



February 13, 2024

Chair Caryn Tyson and Honorable Members
Senate Committee on Assessment & Taxation
assessment.taxation@senate.ks.gov

Re: Testimony in Opposition of Senate Bill No. 468

City Hall

6 East 6th Street
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Lawrence, KS 66044

785-832-3000
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Dear Senator Tyson:

The City of Lawrence believes strongly that local spending and taxing decisions should be left to local officials representing the citizens that elected them. We oppose further limitations on local control including SB 468, which states that any city that utilizes certain economic incentive tools would not be allowed to exceed the revenue neutral rate (RNR).

Had the city applied the revenue neutral rate for the 2023 and 2024 budgets, revenues would have been reduced by an estimated \$5.5 million and \$3.5 million each year, respectively. This would have resulted in a significant impact on operations and require reducing service levels. For context, Fire Medical's Support Services – a program for the management of employee health and safety initiatives, training, policies and procedures, financial services, human resources, communication efforts, and the performance system for continuous organizational improvement (accreditation) - has a \$4.1 million budget in 2024.

The economic tools identified in SB 468 are used by municipalities, including Lawrence, to advance economic prosperity. The City uses incentive tools to attract large employers that pay competitive wages and have a significant impact on the tax base, reducing the burden on residential property owners. Additionally, as development costs continue to rise, incentive tools are a vital component to constructing desperately needed Affordable Housing in our community.

Our local elected officials are faced with trying to fund a number of community priorities, including addressing the need for affordable housing, providing for public safety, and maintaining public infrastructure. We urge you to leave local tax and spending decisions to local officials who ultimately answer to our local voters.

