



ABOVE AND BEYOND. BY DESIGN.

City Hall
8500 Santa Fe Drive
Overland Park, Kansas 66212
www.opkansas.org

Date: March 15, 2023
To: Chairman Billinger and the Senate Committee on Ways and Means
From: City of Overland Park
Re: SB 309 – Written Opponent Testimony

Thank you for allowing the City of Overland Park to submit testimony in opposition to SB 309. The proposed legislation would be devastating to the City's financial position and limit the ability to provide public services and programs to our residents.

SB 309's establishment of state funds to compensate cities for lost sales taxes they currently automatically receive will likely just result in cities not receiving any portion of those lost revenues. Over the last 25 years, the state has refused to transfer over two billion dollars in funds intended to reimburse cities for lost revenue (Local Ad Valorem Property Tax Reduction, County City Revenue Sharing, and Special City-County Highway Fund). SB 309 would likely just provide the state with a justification for taking more funding and never reimburse cities for those lost revenues.

The City uses local sales tax for general operations like public safety and public works, as well as supporting our capital infrastructure program. If SB 309 became law, the City would lose approximately \$6,200,000 to support these programs. Clearly, SB 309 would either seriously limit the City's ability to provide services to our residents or require dramatic increases in other revenues (likely property taxes). By narrowing the sales tax base and forcing cities to become more reliant on property taxes, SB 309 shifts the burden for funding public services from those shopping in Overland Park (many of whom are not from Kansas) to Overland Park property owners.

Thank you for allowing the City to testify in opposition to SB 309. We respectfully request that the Committee not advance this legislation to the full Senate for approval.