



February 10, 2021

Dear Senate Assessment & Taxation Committee:

SB 87 looks like a solution in search of a problem, and at a minimum it should only apply to future taxes not yet levied (to give counties flexibility in future situations), but should not apply retroactively to any taxes currently being distributed to cities.

As written, it causes an immediate need to write and approve interlocal agreements, which is unfunded new work by HUNDREDS of cities and counties for a purpose apparently not supported or requested by any cities or counties.

The last line of the bill shows that the drafter made sure that repayment of STAR bonds (a state sponsored program) is not affected, but what about all the other obligations (including bonds and leases) that cities have tied to these revenues? This bill provides a mechanism for COUNTY officials to decide CITY bond payments are now in jeopardy of not being paid or requiring new taxes be imposed to pay them. Bondholders deserve not to have to wonder if they will be paid and have to lobby county and city officials to ensure commitments previously made are fulfilled.

If this bill is needed, it is unclear why.  
If it is needed, it should NOT be retroactive.

Very truly yours,

A handwritten signature in blue ink that reads "Kathy Sexton". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Kathy Sexton  
City Manager