



**Kansas Grain and Feed Association
Kansas Agribusiness Retailers Association
Renew Kansas Biofuels Association**
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To: Senate Committee on Assessment and Taxation
From: Randy Stookey, Senior Vice President of Government Affairs
Date: February 19, 2020
Re: **Joint Proponent Testimony on Senate Bill 301, placing the burden of proof on the county appraiser in certain valuation and classification appeal hearings before the district court**

Chairman Tyson and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 301. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA), the Kansas Agribusiness Retailers Association (KARA) and Renew Kansas Biofuels Association (Renew Kansas).

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association with membership of over 700 companies across Kansas. Renew Kansas is the trade association of the Kansas biofuels industry.

Across Kansas, our member grain elevators, biofuel processing plants, and agribusiness facilities pay millions of dollars annually in property taxes that support local schools and government. The ability of our members to operate a competitive or profitable business is often determined by the amount of fixed costs on their operation - such as property taxes. In recent years, the property tax burden on our members has grown exponentially through dramatic, unreasonable, and unrealistic increases in assessed property valuations.

For this reason, our associations fully support the public election requirement (property tax lid) as set forth in Kansas law, and any other legislation that might provide further property tax relief, increase transparency in the valuation process, or improve the valuation and appeal process.

Kansas law requires the director of property valuation to annually determine the fair market value of real and personal property for ad valorem property tax purposes. Senate Bill 301 would change this annual valuation cycle to a triennium valuation cycle. We see this as an improvement and an important change to the property valuation process.

The reason we support this measure is that many of our members annually appeal their property valuations. When the property has been found to be over-valued, and a lower property value is determined, there is currently nothing in Kansas law prohibiting the appraiser from increasing the assessed value once again the following year. This has created, for many property owners, a problematic loop of annual appeals and costly litigation.

Moving to a triennium valuation cycle, as other states have done, would greatly help to alleviate this issue. Senate Bill 301 would provide cost savings from fewer appeals, which would be realized by both the both taxpayer and local units of government.

The provisions in this bill represent good public policy and are an improvement to the property valuation process. For that reason, we stand in support of the bill. Thank you for allowing us the opportunity to testify in support of Senate Bill 301. We respectfully request that the committee pass the bill out favorably.