

JANET A. DOLL,

Mayor

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## SB316 TESTIMONY BEFORE THE SENATE ASSESSMENT AND TAXATION COMMITTEE JANET DOLL, MAYOR CITY OF GARDEN CITY, KANSAS March 9, 2016

Chairman Donovan,

Thank you for allowing me to provide testimony on behalf of the City of Garden City in opposition of Senate Bill 316.

Garden City is experiencing major growth in economic development: Meadowlark Dairy Nutrition—a \$250 million dollar investment, large increases in retail, a 1000-acre trans-load facility, electric energy rate stabilization, housing developments, additional water rights established. increases health services. increases care fire police services, jet service to Dallas; the list goes on. Our community members are very supportive of this economic development, and during this time of growth the City of Garden City has often been able to keep property taxes below the consumer price index. We hear often how happy our citizens are with what is happening in our community. We also hear how envious other communities are of our success. Economic development is good for Garden City, but it's also good for the state as a whole. Please don't hinder our success by taking local authority away from cities and counties. Local governments are transparent. We publish our budgets, encourage community involvement with forms in the monthly utility bill, gather local feedback through the Capital Improvement Planning process, etc. Economic development increases sales tax revenue, therefore holding down property taxes for the services our citizens expect.

With Senate Bill 316, the tools used to incentivize growth still exist, but as a City Commissioner it would be fiscally irresponsible to use them because, in all likelihood, we would not be able to provide police, fire, and road services for that expanded growth. To me, that is contrary to the goal of our community and our state which is economic development.

With the tax lid in place, an election must be held in order to raise property taxes above the consumer price index. Each election would cost tax payers more than \$10,000. If a final vote was to not allow the increase above the consumer price index, items from the General Fund would be eliminated because property tax is a revenue source for the General Fund. In Garden City, Police and Fire make up more than 45 percent of the General Fund, so any cut will directly impact public safety. Additional cuts may be required to economic development, Lee Richardson Zoo, parks and street maintenance.

The lid also deters public investment into private developments, particularly those using public finance tools backed by the "full faith and credit of the City." As written, the exemption for new construction and annexation only looks back to the previous year, thereby creating the same dis-incentive for a City to invest in growth and development projects. Any lid must look back to



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the year of the lid's implementation as the baseline for the exemptions related to new construction and annexation. It should not be relative to the prior year's budget.

Some members of a special interest group think that one size fits all and that would be what is best for every community in Kansas. Garden City is not the same as Leawood, Galena, Iola, or Bird City. So I ask you, do you want some members of this special interest group to take control away from your community? People who really don't know anything about each Kansas community, what its citizens want and what its needs are, should not be the controlling interest in this very important annual, annual, local conversation.

In the United States our form of government is a republic. We, as individuals, elect our federal, state and local leaders to represent us. That is our "Right to Vote" guaranteed by the Constitution. The tax lid removes taxing authority from local officials who were elected by their citizens. It erodes the representative democracy that is the backbone of our state and our country. Citizens elect mayors, councilmembers, and commissioners to make decisions for their city, including passing a budget that meets the community's needs.

I think it would be a knee jerk reaction for the state to adopt this bill as law over a few isolated cities that may have had the unfortunate task of raising the property tax for one reason or another. Garden City is its own city, with its own issues. A cookie cutter approach is not in the best interest of the communities or the state. Please consider the value of home rule and local control. Of all the layers of government, local government plays the largest role in citizens' daily lives—from the electricity and running water used first thing in the morning, to the streets we drive on and the sidewalks we walk on, to police and fire that protect us. City and County Commissioners are the most accessible government leaders to the citizens they are servants to; we see each other in the grocery store, at ball games, at church services, sponsor events, attend social gatherings together and share our lives with each other.

For these reasons, the City of Garden City strongly opposes Senate Bill 316. We respectfully ask that you do the same.