jobs or raising property tax revenues that are insufficient to maintain public services is terrible public policy. These decisions should be made by local residents acting through their democratically elected officials, and should not be limited by arbitrary legislation forced on them by the state.

Thank you for allowing the City to submit testimony in opposition to SB 468. We respectfully request that the Committee not advance this legislation to the full Senate.