

JANET A. DOLL,

Mayor

ROY CESSNA

MELVIN L. DALE

DAN FANKHAUSER

J. CHRISTOPHER LAW

MATTHEW C. ALLEN City Manager

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HB2609 TESTIMONY BEFORE THE HOUSE TAXATION COMMITTEE JENNFIER CUNNINGHAM CITY OF GARDEN CITY, KANSAS March 9, 2016

Chairman Kleeb,

Thank you for allowing me to provide testimony on behalf of the City of Garden City in support of House Bill 2609. House Bill 2609 will provide for property tax lid policy without having an adverse effect on economic growth and public safety in Garden City and will continue to allow our Commissioners to make decisions on behalf of our community, the primary function they were elected to do.

Garden City has experienced tremendous growth over the last few years. This growth not only benefits our local economy and citizens, but it also benefits the State of Kansas. This bill will allow Garden City to continue offering Rural Housing Incentive Districts, Neighborhood Revitalization programs, and building permit subsidies, because it allows us to support the growth that these incentives create for many years to come.

The supporters of HB2109, the current tax lid law, supplied our local realtors with alarming, incorrect data that depicted almost \$16 million dollars that would have gone back to tax payers in Garden City if the tax lid had been in place from 1997-2016. This data was initially pushed out to them by the Kansas Association of Realtors scolding Garden City for their excessive property tax. However, the same lobbyist for KAR that pushed out this alarming data gave an educational meeting one week ago where he assured both the local realtors and everyone else in attendance that the tax lid wouldn't be necessary if everyone was as responsible as Garden City. So which is it? HB2609 takes into consideration both sides—the need for tax policy and the balancing of local government, the passion we have for our rural communities, and the overall economy of the State.

In many of the last 18 years, Garden City has kept property tax revenue increases below the Consumer Price Index. While this was not done with the Consumer Price Index in mind, it was done by Commissioners who were elected to be fiscally responsible. Being fiscally responsible includes taxing when necessary and spending in a way that uses the least and achieves the most. In some years, this means property tax revenue increases are below the Consumer Price Index, and in some years, those revenue increases are above. This takes time and planning and holds those making the decisions responsible. The current tax lid law incentivizes them to do just the opposite, to tax up to the consumer price index every single year whether they need it or not. This would be the only way they could plan for future needs or future growth. That specifically takes away from what they are elected to do and what they want to do for their community.

For these reasons, the City of Garden City strongly supports House Bill 2609. We respectfully ask that you do the same.



CITY COMMISSION

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