

To: House Taxation Committee, Representative Steven Johnson, Chairperson

From: John Donley, Kansas Farm Bureau

Date: March 16, 2020

Re: SB 294 – concerning property taxation; relating to tax rate; truth in taxation

Chairman Johnson and members of the committee, I appreciate the opportunity to present testimony on behalf of the Kansas Farm Bureau (KFB) in support of SB 294. KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau Associations.

When visiting with KFB members around the state, rising property taxes is a consistent concern for most KFB members, as well as most Kansans. State and local units of government have passed policy over the past several decades that has increased the reliance on property taxes to fund local units of government. The state recently passed a property tax lid that has proven to be somewhat effective, but has created new challenges when it comes to keeping property taxes down. While these challenges do not come as a total surprise, it is always good to look at other potential options to limit the growth of government spending. SB 294 is a bill that attempts to do exactly that.

KFB policy encourages spending limitations on local governmental units. While this bill does not create spending limitations, it does require local units of government to provide adequate public notice and have adequate hearings before increasing the budget and the total tax revenue of the local unit of government. The provisions requiring these additional steps prior to increasing budgets will ensure that the governing bodies have the ability to hear from constituents in order to best represent the taxpayers in the taxing jurisdiction.

In order to make this new legislation more workable, the Senate removed the tax lid on local units of government. Kansas Farm Bureau, while still supportive of the tax lid, believes that it is prudent to make such a change in an attempt to make a system that is more efficient and workable for local units of government to meet their revenue needs in the most transparent manner possible.

KFB feels that SB 294 is a bill that will help allow local units of government, and their constituents, to make informed decisions regarding their budgets and tax rates. Therefore, we ask that you support this measure as it moves forward through the legislative process.

Thank you for your time and attention to this issue.