

Melissa Stiehler
Resident of Topeka, Kansas
Opponent Testimony of HB2061
For the House Committee on Taxation

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Chair Smith and members of the Committee,

Thank you so much for the opportunity to provide testimony today. I am a resident of Topeka, Kansas and I am deeply opposed to HB2061, which would create a flat income tax rate of 5% for individuals and corporations.

This tax proposal would be a disaster for our state and its people. **It is estimated to cost the state government \$1.5 billion each year.** Have we not learned from the Brownback tax experiment that tax policy like this is unaffordable, unsustainable, harmful to the people of our great state? The fact that we are even having this conversation again is so remarkably irresponsible- I'm overwhelmed in attempting to find my words to express how much harm this legislation will certainly cause, but I'll try to briefly summarize.

Tax policy like this devastates our state economy. Brownback said tax cuts like this would be "like a shot of adrenaline into the heart of the Kansas economy." I suppose that might be accurate only in that they made our economic health so diseased that it would need drastic intervention to recover. After revenues fell over \$700 million in the first year, our state was never able to recover under this tax policy. Within a year and a half Kansas bonds were downgraded, which increased the cost of our infrastructure projects. By early 2015, the state had completely drained operating savings. In July of 2016, our bonds were downgraded again. In October of 2016, it was shown that job growth in Kansas had only increased by 3.3% while the rest of the country had increased by more than twice that at 8.4%. Even industry leaders who benefited from these tax cuts saw this tax policy as a failure. "Quite frankly, I think the experiment failed," said Randy Peterson, President and CEO of Stormont Vail Health. "We did not see the economic upturn that was projected. We haven't seen this big influx of industry and organizations wanting to relocate to Kansas because of these tax cuts, and that was the projection."

Tax policy like this guts the working and middle class. While I know that the Kansas Chamber of Commerce and its Koch influencers stay loyal to their ideology that tax cuts for the rich will eventually trickle down to prosperity for middle and working class people- this has been economically disproven again and again. While the wealthiest 20% of Kansans would receive half of the tax breaks under this proposal, low income Kansans would likely see an increase in their taxes. Most taxes we pay, such as sales tax, are already regressive, with lower income Kansans paying disproportionately more than wealthier Kansans. Progressive income tax is an important counter balance, where those who have a greater ability to pay do so. This is a fair system and one we should keep in place.

Tax policy like this is what leads to unconstitutional underfunding of Kansas Schools. When the Brownback tax experiment wrecked our state budget, it required the legislature to cut vital funding- including Kansas schools. When the state operates at a budget deficit, this means that the legislature is unable to fulfill its constitutionally required duty of adequately funding our schools. During the last tax experiment, school funding was unable to keep up with inflation and increased enrollment. Schools had to close early in 2015 due to these failures. Our schools have barely recovered from the last underfunding failures of the state, and special education is still not fully funded.

In closing, be reminded that tax policy like this has been tried in Kansas already. This was a disaster before, and it will be again. The Kansas state budget and economy is strong now- please don't take that as an opportunity to enact yet another devastating tax failure. The people of Kansas, Republicans and Democrats alike, do not want to be another experiment for disproven economic theories. I strongly urge members of this committee to please oppose HB2061 and any other flat tax proposals- for the sake of our state, its people, and its economy. Thank you all for your time and I hope you take my testimony into consideration.