

**Date:** February 6, 2020  
**To:** House Committee on Taxation  
**From:** City of Overland Park  
**Re:** SB 294 – Opponent

Thank you for allowing the City of Overland Park (the “City”) to submit testimony on SB 294. The City opposes this bill because it is unworkable, complicates an already-transparent budget process, and will create unnecessary costs for taxpayers.

The timelines within SB 294 do not work with the existing tax lid and budget adoption timelines. For example, the current budget process requires that a public hearing on the proposed budget take place no later than August 15,<sup>1</sup> and the last day to file the budget with the county clerk is August 25.<sup>2</sup> Those timelines are probably impossible to meet under SB 294 because that bill requires the county clerk to provide at least 10 days advance notice of a public hearing to consider an increase in the “certified tax rate,” and that certified tax rate may not even be certified until August 1, which is why SB 294 allows such a hearing to take place up until September 15 (20 days after budgets must be filed). Similarly, SB 294’s deadline to vote to exceed the certified tax rate is September 15, but that’s also the deadline for a tax lid election. This could lead to a situation where the Governing Body votes not exceed the certified tax rate, but voters approve revenue above the tax lid, and courts have to interpret what budgetary authority a city actually has.

Additionally, requiring taxpayers to pay for additional notice as a result of factors the City has no control over (i.e. appraised values), when the City already holds several public hearings on the items it controls (i.e. the budget) creates new expenditures on already limited public resources and advances no compelling interest. That process is also objectionable because it would even be required where the certified tax rate increase is less than the CPI increase or the result of normal growth, which are normal budgetary changes most taxpayers would not expect additional notice about (or expect to pay the cost of the notice for).

SB 294’s prohibition on having a public hearing on the City’s certified tax rate at the same time as any other taxing entity in the county is impractical and probably impossible. Requiring dozens of municipalities and taxing jurisdictions within Johnson County to coordinate their hearings within a limited time frame so they don’t conflict, without any process for doing so, will likely invite chaos and interlocal disputes.

Finally, SB 294’s artificial constraints on revenue growth could eventually result in a decline in the safety and quality of life in Overland Park. Overland Park residents have repeatedly and overwhelmingly indicated the level of taxation by the City is appropriate. In our most recent citizen survey (2018), over 70% of respondents indicated they were satisfied with the value received for City tax dollars, while 94% are satisfied with the quality of life within the City and 98% are satisfied with Overland Park as a place to live. Existing laws allow residents and businesses to appeal appraised property values if property owners feel that appraised values are not reflective of market valuations, and those procedures are a better

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<sup>1</sup> K.S.A. 79-2929

<sup>2</sup> K.S.A. 79-1801; K.S.A. 79-2930.

solution than SB 294.

Thank you for allowing the City to submit testimony in opposition of SB 294. We respectfully request that the Committee not advance this legislation.