

To: House Taxation Committee, Rep. Adam Smith, Chair

From: John Donley, Kansas Farm Bureau

Date: March 4, 2025

Re: Written Testimony in support of HB 2396: AN ACT concerning property taxation; relating to property tax revenues of taxing jurisdictions; protest petitions; ASTRA fund

Chairman Smith and members of the Committee, I appreciate the opportunity to provide written testimony as a proponent of HB 2396. My name is John Donley, and I am speaking today on behalf of Kansas Farm Bureau (KFB). KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau Associations.

KFB has been advocating for lower property taxes for years. KFB policy supports a "fair, just, and equitable tax system that is not detrimental to production agriculture." We are fully behind efforts to provide broad based property tax relief to taxpayers in Kansas. It is our belief that this legislation would provide the policy incentives for local units of government to reduce their pace of spending growth; therefore, it will reduce the ever increasing pressure on property taxes.

Previous efforts to provide property tax relief funding from the state to local units of government have been criticized because there was no "trigger" to ensure the local units of government will actually provide property tax relief with the funding provided from the state. KFB feels that this legislation has the appropriate "triggers" to reward conservative budgeting by local units of government. A county or city cannot utilize the ASTRA funds unless they have produced a budget that is equal to or less than the previous year budget plus an inflation adjustment as well as an adjustment for new construction or significant renovations. We feel that this is a good policy formula to reward fiscal responsibility.

Again, KFB feels that HB 2396 provides the proper policy incentives to encourage cities and counties to be fiscally responsible. In turn, this will provide property tax relief in the long term. We encourage you to support the passage of HB 2396

I will stand for questions at the appropriate time.