City of Argonia

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ATTN: <u>lea.gerard@house.ks.gov</u> - Testimony to House Members of Legislation

RE: SB 248

The City of Argonia (the "City") and its Governing Body is asking the committee to VOTE NO on SB 248 (the "Bill") or amend it so local sales tax levies on food, food ingredients and groceries are made whole again, as is the case under current law. Legislative research testified this would cost municipalities, at minimum, \$180 million statewide.

Our local sales tax levies are voter approved. This bill undermines voters of our community, who voted on these levies and their purposes of use. Currently, the City levy for our General Fund is 47.290 and Bond & Interest is 4.345 (for a total of 51.635). Other tax levies within our community include the Dixon Township Library and Fire Department of 3.424 and our school system, Argonia U.S.D. #359, of 52.519. As you can see, our small community would be greatly affected by the Bill and lose thousands of dollars that we cannot afford to lose.

The overall loss to our budget would be harmful to our community, which uses these levies to fund essential services. Our small community of only 500 residents has a limited budget that we are already exhausting to maintain our fire and police departments, and utility services (such as gas, water, solid waste and sewer), while also keeping our cemetery, public parks and streets clean and safe. Our local businesses have dwindled over the years and three of our major tax contributors are primarily food establishments. These businesses generate tax revenues from both community members and travelers that are passing through. The sales tax burden does not fall solely on our community, which is important. Additionally, we have faced unprecedented times during the pandemic, followed by the economic challenges of today. We already have to choose where we invest our dollars, and EVERY SINGLE dollar counts!

Many projects funded by special sales tax levies approved by voters will be negatively impacted. This Bill will most certainly cause the Governing Body to look at other avenues to find revenue. This effort will hit the local citizens' pocketbooks through various charges, like utility increases, increases on building permits, license fees for animals, higher charges to use the public pool, etc. The list is too long, but the burden on the community cannot be overstated. The lack of funds will likely affect the upkeep of the city parks, streets, public community buildings and so much more.

We want to help our community grow and ensure our youth have a safe park, pool, ballfields and other places to enjoy. These proposed sales tax cuts for the City would force us to scale back on essential services and the maintenance of places of interest. We've already made some difficult budget cuts, just to continue to serve our citizens with basic needs, and we can't afford to lose anything else in our

Thank you for your time and consideration of hearing our plea for you to VOTE NO.

Tara L. Pierce

Mayor: Rick Dolley

Council Members: Bob Randall Don Phillips Scott Jones Felisha Noland Terina McCurley City Clerk: Tara Pierce Treasurer: Karyn Taton City Maintenance: Jonathan Meyer & Jacob Callaway