

Josh Meyer

USD 350 Superintendent and SF Co. Economic Development Board Member

Testimony in support of HB 2607 – Providing a sales tax exemption to Stafford county economic development, Inc.

Oral testimony

Chairman Johnson and Committee Members,

We have a unique story in St. John. We are a small town in Kansas and our only grocery store closed two years ago. This part of the story is not special; lots of communities are in the same boat. Our story is special because of the way we are addressing this problem.

When our grocery store closed in 2016, city leaders developed a task force to find a solution. I will not go into all of the details of our story, but after market studies and much deliberation, city leaders determined that a new building in a better location was necessary. The recommendation was for Stafford County Economic Development to own the building and work with a reputable grocery operator to run the store. It was also determined that adding fuel stations and a pharmacy to the business would make it more profitable and help ensure its future success.

There has been a lot of work by many people and entities to get to this point. There have been donations from individuals and businesses. The city developed a tax increment financing district. St. John voters approved a 1% sales tax for the project. There has been a major federal grant awarded.

Now we need help from Kansas legislators to get this project completed. I understand that tax exemptions are not a very popular idea, but rural development is. Stafford County participates in the Rural Opportunity Zone program. This is a beneficial program for rural counties. With the addition of roughly 30 jobs, our project has the potential to have a much greater impact on our community than the Rural Opportunity Zones program. This is important for rural development.

The lost revenue outlined in the fiscal note cannot be ignored. However, consider the fact that if this project is not completed, the revenue would never be realized anyway. In addition, the jobs created by this project will add ongoing revenue to the state through income taxes for many years.

I probably don't need to tell you that being without a grocery store is detrimental to our community. For many, taking a drive to get groceries is not a huge problem. However, a significant part of our population is elderly or poor and it is difficult for some of them to travel to get quality food.

As the St. John-Hudson school district superintendent, I also see problems. In the past I used the fact that we had a Dillon's store in our city as a recruiting point. Having goods and services available in a city is an important consideration for families when considering a move. Our students also have a tough time finding after-school and summer employment without a store in town.

We need you to be a part of our unique story. We believe we have found a way to spur economic growth in our rural community, but we need help with this sales tax exemption. Your support of this legislation will ensure that our one-of-a-kind project will be successful. Thank you for your consideration.