

## **Testimony for House Bill 2036**

Greetings to the Chairman of the Committee, Committee Members, distinguished guest and Visitors.

My name is James Petrik, Retired Soldier, US Army of 23 years active 4 years Guard and Reserves, 100% Service Disabled, 3 time Combat Decorated, Born in Leavenworth, Kansas and Spent my Elementary and Teen years in Nickerson/Hutchinson, Kansas area.

My educational Background, associate degree Hutchinson Community College, bachelor's degree is from Perdue Global, (formerly Kaplan University online), master's degree is from Webster University (Online) in Procurement and Acquisition Management.

I am a member of the following, Bronze Legacy Veterans of Foreign War, Charter Member of VFW, Kansas District 1 riders, VFW Post 56 Riders American Legion, American Veterans, Disable American Veterans.

I am employed as a Contract Specialist for the Department of Veteran Affairs, I work in Construction Contracting, where I rebuild our VA Medical Centers, one contract at a time.

Since the COVID Crisis in the beginning the majority of the citizens were forced out of work with minimal relief from unemployment, government stimulus, and special COVID Government Programs. But at the state level the funds did not go to the intended end user and a lot of entrepreneurs lost their business and had to go back to corporate America. A lot of chain restaurants instead of reopening decided to pull out and go elsewhere. Now as people are returning to work and even though we voted to pass an increase of the minimum wage few individuals are able to get the entitled wage that was voted on. What is worse is that personnel have worked to achieve \$15.00 an hour, their pay was not adjusted for the increase and those were hired off the street were automatically given the same wage.

As a Veteran and Registered Voter, I am very disappointed, of how the Government and elected officials misuse the appropriated funds from taxes. As a disabled veteran I am angered of the prejudice of benefits/entitlement afforded to Veterans compared to surrounding states. I am Saddened by the way people leave this state and will move to other states due to taxes, benefits and entitlements.

In the last two years supply chains are having issues of moving raw materials, the price of building materials have increased over 50%. Groceries, an 18 pack of grade A eggs have gone from \$1.99 to \$8.00. Gas has gone from \$1.50 to \$3.10, (ok \$3.09 and 9/10 of a cent but we do not have .90 coin and if we were to trim a penny it is crime called defacing government currency. To add additional pain during the holiday season there would be an increase of jobs to aid in the rush, instead corporations have laid off employees to save their profits becoming a loss. With the loss of income tax revenues, property taxes are starting to rise I bought my residence for \$225,000.00 but an assessor assessed it at \$275,000.00. Now this year the news reports that there will be an adjustment to the taxes and that the refunds will be about 75% less.

I support the idea of a property tax exemption for Veterans and Disabled Veterans. I can imagine the committees concern of a total loss of revenue, but in the event of an impasse between the original proposal and the committee that I can provide fodder that can be used as a concession so that a win-win bilateral decision is made between both parties. This minor amendment will support the veteran for relief, continue the incoming revenue and provide competition with other states to help the separating Veteran decide to stay in the State of Kansas opposed to relocating to another state because it is cheaper.

I have done research online thru the World Wide Web from my research I have found a ranking of all 50 States with number 1 being the highest and 50 being the lowest, for the typical value of a single-family home. Ranked at no.1 is Hawaii with a value of \$764,146.00 with the median income of \$83,102.00 and the lowest no.50 is West Virginia their income of \$48,850.00. Kansas comes in at number 43 the value of the house is \$180,914.00 and income of \$62,087.00.

The proposed amendment can put a cap on the value of the property, \$150,000 is a fair and reasonable cap. This cap should not be adjusted as long as there is no significant change to the cost of housing and the median of the household income. So, if a house is more than \$150,000.00 then that is paid 100% no deduction. A non-negotiable factor is that the Owning Veteran uses that property a primary dwelling and not as a rental to a tenant. This is something very similar to what the state of Alaska (no. 18) uses. This was also experienced by me when I was both stationed and my place of retirement. Here is a brief example of my proposal.

Hypothetically if a property costs \$250,000.00, hypothetically the CAP is \$150,000.00

The First \$150,000.00 this is how the program can work.

10% disability compensated is waived and owner pays 90%

20% disability compensated is waived and owner pays 80%

30% disability compensated is waived and owner pays 70%

40% disability compensated is waived and owner pays 60%

50% disability compensated is waived and owner pays 50%

60% disability compensated is waived and owner pays 40%

70% disability compensated is waived and owner pays 30%

80% disability compensated is waived and owner pays 20%

90% disability compensated is waived and owner pays 10%

100% disability compensated is waived and owner pays 0

So, the remaining \$100,000.00 will be paid at a 100%

With this model a justifiable relief will come to the disabled veteran taxpayer. The taxpayer is still able to the required taxes. The Tax Commission will still receive revenue from the disabled veteran taxpayer.

Thank You for your time and consideration for listening to me, I now yield my time to the Committee.

James J Petrik (SSG, ret) US ARMY