



Testimony of the Kansas Association of Counties to the  
House Committee on Taxation  
Opponent Testimony on SB 294 • March 16, 2020

Mr. Chairman and Members of the Committee:

Thank you for allowing the Kansas Association of Counties to offer testimony on SB 294, which would change the notice and hearing requirements for increases to the budget of any taxing subdivision of the state. SB 294 is not the Utah model of property taxation. While the Utah model allows for increases in property taxation due to new growth, SB 294 has no such provision. SB 294 also does not include consumer price index (CPI) increases. Regardless of growth in an area or CPI changes, unless the notice and hearing requirements were fulfilled, the total dollar amount of property tax collections would remain flat.

SB 294 is especially burdensome on county clerks, who would be responsible for sending out the notices required under this bill. As an example, the cost for mailings in different counties are listed below (these figures do not represent any staff time, software changes or other costs):

Johnson County - \$88,000, assuming that the notice, envelope and postage is \$0.40 per notice.

Shawnee County – greater than \$44,000

Reno County – between \$25,000 and \$55,000 depending on how the library district is handled.

Dickinson County – between \$25,000 and \$30,000

Jefferson County – approximately \$26,700

This would have to be built into the budget each year, as there would be no way to pay for the required mailing for the next year without this being added to the budget in anticipation of the possibility of an increase.

Additionally, there are some practical problems with SB 294. Thankfully, these issues can likely be solved with some amendments.

- 1) An amendment clarifying the reimbursement method and rate for notices sent out by the county clerk for other taxing subdivisions.

On page 2, line 36, by inserting after the period the following:

“Any taxing subdivision for which the county clerk provides notice shall pay to the county clerk the proportional amount of the actual cost related to the notices for that taxing subdivision based on the number of notices sent to taxpayers in that taxing subdivision.”

KAC is working with other local government partners on what should be included in “actual costs”.

- 2) An amendment eliminating refunds and allowing for a tax credit for the following year instead.

There is the potential that sending out refunds would actually exceed the cost of the refund itself. For example, if a large county were to exceed its budgeted amount by \$100,000, the refund to most taxpayers would be very small. Printing and mailing so many small checks would be the epitome of government waste, but would be required under the current language of this bill. If a county were to go over by a small amount, the effect would be the same.

On page 3, line 30 by striking “refund” and inserting “give a credit to future taxes to”

We ask that, if the committee determines that it is best to proceed with SB 294, these amendments be added to make the bill as practical as possible. Thank you for your time and attention.

Respectfully,



Jay Hall  
Kansas Association of Counties