

To: Senate Committee on Assessment and Taxation
From: Spencer Duncan, Government Affairs Director
Date: February 13, 2024
RE: SB 332 – Local Ad Valorem Tax Reduction Fund Rebates
Neutral – Written Testimony

Thank you to the Chair and Committee for the opportunity to provide this testimony.

As testified to earlier this session to the committee, the League of Kansas Municipalities supports state action of returning money it currently collects for the Local Ad Valorem Tax Refund (LAVRT) program and getting it back to citizens. If SB 332 is a method the Legislature chooses to utilize, it would have some benefit. Therefore, there is no opposition from the League.

However, the League is neutral on SB 332 as we believe the process in this legislation is more complicated than simply funding the current program already outlined in statute, and SB 332 may not meet the actual goal of the LAVTR program – lowering mill levies.

Historical data shows during the period when the state fully funded LAVTR, there was a direct positive impact on assisting cities in keeping property tax rates at lower levels. We are confident that fully funding current LAVTR statutes would lead to property tax reduction. While SB 332 aids citizens in paying property taxes with these dollars, we are unsure that it creates direct property tax reduction, like the current LAVTR program would.

We continue to request that the Legislature simply fully fund the current LAVTR program as outlined in statute, which includes ensuring the dollars be used for direct property tax reduction.

Thank you for your time and consideration of these issues. I am always available to provide additional information and answer any questions you have.



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