



**Testimony of Randy Leis, County Commissioner Meade County, Kansas
Before the Senate Committee on Ways and Means
In Opposition to Senate Bill No. 309
March 15, 2023**

Member Counties

WRITTEN TESTIMONY ONLY

Barber

Chairman Billinger and Members of the Committee, thank you for allowing me to testify in opposition to Senate Bill No. 309, which creates the fixing instant revenue shock for tax-payers fund, the local extraordinary needs fund and abolishes the local ad valorem tax reduction fund.

Barton

Clark

Ellis

Finney

Ford

Gove

Grant

I am Randy Leis, a Meade County Commissioner. I also serve as president of the Kansas Legislative Policy Group, a non-partisan group of 33 rural western Kansas counties that work collectively on issues of mutual interest.

Gray

Hamilton

Harper

Haskell

Hodgeman

SB 309 is an attempt to make cities and counties whole for lost revenue due to a legislative enactment which reduces local retailers' sales or compensating use tax revenues. Previous efforts to offset county revenue losses related to legislative tax modifications (LAVTR, CCRSF and CIME slider payments) have been short lived and resulted in a shifting of the burden to other local tax-payers. We fear the same end result with SB 309.

Kearny

Kiowa

Lane

Logan

Meade

There is no guarantee of long-term funding of these restoration funds, which normally would be received by local communities had a legislative modification not occurred. The potential impact of SB 309 not being fully funded by the legislature in the future is likely and will be extremely harmful to our ability to manage budgets and revenue streams, especially if SB 248 as it left the Senate becomes law.

Morton

Ness

Rawlins

Rice

Sales taxes are an important source of revenue for counties, SB 309 provides for a static review of sales tax collections and as it is drafted doesn't appear to be responsive to economic growth that naturally occurs in tax collections.

Russell

Rush

Scott

The bill requires the State Treasurer to make a determination of the lost revenue up to twelve months after a loss was incurred. How is a city or county to pay their sales tax related obligations or associated debt service during this determination period?

Seward

Sherman

Stanton

Stevens

If it is the legislature's intent to fully replace losses and hold harmless a city or county from legislatively enacted local sales tax decreases why do the original reduction?

Thomas

We ask that you oppose Senate Bill No. 309.

Trego

Thank you for your consideration.

Wallace

Wichita

Randy Leis
President
Kansas Legislative Policy Group