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HOUSE OF  
REPRESENTATIVES**HB 2721**

Thank you, Chairman Johnson, and Members of the Tax committee:

HB2721 is a bill to extending the eligible time-period for the Rural Opportunity Zone (**ROZ**) student loan repayment program and income tax credit two years from January 1, 2021 to January 1, 2023.

The reason for this Sunset extension will be explained in more detail by an upcoming proponent, Trisha Purdon, The Executive Director of the Montgomery County Action Council. However, in short, this extension is to help insure this valuable rural development program does not sunset while potential tweaks to the program, or a potential new program, are being considered by the Department of Commerce and the Legislature. For my county, Montgomery, this program has been a very important recruiting tool to draw new residents to our county to work, and more importantly to live, rather than across the Oklahoma border.

When Montgomery County requested entry into the program, we had over 12% of our workforce living out of state. Two large employers each had 33% of their workforce living out of state, usually in Oklahoma. A number of these were key employees who had been recruited to work in these facilities. Our intent for ROZ was to use the program to convince these employees to live in our county, in order to help increase revenue for the county, and to capture the involvement of these individual, and their families, in our communities. A secondary plus was that it helped replace residents that have passed away, moved to be closer to family, or moved for any other reason. With the absence of Ms. Purdon hitting a recruiting home run it would be naïve to have ever expected to see a long line of moving vans rolling into the county filled with the belongings of new residents.

Has it worked ....

- Montgomery County has received 125 application since the program became available.
- Applicants include, Doctors, small business owners/managers, Cessna pilots, Nurses, engineers, K-12 & college teachers and business leaders.
- These individuals and families, have bought homes (Paying property tax), furniture, groceries, clothing, school supplies, automobiles, etc. (Paying Sales tax), joined community organizations, donated volunteer hours and contributed money to civic organizations, churches and many other charities and they added students to our schools.
- There are companies that have this listed as a reason that a recruit should consider working for them and moving to Montgomery County.

In closing, this sunset extension is precautionary, to insure the program does not sunset while the Department of Commerce and the legislature investigate tweaks, and possible replacement programs. Montgomery County and 77 other ROZ counties will appreciate your favorable consideration of HB2721.

Jim Kelly  
Kansas House District # 11