

Written Testimony on House Bill 2367

Provided by the City of Wichita

March 12, 2019

The City of Wichita is supportive of efforts by the Kansas Legislature to authorize transfers from the state general fund to the local ad valorem tax reduction fund and county and city revenue sharing fund subject to certain conditions.

Prior to 2003, the City of Wichita received approximately \$6 million each year in revenue from demand transfers from the state. This revenue sharing helped to diversify the City's revenue base and relieve the pressure on ad valorem property taxes to support the delivery of municipal services to the citizens of Wichita.

Based on the provisions of HB 2367 and based on the distribution formula, the estimated impact of county and city revenue sharing for the City of Wichita is approximately \$6.3 million per year.

The legislation seems as if only counties are eligible to participate in the sharing from the local ad valorem tax reduction fund based on submittal to the secretary of transportation of a plan for new construction of a road or improvement of a bridge in the county. If this participation included cities, it is estimated the City of Wichita could leverage an additional \$6.3 million to partner with the state and support the south central region.

The City of Wichita is committed to maintaining a low and stable mill levy rate, to continue working with our partners to provide a dependable transportation network and infrastructure for south central Kansas residents, and to create conditions to foster economic growth for local Kansas businesses.

