

South Central Kansas Library System

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Serving Barber, Butler, Cowley, Harper, Harvey, Kingman, McPherson, Reno, Rice, Sedgwick, Stafford, and Sumner Counties.

February 6, 2023 House Bill 2176 Arkansas City Area Library District Neutral Testimony

House Committee on Taxation

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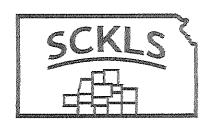
Rep. Jerry Stogsdill, Member

Rep. Mike Thompson, Member

Rep. Carl Turner, Member

Rep. Barb Wasinger, Member

The Arkansas City Public Library is a member of the South Central Kansas Library System (SCKLS) in accordance with Kansas Statutes Annotated (KSA) 75-2547 Regional systems of cooperating libraries and following statutes. A South Central Kansas Library System cooperating member library may seek to expand its local public library taxing area, but any expansion of a local public library taxing area reduces the taxing area of the regional library system.



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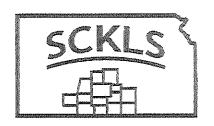
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No initial mill levy nor subsequent levy limit are identified in HB 2176. Nevertheless, using 2023 assessed valuations, a mill levy rate of 5.000 for the proposed expanded public library taxing district was used to project tax impacts (https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/county-tax-levy-sheets/2022-county-tax-levies-for-the-2023-budgets). If authorized, the proposed HB 2176 would decrease tax revenue for the South Central Kansas Library System taxing district by a projected \$40,292 and increase the Arkansas City Public Library tax revenue by \$93,882.

South Central Kansas Library System annually contracts with the Arkansas City Public Library in accordance with Kansas Administrative Regulation 54-1-18 to provide free service and permit any citizen of the territory comprising the South Central Kansas Library System "to borrow materials and receive services without charge and subject to reasonable library rules". Based on 2021 data, the 88 cooperating public and academic libraries in the twelve county South Central Kansas Library System service area provided access and basic service to 87,003 persons who resided in the SCKLS taxing district and who were registered users at a cooperating member library.

In addition to supporting free access and basic service to citizens and students who reside outside of 72 public library taxing districts, the South Central Kansas Library System provides other supporting grants and services free-of-charge to 145 cooperating member public, academic, school district and special libraries. These other supporting grants and services from the South Central Kansas Library System would not be available and cost-effective to provide locally, so expertise and services from regional library systems create staffing efficiencies and cost-savings among cooperating member libraries.

The 2022 South Central Kansas Library System Value of Services Statement for the Arkansas City Public Library totaled \$37,643. The \$37,643 total included \$32,089 for grants-in-aid, technology and programming grants as well as \$5,374 for services including cataloging, continuing education and training, interlibrary loan, technology support and other services. Despite a projected \$40,292 reduction in South Central Kansas Library System tax revenue as a consequence of the proposed Arkansas City area library tax district, SCKLS will continue to provide supporting grants and services to the Arkansas City public library at no charge.



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HB 2176 expands the Arkansas City Public library taxing district while reducing the South Central Kansas Library System taxing district. Consequently, SCKLS believes the passage of special legislation like HB 2176 will have a statewide long-term financial impact of reducing the taxing district areas that support regional library systems of cooperating member public, academic, school district and special libraries.

Prepared on behalf of the South Central Kansas Library System Board and Executive Committee by Paul Hawkins, Director, South Central Kansas Library System, <u>paul@sckls.info</u>, 800-234-0529, Ext. 113