



CITY OF TOPEKA

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To: House Committee on Commerce
From: Dan Warner, City of Topeka
Date: February 11, 2025
Re: Opponent Testimony for HB 2343

Chair Tarwater and Members of the Committee, thank you for allowing the City of Topeka the opportunity to provide opposition testimony on HB 2343. We acknowledge and appreciate that several concerns from the prior year's legislation have been addressed, including the addition of limitations on parking, the number of individuals permitted to be in the location at a time, and businesses that operate outdoors. However, we still have significant concerns regarding the elimination of licensing requirements.

If an industry requires a license to operate within a city, it is unreasonable to create differing standards for businesses operating from a storefront versus those operating from a residential home. This lack of consistency results in an unfair regulatory framework without a rational basis. Additionally, the absence of licensing requirements will lead to increased complaints from neighbors, leaving the City uncertain as to whether a business is legally operating. This will waste valuable city resources investigating potential zoning violations that could have been preemptively addressed through proper licensing.

Furthermore, mixing commercial operations with residential properties without appropriate regulatory oversight has tax implications. Commercial properties are assessed at different tax rates than residential properties, and allowing businesses to operate in residential areas while paying only residential tax rates creates an inequitable burden on traditional commercial establishments.

HB 2343 has the potential to undermine the purpose and implementation of zoning regulations designed to restrict commercial uses in residential, office, and institutional districts. The term "no-impact" is misleading. As defined, "no-impact businesses" could include retail sales of goods other than illegal drugs or liquor, potentially permitting activities such as car sales, building material sales, and other heavy commercial uses under the guise of a "no-impact business." Additionally, allowing the sale of "lawful goods and services" could enable industrial-type operations, including towing services, storage of vehicles and equipment, and self-storage businesses, which would disrupt residential neighborhoods.

Some of the bill's terminology is vague, making enforcement difficult. For example, a "no-impact home-based business" is partly defined as one that does not generate a "substantial increase in traffic through the residential area," yet "substantial increase" is not defined. This lack of clarity makes consistent enforcement nearly impossible. While local zoning regulations already allow for some home-based businesses, they do so with reasonable restrictions to protect nearby property owners and residents.

For these reasons, we respectfully ask that HB 2343 not be passed out of the committee.

Thank you for your time and consideration.