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Date: March 20, 2023

To: Chairwoman Tyson and the Senate Committee on Assessment and Taxation

From: City of Overland Park

Re: HB 2002 – Support (Written)

Thank you for allowing the City of Overland Park to submit testimony in support of HB 2002. This legislation would prevent the costs of state-imposed notice requirements from being paid for by local taxpayers.

K.S.A. 79-2988, also known as the Revenue Neutral Rate (RNR) law, requires taxpayers to pay for additional notices as part of the budget process. Taxpayers must pay for these notices even though local governments are already required to hold several public hearings on the budget and even if a proposed property tax rate increase is less than the CPI increase or just the result of normal growth. These are normal budgetary changes most taxpayers would not expect additional notice about, and they certainly would not expect to have to pay for the cost of these unnecessary notices. However, current law contemplates that future costs of these state-imposed notices will be assumed by local taxpayers. In order to convert this requirement from an **unfunded** State mandate to a **funded** State mandate, the legislature should adopt HB 2002 so that the State can assume the future costs of the notice requirements they created.

Thank you for allowing the City to submit testimony in support of HB 2002. We respectfully request that the Committee advance this legislation to the full Senate.