

February 16, 2024

Dear Chairman Bergquist and members of the committee:

I am writing to support HB 2734.

I am a current homeowner in Olathe, Kansas. My wife and I purchased our first house, which was a brand new build, in 2018. In January 2020, my neighbors and I received letters stating that we would be taxed additional assessments as part of a Benefit District. The tax was for a Benefit District that was approved in 2008 but was never disclosed to any homeowners purchasing in the area. The area sat, without any changes, until 2019 when an “updated” proposal was added, only adding about 200 feet of road. To date, homeowners within the Benefit District do not know the exact amount we will be assessed, but it is estimated I will have to pay over \$20,000 towards the developer’s road – that I do not use – built over a quarter mile away from my house. The road is for the private, for-profit developer to build more houses in that area. This Benefit District was never disclosed to me when I purchased my home; I scoured the paperwork and no mention was found. The developer claimed it was a “new” Benefit District so I was forced to pay despite receiving no benefit from the developer’s road (again, a road that is nowhere near my house).

HB 2734 will protect all homeowners within Kansas. This bill will ensure that:

- Benefit districts expire if the improvements aren’t carried out within a 5-year time period.
- If the improvement expires, a new vote would need to occur, which would also include the input of homeowners currently in the area.

Currently, the state law allows for Benefit Districts to remain for an undisclosed time even without any improvements. Because of this, homeowners can unknowingly be taxed additional assessments 10, 15, or even 20 years in the future. The average assessment within our Benefit District is estimated to be about \$15,000 per household. There are other Benefit Districts that have assessments over \$45,000 per household. This is egregious considering the average income in Kansas is ~\$32,000 (in 2019). It is even more egregious when the current law allows for homeowners to be assessed this amount for potential improvements *at any time in the foreseeable future*. On the other hand, if a homeowner is aware of the tax assessments they will pay in the future, these improvements should have to be completed within a reasonable timeframe.

Kansans deserve to be informed about Benefit Districts when purchasing a home. When purchasing anything, a buyer normally can evaluate factors regarding the purchase, including taxes or fees. Being forced to pay a large, unexpected fee years after purchasing a home is not the norm. Yet that is currently the case with residential Benefit Districts.

Please Vote Yes for HB 2734. Give Kansans the right to make informed decisions when purchasing their homes and the safety of knowing they will not be subjected to additional taxes.

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