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DATE: February 17, 2023

TO: Chairwoman Tyson and Members of the Senate Committee on Assessment and Taxation

FROM: Peter F. Meitzner, Chairman, Sedgwick County Board of Commissioners

SUBJECT: Testimony - Senate Bill 252

I am writing on behalf of the Sedgwick County Board of County Commissioners in opposition of SB 252 because of its far-reaching negative impacts on the citizens of Sedgwick County.

1. SB 252 would lead to increased taxes for homeowners and businesses not exempted from taxation under the bill.

SB 252 would create exemptions for real property tax, personal property tax, and sales tax for a broad spectrum of private businesses. Given the breadth of SB 252 and the number and value of exemptions that it would afford, local governments would need to make up for lost tax receipts by increasing mill levies on non-exempt properties. In essence, passage of SB 252 would be an exercise in: (a) shifting the tax burden to homeowners; and (b) picking winners and losers in terms of which businesses would be exempt from taxation and which businesses would instead face higher taxes. This shift in the tax burden could potentially drive people and small business owners not only out of our County, but also out of our state during a time when we are all trying to attract people and talent to Kansas.

2. SB 252 seems to be based on flawed premise that government-funded activities are competing with the private sector.

Sedgwick County owns properties that are utilized for recreation and entertainment activities, such as the Sedgwick County Zoo, the Sedgwick County Park, Intrust Bank Arena, and Exploration Place. These facilities provide valuable economic growth and tourism for our community. These places also offer residents of all socioeconomic backgrounds the ability to enjoy healthy recreational and educational activities. The aforementioned locations are community gems and not competitors of the private sector.

Chairwoman Tyson and Members of the Committee

February 17, 2023

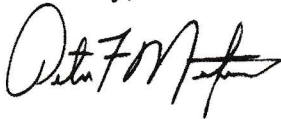
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3. SB 252 would negatively impact the quality of amenities and entertainment options that the County is able to provide to its residents.

If SB 252 becomes law, Sedgwick County would have to decide whether to continue offering dining and concession options to patrons at the Sedgwick County Zoo and Intrust Bank Arena, as doing so would create an exemption for seemingly all restaurants and other businesses who also sell food and snacks within entertainment and recreation venues in Sedgwick County, such as movie theatres. Likewise, Sedgwick County would have to decide whether it is feasible to continue to offer affordable venue rental options at Sedgwick County Park, as doing so would create a tax exemption for all privately owned event venues within the County. Essentially, the County would be left to decide whether it should continue providing these amenities knowing that this would force the County to raise taxes on its homeowners and non-exempt business owners, or stop providing these amenities altogether. While these are only two examples, the effects of SB 252 are far-reaching and would affect the quality of life of our residents while benefitting select businesses.

Thank you for considering our testimony in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter F. Meitzner". The signature is stylized with a large initial "P" and a long horizontal flourish at the end.

Peter F. Meitzner, Chairman
Board of County Commissioners