Smoky Hill Development Corporation

The Honorable Troy Waymaster, Chairman Commerce, Labor, and Economic Development Committee 300 SW 10th Street, 112-N Topeka, KS 66612

RE: Opposing HB 2375

Chairman Waymaster and Committee Members:

Please accept this as a letter in opposition to HB 2375 appropriating money for the Rural Opportunity Zone (ROZ). The Smoky Hill Development Corporation, the economic development arm of Ellsworth County, feels this bill will only continue to fund a program that is not being utilized for its intended purpose.

The Rural Opportunity Zone is not helping rural communities grow, it is a simple subsidy for people already looking to move to a specific location. Local employers looking to fill their employment needs currently have the benefit package available to those with student loans. Why is the government subsidizing this at a state level? If rural communities want to grow they can look to their business community and local governments to provide that assistance.

With that being said, one critical tool that was removed, as a result of ROZ, is the Enterprise Zone program. The Enterprise Zone program was a true economic development tool helping new and expanding businesses come to fruition and flourish. The Enterprise Zone program brought new businesses to rural communities, and with it new jobs and employees.

Those of us in the economic development arena would rather offer incentives to businesses, local or relocating, in hopes of building our property tax base and subsequent retail tax base than a handout for a family or two locating to the area where they are already going. I would go on to say that giving a tax credit to those businesses offering loan re-payment programs should be looked at favorably as they are truly building their business and community.

I would like for you to look at the number of counties that have opted out of the ROZ program and are simply acting as a pass through for state dollars. If we are looking to build businesses and attract new employees ROZ is not the answer.

I appreciate your consideration of my written testimony; unfortunately I am not available to testify due to being out of state during the hearing. If you have any questions or concerns regarding this letter please feel free to contact me at rob_fillion@yahoo.com or (785) 531.2479.

Sincerely,

Rob Fillion Executive Director