



Pawnee County

KANSAS

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OFFICE OF PAWNEE COUNTY COMMISSIONERS

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House Taxation Committee
Kansas House of Representatives
State Capitol - Rm 346-S
300 W. 10th Ave.
Topeka KS 66612

RE: HB 2125 - Retail Sales Tax Permission pursuant to K.S.A. 12-187
Pawnee County, Kansas

Dear Committee Members:

This is a letter of Support for HB 2125. The adoption of said proposal would not authorize new taxation for the Citizens of Pawnee County, but rather create fiscal flexibility for the Board of County Commissioners regarding existing retail sales tax proceeds.

In 2009, pursuant to K.S.A. 12-187(b)(5), Pawnee County adopted a ballot approved 1% retail sales tax to fund "Health Care Services," which are defined by the statute to include, but not be limited to, the following: local health departments, city or county hospitals, city or county nursing homes, preventive health care services including immunizations, prenatal care and the postponement of entry into nursing homes by home care services, mental health services, indigent health care, physician or health care worker recruitment, health education, emergency medical services, rural health clinics, integration of health care services, home health services and rural health networks.

At the time of its adoption, the County had just agreed to assist with maintaining the local critical access hospital, including building a new facility, which was facing possible closure. We have been blessed that said hospital has for the most part been financially self-sufficient since that time. As a result, Pawnee County was able to pay off the hospital revenue bonds early. In 2022, Pawnee County created a countywide EMS service through the merging of two municipally operated EMS services which is being funded with excess sales tax proceeds from the health 1% retail sales tax.

Our existing 1% retail sales tax currently dedicated to "Health Care Services" generates roughly \$800,000 per year. In 2024, approximately \$345,000 of those funds were used to supplement the operational costs of the countywide EMS service. Any excess proceeds are then maintained by the County as dedicated reserved funds.

Our Board of County Commissioners now believe the citizens of Pawnee County would be better served by allowing some of the excess sales tax proceeds to be spent on other county supported public safety operations. By their very nature, public safety/emergency operations have the most volatility in their overall expenditures from year-to-year.

HB 2125 would simply authorize Pawnee County to submit by ballot the question of modifying the existing dedicated 1% countywide retailers' sales tax to allow the revenue received therefrom to be expended solely for the purpose of: (i) health care services as defined in subsection (b)(5) of K.S.A. 12-187 (i.e., which is currently authorized); and/or (ii) the furnishment and equipping of county-supported public safety operations deemed necessary by the governing body of Pawnee county to include, but not limited to, sheriff's department, jail, emergency management and emergency dispatch services. It will ultimately still be up to the local electorate to decide if they want their local board of commissioners to have the expanded expenditure authority requested.

For these reasons, we strongly encourage you to pass HB 2125.

Respectfully submitted,



Dr. Michael Burdett, Chair
Pawnee County Board of Commissioners



Douglas W. McNett
Pawnee County Attorney