



Testimony of the Kansas Association of Counties to the  
House Committee on Taxation  
Proponent for HB 2626 • February 13, 2018

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2626, a reenactment of 1973's Substitute for Senate Bill 11, which accounted for transfers in authority from one taxing entity to another under the old tax lid.<sup>1</sup> HB 2626 updates the old law by creating an exemption to the tax lid enacted by the Kansas Legislature in 2015. The exemption relates to any tax levy increase resulting from a taxing entity being dissolved and its powers, responsibilities, duties, and liabilities being transferred to the city or county to carry on the functions and responsibilities of the dissolving taxing entity.

As Kansas municipalities work to implement the new tax lid, they are looking at how Kansas operated under the previously repealed law. The 1973 version of the Kansas tax lid increased the aggregate limitation imposed by law on a transferee entity accepting new responsibilities and decreased it for the transferor entity. The argument for this type of exemption is that the entity accepting the new responsibilities from the dissolved entity should be allowed to expand under the tax lid to take on the new responsibilities. This issue arose in the City of Pratt,<sup>2</sup> which plans to absorb the powers of a dissolving airport authority. If the city is to take on the taxing authority and the responsibility of the airport, it should be allowed room to grow from its current restrictions under the tax lid.

We support HB 2626 as a tested method to accommodate reorganization at the local level. The legislation will enable counties and cities to shift responsibilities and services to the level that makes the most sense without handcuffing the local officials. We ask this committee to recommend the bill favorably for passage. Thank you for your time and consideration.

Respectfully,

Nathan Eberline  
Kansas Association of Counties

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<sup>1</sup> 1973 Kansas Session laws, Chapter 393, Section 9.

<sup>2</sup> House Bill 2628 (2018).