

Testimony from Basehor, Kansas
Before the Senate Committee on Assessment and Taxation
on **Senate Bill No. 294**

February 7, 2020

Chairperson Tyson and Members of the Committee:

The City of Basehor thanks you for the opportunity to provide testimony on Senate Bill 294. The City respectfully opposes this legislation for several reasons.

As a small and growing community, we have serious concern with the cost of unfunded mandates. Just as the State should oppose unfunded mandates from the Federal government, we urge you to consider the impact of unfunded mandates to local jurisdictions.

Our concerns include:

1. Section 1 (a) –
 - a. *Publications to taxing districts* - typically only have one reported estimated assessed value by July 1. Should that one estimate be used it could result in an inaccurate calculation since not all of the assessment information is included in the estimate. This significantly reduces the ability to develop accurate information.
 - b. *Artificial annually mandated tax levy decreases* - A negative adjustment to the Jun 15 estimated assessed value (abatement, appeals, reassessment) on the final Nov 1 assessed value will **decrease** the final revenue produced for the current year *lower* than the previous year by virtue of freezing the "certified levy" and the applying that levy to the new, adjusted assessed value. An increase in tax rate is not allowable after the levy is certified by July 1 to the opposite is not true.
2. Section 1(b) – *Unfunded mandate* - the Director of A&R has 1 month to review 3,000 taxing districts certifications. This does not provide adequate time to ensure an accurate review of the information provided.
3. Section 1(c) - *Unfunded mandate* - appears to be in addition to requirements to publish maximum levy rates (currently required 10 days prior to public hearing).
4. Section 1(d)1 – 3 – *Unfunded mandate* - for direct mail to all taxpayers when tax rate increase is necessitated.
 - a. In many counties this is not practical. This requires transferring from the County to taxing jurisdictions information in a usable form for calculating **personalized** impact estimates. These include potentially inaccurate information given the timing of the publication requirements (see note 1 above) to tax payers. This is forcing taxing jurisdictions to provide the tax

payer with inaccurate information as final assessed valuation information is not available until November 1. The County many times does not have electronic means to transmit data. The County already has a process to notify residents of changes in assessed value.

- b. Public hearings before September 1 are not practical since the budget is required to be submitted, by law, to the County on or before August 25.
 - c. Public hearings not conflicting with other jurisdictions is impractical. This restricts the taxing jurisdictions availability of public hearings in the event that the County has many different taxing jurisdictions – it also assumes coordination of those taxing jurisdictions without naming a coordinating agency.
- 5. Page 3 line 9 to 13 – who is to monitor the compliance with this provision?
 - 6. Page 3 line 14 – exempts schools who are the largest levy burden on citizens now. The City of Basehor represents 24% of the tax bill in our jurisdiction, while the County represents 26% and USD 458 Basehor-Linwood Schools represents 41%.

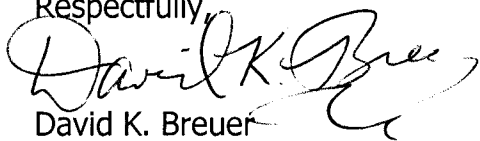
Senate Bill 294 also does not offer an exemption for Law Enforcement, Fire or EMS services. The City of Basehor provides law enforcement services to our community, and public safety is considered a top priority by our residents. As our community continues to grow, our City wants to be able to offer our residents the quality safety services that they demand without onerous and costly red tape.

As noted above, we believe the City of Basehor is a responsible steward of taxpayer resources. We take our responsibilities of providing essential services such as police protection, roads and infrastructure, sanitary sewer services, and parks very seriously and believe we do so with the cost of these services in clear focus.

If Senate Bill 294 were to pass, the Truth-In-Taxation process does not work with our current tax lid. This legislation does not provide a repeal of the tax lid.

We appreciate the work you do on behalf of the citizens of Kansas. Thank you for the opportunity to present our concerns and objections to SB 294. We urge you to consider this testimony and respectfully request your support in allowing cities to provide essential services.

Respectfully,


David K. Breuer
Mayor