



Greater Wichita  
Partnership

**SB146: ACT CONCERNING PROPERTY TAXATION**  
**Craig Bay, Greater Wichita Partnership**

May 10, 2017

Chairman Johnson,

Thank you for including this letter of opposition on behalf of the **Greater Wichita Partnership** to SB146. The Partnership is a public-private economic development organization serving the 10-county region of Wichita and **over 150 private-sector employers**, including the largest job-creators in the area like Spirit AeroSystems and Textron.

As an economic development organization, we understand balancing a competitive business climate, modern and efficient infrastructure, robust education and workforce systems, and accountable economic incentive tools. We also recognize the importance of funding public education as a foundation for our workforce development system. However, we do not believe that economic development incentive tools and quality public education are mutually exclusive.

Real property tax abatement through Economic Development Revenue Bonds or Economic Development Exemption (K.S.A. 79-213) are the primary local economic development tools for our state. This is especially true of manufacturing or industrial development where tax increment financing is often not appropriate. These tools encourage new capital investment through the growth of real property taxes. Often these investments bring significant job-creation and spin-off economic benefit. These benefits are proven as state statute requires a cost-benefit analysis to be presented on each abatement request. The statute also requires this analysis to be completed for the impacted county and school district. These tools have been found to be effective time and time again and should not be restricted.

In our region, property tax abatement has been a crucial economic development tool. A summary of the economic development impact includes:

**2015 – 2017 Project**

2,044 new jobs  
\$ 115 MM new annual payroll  
\$ 1,240 MM new capital investment

**Pending Projects**

686 new jobs  
\$ 20 MM new annual payroll  
\$ 209 MM new capital investment

On behalf of the Partnership, we fully **oppose SB146 and other attempts to limit the effectiveness of property tax abatement**. We would be happy to provide additional information at your request.

Sincerely,

Greater Wichita Partnership

Craig Bay  
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