



BOARD OF COMMISSIONERS

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January 11, 2024

The Honorable Chair Caryn Tyson
Senate Assessment and Taxation
Kansas State Capitol
300 SW 10th Street, Room 548-S
Topeka, KS 66612

Re: Written Testimony in Support of S.B. 196

Dear Chair Tyson and Members of the Committee:

Our County Commission unanimously supports S.B. 196. It reactivates state funding of an existing state statute which, beginning in 1965 and *until 2004*, returned to counties statewide *a portion* of the sales tax dollars already paid by local citizens. The state's refusal to comply with that existing state law for the past 20 years has meant local citizens must pay twice for purchases subject to local sales taxes. Without access to those returned funds, counties across the state have, over the past 20 years, increased property taxes to fund essential local services. Under state law, property tax remains the primary source of every county's operating revenue.

The truth of the preceding paragraph can best be seen in a series of 3 brief and compelling videos on the Kansas Association of Counties' website, www.kansascounties.org. We encourage all members of this committee, **and any citizen who cares about their increasing property taxes** to visit www.kansascounties.org. Once there, click on "Legislative," then on "Legislative Advocacy Toolkits for Kansas Counties." Next, click on "Local Ad Valorem Tax Reduction Fund (LAVTR)." All 3 videos tell the true story of LAVTR.

The first video, "The Power of LAVTR" lasts only 5 minutes and 31 seconds. Its power comes from the fact that it contains more than the perspective of two legislators. It includes common sense support from a local businessman. You can see he understands a re-start of LAVTR funding by the state "is in the rational self-interest of all of us small business owners."

The second video, "The Tale of LAVTR in Kansas," lasts 7 minutes and 35 seconds. It shows partial state financial support of county government through excess sales taxes received by the state, was a concept which began in 1937, as Kansas began its recovery from the Great Depression. A key point made is counties "are mandated to collect property taxes not just for

counties, but for all levels of government.” This video shows not only enactment of the current LAVTR statute in 1965. It also provides the subsequent history of the state’s eventually erratic funding of the statute until the state stopped funding it in 2004.

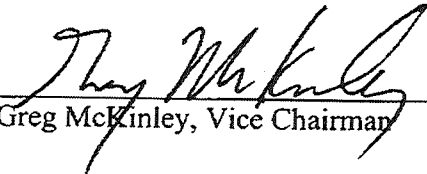
The third video, “The Truth About LAVTR,” runs 5 minutes and 52 seconds. This final video points out the state’s 20-year failure to fund **the LAVTR statute alone** has deprived counties and cities statewide of \$1.7 billion dollars. And the additional point is made this revenue loss has been made up “mostly through property tax increases.”

A fair and logical solution to our mutual constituents’ concerns about increasing property taxes is before you. We encourage this committee *and leadership in both chambers* to put partisanship entirely aside when you consider the merits of SB 196. SB 196 is good for the citizens of Kansas and deserves your support.

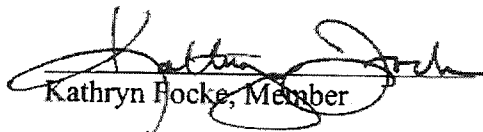
Thank you for this opportunity to offer the Riley County Commission’s support of LAVTR funding and SB 196.



John Ford, Chairman



Greg McKinley, Vice Chairman



Kathryn Focke, Member

cc: Vivienne Leyva, Public Information Officer—For Immediate Press Release