

January 25, 2019

The Honorable Steven Johnson, Chairperson  
House Committee on Taxation  
Statehouse, Room 185-N  
Topeka, Kansas 66612

Dear Representative Johnson:

**SUBJECT:** Fiscal Note for HB 2063 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2063 is respectfully submitted to your committee.

Under current law, if a city or county passes a budget that requires additional property taxes compared to the previous year, with certain exceptions, then the budget must be approved by voters. HB 2063 would allow the governing body of any city or county to increase property taxes, without voter approval, as a result of the city or county assuming all powers, responsibilities, duties, and liabilities of another taxing entity that has been dissolved. The bill would also require that the levy increase does not exceed the levy of the dissolving taxing entity.

According to the League of Kansas Municipalities and the Kansas Association of Counties, HB 2063 would have a fiscal effect on cities and counties. Cities and counties would not be required to hold special elections to approve increases in property taxes when those increases would pay for the duties and responsibilities that have been transferred to the city or county from a taxing entity that has been dissolved. It is not possible to estimate how many fewer elections would be held and how much those elections would cost; therefore, the fiscal effect cannot be estimated. The Department of Revenue indicates HB 2063 would have no fiscal effect on state revenues.

Sincerely,



Larry L. Campbell  
Director of the Budget

cc: Jay Hall, Association of Counties  
Lynn Robinson, Department of Revenue  
Chardae Caine, League of Municipalities