

To: Senate Committee on Government Efficiency
From: Spencer Duncan, Government Affairs Director
Date: March 10, 2025
RE: HB 2304 – Economic Incentive Reporting
Neutral – Written Testimony

The cities of Kansas support transparency and understand the intent of HB 2304 is to have a better understanding of various incentive programs across Kansas. We do not have concerns with the final goal, which is why the League of Kansas Municipalities is neutral.

In general, our concern is the amount of information this will require that could lead to some problems:

However, we have two concerns to bring to your attention that we hope receive consideration:

- Section 1 (6) (J), Page 2, Lines 22-25 of the bill: This section is broad, and more clarification would be appreciated. For example, it mentions site preparation and utilities. If a city does a reconstruction project and is including work within that project of relocation of a utility or demolition in which a private entity will benefit, but is not paying for as part of the project, is that considered an incentive? Traditionally, it is considered just the cost of the overall project, not specifically defined as an incentive. It also mentions street or roadways. Does this include a new road that a city constructs leading to an area so a private company can build a new plant or warehouse?

We ask for refinement or clarification on this section and are happy to participate in the conversation.

- We believe the \$50,000 reporting threshold should be raised to \$100,000. This would still cover most incentives while not overwhelming the state with too much information. Also, this continues to shift the focus to the larger projects, ensuring that meaningful oversight is not diluted.

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



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