## **Kansas AFL-CIO**



**TESTIMONY (Written Only) House Committee on Taxation** By Andy Sanchez, Executive Secretary-Treasurer KANSAS AFL-CIO March 13, 2023

Chairman Smith and members of the committee, thank you for this opportunity to share our **OPPOSITION** to SB 248. The bill seeks to make drastic changes to state tax policy. The periodic visit to the grocery store is indeed putting a great deal of stress on Kansans, but working families need sound tax policy. This is not reasonable family friendly tax policy that our state should do. With such major implications and all the moving parts there is just not solid evidence of predictability. That is our first concern, stability within a working family's household.

Second, while the intention seems good on the surface, working people could be hurt by this legislation. While SB 248 does accelerate our quest to get to 0% tax on food, it also oversteps local government's ability to tax and manage their budgets. If local governments will be forced to account for lost revenue, then they most surely will react. Everyday wage-earners like we represent could end up paying more in taxes overall, or experience a net loss to the family budget. We have local elected officials and we believe they should be held accountable for their own moving-parts of tax policy. It's probably unfair to put local elected officials in this bind when we know their constituents will have little to no tolerance for tax increases of any kind. We are advocates of local control and believe local elected officials deserve the responsibility for fiscal management of balancing local government services with fiscal management, and thus, taxing authority. On behalf of the 75,000 members we represent, we believe SB 248 does not offer the most sound tax policy for our state. It is questionable whether reducing the sales tax on food outlined in SB 248 can be efficient to where lawmakers wouldn't have to revisit this issue again all too soon. Sixty percent of people in America, the richest county in the world, are living paycheck to paycheck. We strive to make sure our members know the value of government services and the costs to maintain these services. Essential services of our state government cannot return to the budget deficits of the previous decade, nor should services suffer the like.

<u>We</u> believe we can make better progress for all working families to fair better against economic pressures seemingly beyond their control, and still do so sooner. We urge a more calmed-down approach of dealing with budget surplus revenues, where our tax system will function with a higher degree of efficiency and predictability, not cause a cascade of other tax hikes. The Kansas AFL-CIO works hard to improve the quality of life for Kansas' workers. We know, as lawmakers you have those same objectives of showing the rest of the country that Kansas can be their home, and you can support and raise a family here.

Thank you for taking action in 2022 to incrementally give relief to working families, it has been noticeably appreciated. Our members know that you must balance economic growth with efficiency when tax cuts are being considered to have the resources to still run government. We must oppose SB 248 for the reasons outlined here and hope that this body will do the same. Thank you.