



CITY OF HUMBOLDT

OFFICE OF CITY ADMINISTRATION

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Date: February 5, 2020
To: Senate Committee on Assessment and Taxation
From: Cole Herder, City Administrator, City of Humboldt
Re: SB 294 – Written Opponent Testimony

Thank you, Chairwoman and Committee, for allowing me to submit testimony on SB 294. The City is currently opposed to this legislation because it is a fundamentally flawed bill and unnecessarily mandates costly bureaucracy.

SB 294 was supposedly created based on the Tax Foundation recommendation that Kansas repeal the tax lid and adopt the Utah model of Truth-in-Taxation. SB 294 is not the same as the Utah model.

SB 294 is bad legislation and does not even represent what the Tax Foundation stands for. From their own website, they profess to “work toward a singular vision: a world where the tax code doesn’t stand in the way of success.” SB 294 does just the opposite and blocks the rights of local taxing entities to work with their community to provide necessary services.

The Tax Foundation website continues to say they “believe that an ideal tax code follows the principles of sound policy: simplicity, neutrality, transparency, and stability.” Transparency already exists and this legislation is counter to simplicity and neutrality.

SB 294 is flawed in many ways. Was any input sought by the local governmental agencies, or the public for that matter, about how to create law that doesn’t create complicated, costly and stifling bureaucracy? I thought not! It seems that they only input considered was that of a well-funded group of tax opponents that actively disrupt tax policy in more than 30 states. These people are not Kansans and should not be dictating our law. They are lobbyist from Washington DC.

The process is complicated, it adds cost, and it ties the hands of local governments that already demonstrate transparency and have a due process of public notice and hearings. For the State of Kansas to implement this legislation is no difference than the Federal Government handing down unnecessary legislative mandates to the State.

SB 294 in conjunction with the current unnecessary tax lid will work opposite the intended results, just like the original tax lid. The tax lid seems to have caused an artificial increase in taxes. Now, cities will have to increase every year, and raise enough for the cost for individually mailed notices just to keep up with

inflation. Additionally, cities that are in a position to lower taxes will not. After the change to the tax lid that allowed a city to look back over three years, the City of Humboldt did not increase the mill levy for the first time since the tax lid was established.

For these reasons, I ask that Committee to **not** pass SB 294 out of committee. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cole Herder', written in a cursive style.

Cole Herder, City Administrator