



RANDY FRAZER

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Senate Assessment and Taxation Committee
Sen. Caryn Tyson, Chair
Kansas State Capitol, Room 548-S
Topeka, Kansas 66612

RE: Written Testimony from Randy Frazer, City of Arkansas City, Opposing SB 468

I am writing to express my strong opposition to Senate Bill 468, which threatens to tie the use of crucial economic development tools, such as Industrial Revenue Bonds (IRBs), Tax Increment Financing (TIF) districts, and Tax Abatements, to the Revenue Neutral Rate (RNR). As the City Manager of Arkansas City, I urge you and the Senate Assessment and Taxation Committee members to reconsider this legislation due to its potentially detrimental effects on cities, businesses, and citizens across Kansas.

Our city has experienced firsthand the positive impacts of utilizing TIF districts to facilitate economic growth and revitalization. For instance, our TIF district was pivotal in transforming an abandoned KMART building into a thriving home improvement store and dollar store, aligning perfectly with our community's development goals.

Senate Bill 468's restrictions would significantly impede cities' ability to utilize essential economic development tools like TIF districts, hindering the flexibility needed to address local challenges and seize growth opportunities. Limiting access to these incentives would discourage business investment in Kansas, jeopardizing our economic progress. These tools, including IRBs, TIF districts, and Tax Abatements, are crucial for reducing project costs, fostering job creation, and enhancing Kansas's appeal to businesses and investors; thus, restricting them could weaken our competitive position in the marketplace.

It's also important to consider the impact on nonprofit organizations, which rely on these incentives to fulfill their missions and provide vital community services. Any legislation that diminishes the effectiveness of these programs would have far-reaching consequences for businesses and nonprofits alike.

Thank you for considering my concerns, and I trust that you will make decisions that serve the best interests of our state.

Sincerely,

Randy Frazer,
City Manager,
City of Arkansas City