



Date: February 5, 2020

To: Senate Committee on Assessment and Taxation

From: Richard LaMunyon, City Administrator

Re: SB 294 – Written Opponent Testimony

Thank you, Chairwoman and Committee, for allowing the submission of testimony on SB 294. The City of Maize is currently opposed to this legislation.

As it stands today: Our 2020 budgeted General Fund expenses are 15% over the 2019 actual expenses.

However, our 2020 budgeted property tax revenue in General Fund is only 11% higher than 2019.

Our property tax revenue comprises 54% of our revenue in the General Fund. Restricting it to the extent proposed by this bill would put us in financial hardship. Just like any other business, our costs continue to rise. It is an efficient use of resources for revenue streams to continue automatically adjusting with the natural market fluctuations.

The City of Maize takes great pride in not having raised our mill levy since 2008. Moreover, we instituted - on our own accord – local property tax relief of approximately 8 mills in the form of a housing incentive program that has been operational since 2011.

Furthermore, we find the following issues with SB 294 highly problematic:

- Maize is the fastest growing suburb of Wichita. The bill in its current form does not let taxing entities account for new growth.
- Without allowance for Law Enforcement, Fire or EMS, our ability to provide emergency services to our citizens will suffer.
- No consideration of the Municipal Cost Index to offset for inflation.
- There is no exemption for new growth or expiring tax abatements.
- The Truth in Taxation process does not work with a tax lid election; at the very least the tax lid needs to be rescinded as part of SB 294.
- The bill requires any excess tax revenue to be returned to taxpayers, so it's possible for the cost of the mailing to exceed the refund.

For these reasons, I ask that Committee not to pass SB 294 out of committee. Thank you for your time and consideration.