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TO: Chairwoman Caryn Tyson
Senate Assessment & Taxation Committee Members

FROM: Amy L. Lange, City Manager, Concordia

DATE: January 4, 2024

RE: Written Only - Testimony in Support of SB 196 – LAVTR

Chairwoman Tyson and Committee Members, thank you for the opportunity to testify in support of SB 196 on behalf of the City of Concordia.

Diversification of any financial portfolio is beneficial. This is true for governmental revenue streams as well, which is why we support fully funding the Local Ad Valorem Tax Reduction Fund (LAVTR) as described in SB 196 (See also KSA 79-2959 et seq). The LAVTR partnership between cities, counties and the State of Kansas allows local governments to rely less on local property tax revenue and still fund services critical to our Kansas communities.

Prior to its cancellation in 2003, the City of Concordia received approximately \$40,000 annually through LAVTR. While this amount may seem small, at the time it represented a reduction of 1.5 mills on the City tax levy. This dollar-for-dollar reduction in property tax bills directly benefitted every property tax payer in Concordia. Since the cancellation of LAVTR in 2003, the City of Concordia taxpayers have given up an estimated \$800,000 in property tax relief.

Since 2003, our population has declined slightly, and our assessed valuation has increased. Thankfully we have been able to hold the City's general fund mill levy fairly steady and still keep up with inflationary pressure. Holding this mill levy steady may not be possible going forward and still provide necessary street maintenance, critical emergency and law enforcement services, and desired quality of life services our residents and visitors have come to expect. Our community has many needs, but the resources are limited.

Strong fiscal management has allowed the State to build its reserves. Legislators provided welcome relief to consumers by eliminating the state sales tax on groceries last year. With reserves remaining strong, legislators now have an opportunity to provide relief to Kansas property tax payers by restoring LAVTR.

With this testimony in mind, the City of Concordia strongly urges you to support SB 196. Thank you for consideration.

A handwritten signature in blue ink that reads "Amy Lange".

Amy L. Lange
City Manager