



City of Dodge City

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To: Chairman Steven Johnson and House Taxation Committee
From: Cherise Tieben, City Manager
Date: March 14, 2017
Subject: Written Testimony in Support of HB 2376

Dear Representative Steven Johnson:

Thank you for considering my testimony on behalf of the City of Dodge City in support of HB 2376, which would replace the mandatory election requirement with a protest petition driven election in case cities or counties exceed the statutory tax limit.

Current law (KSA 79-2925c) caps cities' and counties' ability to raise property tax revenue up to 1.4% in our 2018 budgets plus limited exemptions without a vote by the public to exceed the statutory limit. However, the current mandatory election requirement in the tax lid legislation does not coordinate with municipal budget timelines, is unclear and the cost of elections are excessive for cities. Under current law, the City of Dodge City has estimated that an election process could cost more than \$10,000. Furthermore, the limited exemptions allowed currently gives us little to no flexibility for cities and counties to work under the tax lid.

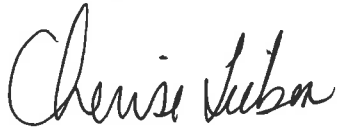
We feel that current legislation needs to be amended and we encourage you to vote and pass HB 2376 for the following additional reasons:

- The current election provisions are incomplete. Other than stating an election can be held at the August primary, November general election, special election or by mail-in ballot election to be completed on or before September 15, there is little direction.
- The current election requirement is mandatory anytime the proposed budget amount exceeds the tax lid, which is defined as the five-year rolling average of the Consumer Price Index (CPI), regardless of the reasoning behind the increase.
- A protest petition driven election replaces the incomplete, mandatory election requirement with a structured process that is discretionary with the electors.
- The cost of holding an election could be avoided.
- The protest petition election does not alter the tax lid law, only the election process.
- Upon the receipt of a valid protest petition, the governing body is permitted to either call an election to authorize a budget increase beyond the tax lid amount or adopt a budget that doesn't exceed the tax lid amount. The latter position by the governing body would avoid the need to hold an election.

For these reasons, I ask that the Committee to pass HB 2376 which only amends the election process, but provides cities and counties with more direction to work under the tax lid legislation.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Cherise Tieben". The signature is written in a cursive, flowing style.

Cherise Tieben
City Manager