

PUBLIC POLICY STATEMENT

HOUSE COMMITTEE ON TAXATION

RE: Support for HB 2212

**January 24, 2012
Topeka, Kansas**

**Testimony provided by:
Brad Harrelson
Assistant Director
KFB Governmental Relations**

Chairman Carlson and members of the House Committee on Taxation, thank you for the opportunity to appear in support of HB 2212. I am Brad Harrelson, Assistant Director—Governmental Relations for Kansas Farm Bureau. KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

As you are aware, production agriculture is very capital intensive and requires substantial investment in land, machinery and equipment. Kansas agricultural producers are the largest land owners in the state. Because of these unique requirements, often accompanied by high risk and marginal returns, property taxes place a substantial burden on farmers and ranchers, and often becomes a deterrent to such investment.

The underlying statute contemplated for amendment today, would require that if the total taxable real property valuation in any municipality increases due to increases in the assessed valuation of existing real property, then the governing body would be required to lower the mill levy rate. If valuations decrease, then the governing body could increase the mill levy rate unless prohibited by statutory restrictions. Kansas Farm Bureau supports passage of this legislation and we believe that it is good and fair public policy.

Passage of HB 2212 would provide greater transparency and understanding among all property owners, while allowing elected officials the ability to fund local government to meet the needs of those providing the funding. Kansas Farm Bureau respectfully urges your recommendation to pass favorably HB 2212. Thank you, once again, for the opportunity to appear before you and share the policy of our members. KFB stands ready to assist you as you consider this important measure.