



KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

Timothy R. Graham
Director of Government Relations & Legislative Affairs
Oral Testimony – Neutral
House Committee on Taxation
House Bill 2011
January 22, 2025

Chairperson Smith, members of the Committee:

Thank you for the opportunity to testify neutrally to HB 2011.

Kansas NEA is a member-driven organization that represents all 40,000 educators in the state of Kansas. We have nearly 22,000 members. The positions we advocate for have been proposed, debated, and adopted by several hundred members that were selected by their peers to attend our annual Representative Assembly.

Our resolutions on tax policy touch on fairness and feasibility. Kansas NEA believes that tax policy should be rational and fair. We believe that the state's strategy on tax policy should prevent excessive reliance on any single tax source. We further believe that the Kansas tax policy should generate levels of revenue to fully finance quality public education and other public services.

KNEA is not opposed to property tax relief. We will leave it to the will of this committee and the legislature to assess the feasibility of the overall tax package in HB 2011. We will, however, offer a word of caution. Our concern with HB 2011 is that reducing the statewide mill levy from 20 mills to 18 mills is a direct reduction to revenue that is specifically reserved for public education.

Add this proposal to the list of other proposals that passed the legislature last year (increase to the homestead exemption from \$42K to \$80K) or proposals that are currently being considered by this legislature (constitutional amendment to freeze property valuations) and **one could reasonably argue that there could be a significant erosion of revenues that are critically important to public education.**

We understand that the legislature intends to backfill the revenues lost by the changes in property tax policy that are being proposed in HB 2011. We greatly appreciate this. We are concerned however, that future legislatures may not be as committed to backfilling this revenue. **That is why KNEA asks this legislature to include language that makes it 100% clear that the intent of this bill is property tax reduction and not cuts to school funding.** We believe that the best way to do this is a demand transfer that is structured much like the one that was included in Senate Bill 1 of the 2024 Special Legislative Session.

We are also concerned about the language in the bill that appears to freeze revenue in the out years. KNEA would like to see this removed from the bill all together. If not removed, KNEA asks that this committee devise a mechanism to allow for growth. **KNEA believes that this is critical.**

In closing, **KNEA understands that this legislature has targeted property tax relief as one of its top priorities this session.** KNEA does not wish to step into the middle of that debate. With that understanding KNEA wants to stress that public education cannot afford the type of financial hit that would occur if the legislature went too far in its approach to tax policy. We ask this legislature to learn from the mistakes of the past and move ahead responsibly. In doing so, we look forward to working with you all in a way that you can respond to your constituency while fully funding public education.

Thank you for your time.