



To: Kansas Senate Assessment and Taxation Committee

From: Jake Letner, City Administrator – City of Columbus, KS

Subject: Testimony in Opposition to SB 468 as Proposed

Date: 02/09/2024

The City of Columbus wishes to provide this testimony in opposition to SB 468, which would disallow any municipality from exceeding the Revenue Neutral Rate that utilizes Industrial Revenue bonds, Tax Increment Financing Districts, and/or any other tax abatement programs. Local governments, ours included, have used some of these tools to assist in business expansion and job creation. These tools are used sparingly and according to need. Discussions regarding the costs, benefits, merits, and drawbacks of these projects take place at public meetings. These public meetings provide an opportunity for residents and members of the business community to attend and raise any concerns they may have. The decision of whether to utilize any of those tax incentives rests with our locally elected representatives.

We believe that our elected officials should retain the authority to set reasonable and appropriate budgets based on our own local needs. We also would like to continue to work collaboratively with the private sector and utilize economic development tools to grow and strengthen our local economy. Recent changes to state law regarding the Revenue Neutral Rate process promote transparency and accountability in the municipal budgeting process. We do not believe the intent of the Revenue Neutral Rate provisions is to limit the ability of municipal government to engage in economic development. We support this committee's goal of implementing solutions to reduce the overall tax burdens of Kansans, but we do not believe this legislation is a responsible step towards that goal.

Respectfully,

A handwritten signature in black ink, appearing to read "Jake Letner".

Jake Letner
City Administrator
City of Columbus, KS
jletner@columbusks.gov