



Written Testimony: SB 277, 20-mill statewide property tax levy
Senate Assessment and Taxation Committee
John Allison, Superintendent
March 18, 2021

Chair Tyson and Members of the Committee:

Thank you for the opportunity to provide written testimony on **SB 277**, authorizing the continuation of the 20-mill statewide property tax levy for schools and the exemption of a portion of residential property from such levy. This is a key element of school funding, and we support its reauthorization.

We would also like to take this opportunity to address a provision related to school districts and property taxes included in **SB 13**, a bill related to property taxes, public notice, and hearing requirements. As amended by the House, the bill would apply to all taxing subdivisions and districts – including school districts.

It is important to acknowledge at the outset that the Olathe Board of Education shares a mutual commitment to transparency and accountability for taxpayers. Our district website includes budget documents to help patrons better understand how the district is spending their tax dollars. Our board actively seeks ways to make that information more accessible.

The Olathe Board of Education believes that the new requirements included in SB 13 are incongruent with current law, create additional administrative burdens and costs, and could result in the loss of funds necessary to appropriately support the overall vision for our district – preparing students for *their* future.

The local taxes levied by our board of education, as part of the school finance formula, have mechanisms to do one or more of the following: impose limitations, require a vote of the public, provide public notice, and allow for protest petitions. Each of these actions is intended to allow taxpayers a voice in the process and create budget stability and certainty.

Under current law, school districts are required to adopt their annual budgets by August 25th. As part of the budget process, the board of education thoughtfully considers the resources necessary to provide educational programs and services that our students need to be successful and the impact that any local levy might have on the community. They take this responsibility seriously and are held accountable for those decisions by patrons in the districts.

Before approval of the budget, our board of education conducts public hearings where taxpayers have the opportunity to ask questions and voice concerns about the proposed budget and tax levies. SB 13 would not allow districts to hold public hearings before August 10th, leaving a limited window to hold hearings and make adjustments based on public input.

Other organizations may provide additional feedback on some of the technical challenges SB 13 presents for districts. Still, we would like to offer some insight on how changes to the budgeting process could impact decisions impacting student instruction and learning.

Olathe is proud of the high-quality workforce we have in place to support student learning. Each Spring, the district begins negotiating contracts for the following school year *before* the budget is officially adopted in August to ensure that teachers and staff are in place when students return. We can enter into these negotiations in *good faith* because of the certainty provided in the budgeting process and the legislature's commitment to a multi-year school funding plan, which includes the authority to levy local taxes.

Although the provisions of SB 13 do not explicitly prohibit districts from raising the revenues necessary to fund the budget, we believe that requiring districts to reaffirm the local taxes levied annually could impede efforts to negotiate in good faith and retain the high-quality workforce that our district has developed.

We respectfully request that the provisions of SB 13 related to school districts be repealed or, at the very least, the implementation be delayed so that we can identify a viable solution that addresses the priorities of the legislature and the school district. The school district budgeting process is complex and very different from other municipal governments and taxing districts because of how education is funded in Kansas and because of budgeting timelines.

The new *additional* notification requirements in SB 13 are likely to have many negative, even if unintended, consequences for school districts. They will come at a significant financial cost to our district and, in larger counties, could create new administrative burdens in the county clerk's office. At a time when schools are working to increase transparency and communicate more clearly with our patrons, this bill may add confusion for patrons. **New layers of process and confusion among patrons could result in the loss of funds necessary to support the overall vision for our district.**

On behalf of the Olathe Board of Education, we would like to assure members of this committee that we are committed to being effective and efficient stewards of taxpayer dollars while providing an education that empowers all students with the skills and knowledge necessary to be prepared for their future.

Thank you for the opportunity to offer testimony. Please feel free to contact me at (913) 780-8022 or jallison@olatheschools.org if you have any questions.