

To: House Committee on Financial Institutions and Rural Development

From: Wendi Stark, Research Associate

Date: February 15, 2021

RE: Proponent for HB 2237 (Written)

We want to thank Chairman Kelly and the members of the Committee for giving the League of Kansas Municipalities the opportunity to provide testimony in support of HB 2237.

This bill would extend the eligibility to participate in the Rural Opportunity Zone (ROZ) program. The League provides support and advocacy for the 625 cities in Kansas. Several communities, ranging from WaKeeney to Beloit, have shared their experiences from using the ROZ program. The income tax waiver, student loan repayment, and employer sponsored portions have been components of ROZ that cities have found beneficial for recruitment and retention in their communities.

One community shared, "Mitchell County has participated in the ROZ program since the inception in 2011. The program has been extremely beneficial to our community. Since our county has been an active participant in the program, it hasn't been necessary for the City to run a separate program. We have actively promoted the program to employers, and they have provided matching funds for the program. The ROZ program has not only been good for recruiting, but also retention. We have found that when we retain these residents for 5 years, they are more likely to continue to live in our communities."

The ROZ program has benefitted many communities throughout the state, and we appreciate the benefits to cities in Kansas. The League supports HB 2237 and respectfully asks the committee to recommend the bill favorably to the full House for its consideration.