



Date: February 5, 2020
To: Senate Committee on Assessment and Taxation
From: Troy R. Unruh, Mayor
Re: SB 294 - Written Opponent Testimony

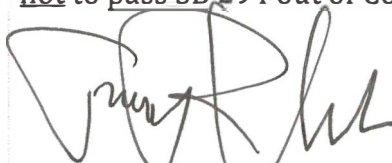
Thank you, Chairwoman and Committee, for allowing me to submit testimony on SB 294. The City of Garden City is currently opposed to this legislation because it is a fundamentally flawed bill.

Last December, the Tax Foundation recommended that Kansas repeal the tax lid and adopt the Utah model of Truth-in-Taxation. However, SB 294 is not the Utah model. The Utah model allows for new growth to be captured, and unlike the recommendation from the Tax Foundation, the bill doesn't repeal the tax lid. As one of the highest growth cities in Kansas, this would hamstring the ability of public agencies in our community to partner with existing and prospective businesses to create jobs.

Furthermore, we believe SB 294 is flawed for the following additional reasons:

- Truth in Taxation requirements mandate that only one taxing entity can hold a hearing at one time. The separation for these meetings can mean that each taxing entity could potentially levy an increase at the same time instead of working together to either find efficiencies through collaboration or spread out increases over time.
- Senate Bill 294 creates a complicated process where the Division of Administration is responsible for checking taxing entities' math on the certified mill levy.
- Senate Bill 294 does not provide exemptions for services provided by first responders. The biggest expense that many municipalities face is the budgetary needs for law enforcements, fire departments and EMS. The proposed bill does not allow for yearly inflationary increases and will likely result in service reduction.
- Senate Bill 294 does not allow for exemption based on the increase in Consumer Price Index (CPI). The natural inflation of property is not considered during property appraisals. The increase in property value is offset by a reduction in property tax to keep the amount to the taxing entity level.

For these reasons, and on behalf of the City of Garden City, I ask that the Committee not to pass SB 294 out of Committee. Thank you for your consideration.



Troy R. Unruh, Mayor

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