



**Kansas Grain and Feed Association  
Kansas Agribusiness Retailers Association  
Renew Kansas Biofuels Association**  
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To: Senate Committee on Assessment and Taxation  
From: Randy Stookey, Senior Vice President of Government Affairs  
Date: February 5, 2020  
Re: **Joint Proponent Testimony on Senate Bill 294, establishing notice and public hearing requirements prior to approval by a governing body to exceed its certified tax rate for property tax purposes.**

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Chairman Tyson and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 294. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA), the Kansas Agribusiness Retailers Association (KARA), and Renew Kansas Biofuels Association.

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association with membership of over 700 companies across Kansas. Renew Kansas Biofuels Association is the trade association of the Kansas biofuels industry.

Across Kansas, our member grain elevators, biofuel processing plants, and agribusiness facilities pay millions of dollars annually in property taxes that support local schools and government. The ability of our members to operate a competitive or profitable business is often determined by the amount of fixed costs on their operation - such as property taxes. In recent years, however, the property tax burden on our members has grown exponentially through dramatic, unreasonable, and unrealistic increases in assessed property valuations. These valuation increases have resulted in massive increases in property taxes paid by our members.

For this reason, our associations fully support the public election requirement (property tax lid) as set forth in Kansas law; and, oppose additional exceptions to the election requirement or any other legislation that might further increase property taxes, erode transparency in the process, or weaken the right to appeal a valuation.

Senate Bill 294 amends Kansas property tax law to require governing bodies to calculate a certified tax rate for the current year in a manner that would generate the same level of property tax revenue as the preceding year, based on the jurisdiction's total assessed property valuation. The stated purpose of the bill is to "promote truth in taxation" by prohibiting a governing body from passively allowing an increase its annual budget through increases in property valuations while maintaining a static mill levy.

Senate Bill 294 would increase transparency and accountability in the property tax and local budgeting process. The provisions in this bill are common-sense, practical, and represent good public policy. For this reason, we stand in support of the bill.

Thank you for allowing us the opportunity to testify in support of Senate Bill 294. We respectfully request that the committee pass the bill out favorably, and will stand for questions at the appropriate time.