



Unified Government of Wyandotte County and Kansas City, Kansas

701 North Seventh Street
Kansas City, Kansas 66101

IN-PERSON PROPONENT TESTIMONY

Senate Bill 79

Mayor Tyrone Garner
On behalf of the
Unified Government of Wyandotte County/Kansas City, Kansas

Senate Assessment and Taxation Committee
February 20, 2023

Good morning Chairwoman Tyson and Members of the Committee.

I am Tyrone Garner, Mayor of the Unified Government of Wyandotte County/Kansas City, Kansas (“the UG”), and I am pleased to submit this testimony in support of Senate Bill 79. I want to thank Senator David Haley for introducing this bill and also thank you, Madam Chair, for scheduling this hearing. I know that this committee has a great deal of legislation that it is considering this session and I appreciate you devoting some time to this very important issue concerning Wyandotte County, and perhaps other communities in our state.

As you may be aware, Kansas City, Missouri, our neighbor to the east, has had an earnings tax for many years. The theory behind an earnings tax is that city services are used not only by residents but also those who work in a city. By diversifying the revenue sources that a city like Kansas City, Missouri has they are able to take pressure off of property taxes and the sales tax in order to fund city services.

Wyandotte County has a similar situation to Kansas City, Missouri, in that we have a lot of people who come to work in Wyandotte County but live outside of the county. Wyandotte County has the third highest wages in the State of Kansas, but only 29% of workers in Wyandotte County are residents. In essence, seventy-one (71%) of all wages earned in Wyandotte County leave. One of the challenges that we are grappling with right now at the UG is the serious transportation needs that we have, many of which involve providing good roads for those who live in Missouri but come to work in our community. We currently have two bridges (the Kansas Avenue and the Central Avenue) that are not fully usable. These bridges are major arteries for those who live in Missouri and work in Wyandotte County. An earnings tax would help us pay for the repairs that these bridges badly need.

It is no secret that we have some of the highest property taxes in the state in Wyandotte County. When I campaigned for Mayor I heard loud and clear that our residents need property tax relief and I have made this a major priority of my administration. But in order to provide the much-needed property tax relief that Wyandotte Countians want, we need to diversify our revenue portfolio. An earnings tax will help us do this and will put us on an even playing field with our sister city, Kansas City, Missouri.

I want to make sure that you understand what this bill does do and what it does not do. By supporting this bill, you are not imposing an earnings tax in Wyandotte County. This bill simply is giving our community, and any other community that wants to look at this issue, the ability to put the issue of an earnings tax to a vote of the people. Every voter in Wyandotte County will have an opportunity to go to the ballot box and voice their opinion on this issue.

Additionally, this bill contains a requirement that 50% of the revenue derived by the earnings tax would be credited to reduce the amount of revenue otherwise necessary to be derived from the ad valorem property tax. In other words, it would mandate property tax relief.

So yes, passing this bill would allow us to get Missourians who use our city services to contribute to those services, like repairing our bridges, and would allow us to give badly needed property tax relief to the citizens of Wyandotte County.

I thank you for the opportunity to present this testimony in support of Senate Bill 79 and I will be happy to entertain any questions you have at the appropriate time.