

March 4, 2024

Representative Adam Smith
Chairman, House Taxation Committee
Kansas State Capitol
300 SW 10th Street, Room 185-E
Topeka, Kansas 66612

Proponent Testimony to the House Taxation Committee in re: House Bill 2396

Chair Smith and Members of the Committee,

Thank you for the opportunity to submit written testimony for House Bill 2396. Johnson County has long recognized the importance of collaboration between local governments and the state in addressing the rising property tax burden faced by Kansas residents. HB 2396 attempts to create a framework for shared responsibility in reducing the property tax burden, while acknowledging the known realities of rising costs in providing vital services and increased demand for these services.

This legislation offers an opportunity to explore how both state and local governments can better work together to balance the pressure on local governments to provide vital services and retain residents' important, fundamental right to participate in the budget process. However, while the bill includes several provisions to balance local budget flexibility with accountability, Johnson County believes some areas warrant further consideration. One such area is the petition circulation process for budget increases above the calculated threshold. Although the current process is intended to give taxpayers a voice, it could benefit from greater clarity and safeguards to prevent potential abuse. Johnson County has recommended changes to enhance the petition circulation process, ensuring transparency and fairness while protecting the integrity of local government decision-making. These changes aim to make the process more efficient and prevent misuse, ensuring that residents' concerns are adequately addressed without introducing unnecessary complications.

HB 2396 also introduces the concept of the ASTRA fund, which would allow the state to partner with city and county governments. However, the success of this provision depends on the legislature appropriating the necessary funds. The bill's other provisions would not apply if the funds were not allocated, highlighting the shared responsibility between state and local governments.

Johnson County appreciates the opportunity to provide proponent testimony on HB 2396. While we acknowledge the legislation's intent to address fiscal challenges, we believe continued discussions are necessary to refine the proposal, particularly regarding the petition circulation process. We welcome the effort by the legislature to address the shortcomings of the current revenue-neutral process, which does not account for increased costs of services, new development, nor the associated demand for services. Johnson County maintains local control as a core value. While HB 2396 still proposes to prescribe processes to local government while exempting other taxing entities, we acknowledge and support the proposed changes as a significant improvement to the current statutory budget process for both local governments and residents. We look forward to working with the legislature to ensure that any changes are clear, effective, and serve the best interests of both local governments and taxpayers.

Sincerely,

Mike Kelly, Chairman
Johnson County Board of County Commissioners
Johnson County, Kansas