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January 25, 2021

State of Kansas House Taxation Committee
Via Electronic Submission

RE: 2021 SB 13 - Testimony by Electronic Device - Neutral

Dear Chairman Smith and Honorable Members of the Committee:

Thank you for the opportunity to testify today on SB 13. My name is Rick Piepho. I am the Harvey County Clerk, but today, I am appearing in my official capacity as the chairman of the Legislative and Elections Committees of the Kansas County Clerks and Election Officials Association. Thank you for arranging the electronic means by which I am appearing today.

As County elected officials we deal with members of the public daily. With our partners in the courthouse, we collect taxes, run elections, enforce laws, house inmates, adjudicate disputes, care for the health of the public, assess and maintain property records, tag motor vehicles, and more, all while providing an extension of state functions as we interact daily with the public. Over the years more and more responsibility has been passed on to County Government and we always find a way to make things work. We are experts at doing more with less all while being flexible to the needs of the state and the public.

As County Clerks we try to take the long view of how legislation will impact the citizens of the County. We follow your mandates and make sure they are administered in accordance with the intention of the legislature and the interpretation of the courts. That is why we are testifying as neutral today on SB 13. You make the policy, and we implement it. But before you legislate this change on how property taxes are assessed, levied, and collected, we would like you to consider the following amendment.

1. Change the implementation date of this law. A retroactive implementation date is not acceptable to the workings of county government and is not a good use of taxpayer dollars. This bill should not go into effect until January 1, 2022 and we would suggest amendments to the bill to reflect that new effective date. Such a change to the bill will be required in at least four places in the text.
 - a. Rationale: All 105 counties in Kansas will need to go through a process of computer coding a revenue neutral rate statement for all jurisdictions in the county. Every county is different in how their programming is set up. Forcing our internal staffs and software providers to fast code these changes will be very expensive. We have surveyed 33 counties of varying size across the state and we have learned that the cost to just prepare and mail these new statements, for just those 33 counties is \$375,737.09. That is an average of \$11,385.97 per county, or \$1,195,527.10 statewide, annually. To be fair, that is the cost of mailing

every taxpayer in the state one time during the year, and it is unlikely to occur state-wide all at once.

- b. Expense of not doing so: When you add the programming costs which will be required by this bill the price tag to the taxpayer increases even more. Our partners in the software and programming field are still working on the cost of fast coding that increase. But they have certainly told us that implementation of the new code over a more considerable time period will be cheaper.

Thank you for considering that amendment. Our Association believes that the amendment will be in the best interest of the county taxpayer. A slower implementation arc will allow us time to test the revenue neutral tax rate software and will provide a foundation which promotes training, accuracy, and better service to our taxpayers.

The members of our association agree with the tenets of the bill which provide accountability and transparency to the county taxpayer. For as long as I can remember we have held budget hearings and published budgets for everyone to see. We work hard to be open, accountable and transparent to the public. This bill is another attempt, through an additional mailer, at open government. We support open government. We are hopeful that our state partners realize that there is an additional monetary cost to the taxpayer for this additional openness. When it is all boiled down, this legislation has the county taxpayer footing the bill for an additional data point which may or may not encourage their participation in the process. If you believe that the county taxpayer is in favor of this change then we will implement it to the best of our ability.

Mr. Chairman, I would like to thank you and the members of the committee today for your attention to my testimony. There may be other entities who will request amendments to the timing components of this bill. I hope you will allow me to answer questions about how those changes will impact the County Clerk's office. We run elections in this state and there is a delicate balance between the timing of general government budgets and election administration when dates are shifted. All of October and most of November are dedicated to elections. I know you all recognize the growing difficulty of election administration and would ask that we have a chance to speak before any more pressure is put on the timeline of elections.

In conclusion Mr. Chairman, our association would like to see amendments to the implementation date of the bill, we would ask for the chance to make input on the movement of other dates inside the bill and finally, so we are not perceived as purely negative in our tone, we do appreciate the section of the bill which repeals the "tax lid" which was implemented a few years ago.

Thank you for your attention today and I will be happy to stand for questions at the appropriate time.

Sincerely,



Rick Piepho

Harvey County Clerk & Election Officer – KCCEOA Legislative and Elections Committee Chair