

**To:** House Taxation Committee  
**From:** Spencer Duncan, Government Affairs Director  
**Date:** February 26, 2025  
**RE:** HB 2211 – STAR Bond District Replacement Funds  
*In Support – Written Testimony*

Thank you to the Chair and Committee for the opportunity to provide testimony.

Every fall, the League commences policy meetings to seek direction from our member cities on legislative issues. Cities propose changes to the League's Statement of Municipal Policy, discuss the issues being faced in their communities, and establish guidance for League staff in preparation for the upcoming legislative session. A high-level priority urged by our member cities was the creation of a mechanism to replace income lost in STAR Bond districts by the phase-out and eventual elimination of the statewide food sales tax. The League strongly supports HB 2211 to accomplish that goal.

An unintended consequence of the lowering of the sales tax on food has been a reduction in sales tax revenue pledged to pay the bonds in these districts. Multiple districts have a concentration of stores that sell food, and the revenue from the state sales tax was an important component of paying back these bonds. If this revenue is not replaced, there will be a significant revenue loss in these districts, and it will threaten the financial viability of existing STAR Bond projects.

The League, and cities of Kansas, support HB 2211 and asks that the Committee recommend it favorably for passage.

Thank you for your time and consideration of these issues. I am always available to provide additional information and answer any questions you have.



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