



Kansas Grain and Feed Association Renew Kansas Biofuels Association 816 SW Tyler, Topeka, Kansas | 785.220.5211

February 27, 2025

To: House Committee on Taxation

From: Randy Stookey, Senior Vice President of Government Affairs and General Counsel

Re: Joint Proponent Testimony on Senate Bill 35, discontinuing the state property tax levies

for the Kansas educational building fund and the state institutions building fund and

providing for financing therefor from the state general fund.

Chairman Smith and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 35. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA), and Renew Kansas Biofuels Association (Renew Kansas).

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. Renew Kansas is the trade association of the Kansas biofuels industry.

Across Kansas, our member grain elevators and biofuel processing plants are large employers and good corporate citizens that annually pay millions of dollars in taxes to help support schools and local units of government.

However, the ability of our members to operate a competitive business is often determined by the amount of overhead costs on their operation, such as property taxes.

In recent years, the property tax burden on our members has grown, both through unreasonable increases in assessed valuations, but also through increased mill levies. These property tax increases strain the budgets of our industries, limiting their ability to grow and further invest in their facilities and employees. For this reason, our associations support legislation that would reduce the property tax burden.

Senate Bill 35 seeks to address this issue by decreasing the property tax burden on Kansas property owners. The bill would discontinue the current state property tax levies for the Kansas educational building fund and the state institutions building fund and then transferring money from the state general fund for that purpose.

It is our opinion that the provisions in this bill are reasonable, represent good public tax policy, and will work to lower the overall property tax burden on all taxpayers. For these reasons, we stand in support of the bill which was passed by the Senate on a bipartisan vote of 38-2.

Thank you for allowing us the opportunity to testify in support of Senate Bill 35. We respectfully request that the committee pass the bill out favorably.