



Chair Tarwater, and Members of the Committee,

On behalf of the Americans for Prosperity Kansas Chapter, we appreciate this opportunity to submit neutral testimony on SB 197 which, revises the STAR Bonds Financing Act to include mall redevelopment, mandates quarterly visitor data reporting, prohibits state funds for bond repayment, extends the act to 2028, and emphasizes local employment and transparency.

Americans for Prosperity – Kansas has historically opposed the STAR Bonds program due to concerns over fiscal responsibility and taxpayer risk. However, we recognize that the Kansas Senate has incorporated several significant reforms that enhance transparency, protect property rights, and safeguard taxpayers. Because of these changes, we have moved from opposition to a neutral position.

SB 197 includes critical provisions that:

- **Protect Property Rights**
  - No Eminent Domain: Eliminates the use of eminent domain for STAR Bond projects, protecting private property owners from forced government takeovers.
- **Enhance Financial Safeguards**
  - No State General Funds: Prohibits using state general fund revenue to repay STAR Bonds, ensuring projects rely only on local sales tax revenue.
  - No Cross-Pledging: Prevents tax increment revenue from one STAR Bond project from being pledged to another STAR Bond project.
- **Increase Transparency & Accountability**
  - Quarterly Visitor Reports: STAR Bond projects require reporting quarterly visitor data to ensure projects meet economic impact expectations.
  - Public Disclosure: The Commerce Department to publish all documents used in adopting a STAR Bond on its website, increasing public scrutiny.

These reforms align with the principle that economic development should be **transparent, accountable, and protective of taxpayer interests**. While AFP remains cautious about STAR Bonds as a tool, we acknowledge the progress made in SB 197 and ask the House Committee to **preserve these key protections** as the bill moves forward.

Thank you for your time and consideration.

Sincerely,

Elizabeth Patton  
State Director  
Americans for Prosperity-Kansas