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February 5, 2020

The Honorable Chair Caryn Tyson
Senate Assessment and Taxation
Capitol Building, Room 548-S
Topeka, KS 66612

Re: Testimony in Opposition to S.B. 294

Dear Chair Tyson and Members of the Committee:

On behalf of my client, the Board of Riley County Commissioners, I must ask you to reject S.B. 294 as bad public policy.

As Commissioner Wells points out in the opening paragraph of his written testimony, S.B. 294 ignores the reality that all county essential services cost more to provide every year. I would supplement my commissioner's remarks by adding the present calculations of S.B. 294's "certified tax rate" do nothing to account for those on-going cost increases. S.B. 294 does not tie calculation of its "certified tax rate" to CPI. Neither does S.B. 294 include exemptions for public safety services. But these same exemptions are in the "tax lid" statute.

Commissioner Wells' written testimony refers to the 41 separate taxing entities within Riley County. He correctly states the practical administrative difficulty S.B. 294 creates for Riley County staff in the County Clerk's office. That administrative difficulty may easily lead to an unjust penalty upon Riley County taxpayers who do not own property within the boundaries of a given taxing entity. A close look at those 41 taxing entities reveals 8 are cemetery districts and 1 is a sewer district. Those 9 taxing entities each receive \$5,000 or less from their respective levies of property tax, and so are exempt from S.B. 294. But that leaves 32 taxing entities required to follow all the provisions of S.B. 294. This means the County Clerk will be required to schedule up to 32 individual public hearings with times which do not conflict with any other such public hearings. The County Clerk must also be certain the required 10 day notice is timely published for all 32 hearings. Further, if any one of those possible 32 public hearings is not conducted *by those separate taxing entities* in compliance with the procedural requirements of S.B. 294, refunds of overpayments to taxpayers must be made. Presumably, such refunds must be made to all those with property subject to the overpayment. And S.B. 294 explicitly preserves for those refunded taxpayers "any other remedies available under the law." It follows that such refunded taxpayers would be arguably entitled to interest on their refunded overpayment. *Such interest would likely be paid from the Riley County general fund.* On behalf of my client, my opinion is Riley County taxpayers outside a taxing entity which has violated the multiple procedural requirements of S.B. 294 should not be exposed to the penalty of contributing to interest payments from the Riley County general fund. That would be an unjust result which could easily occur, given the current text of S.B. 294.

As Commissioner Wells' testimony notes, Riley County's budgeting process is already transparent. To his testimony I will add: For over 20 years Riley County has published more of our annual budget than the law requires. We publish notice of all county funds, even capital funds. That is not a state requirement, but one Riley County commissioners imposed on themselves years ago, in the interest of honest and open local government.

I second Commissioner Wells' testimony that S.B. 294 appears to be based upon the false assumption Riley County real property appraised values are too high—that somehow those values represent something other than the truth. Given the objective measures routinely made through the state's Property Valuation Division, Riley County appraised values of real property are accurate. Those accurate values represent the "truth" of Riley County real properties, proven according to the statutory rules and state administrative oversight established by the legislature.

S.B. 294 is unnecessary should not be supported by this Committee.

Thank you for allowing me to express my client's opposition to S.B. 294.

Sincerely,



Clancy Holeman
Riley County Counselor

cc: Board of Riley County Commissioners