



To: Senate Assessment and Taxation Committee
From: The City of Olathe
Date: January 16, 2025
Subject: Opposition to SCR-Amendment Limiting Property Valuation Increases

While the City of Olathe shares concerns about the increasing property burden due to rising valuations on property, we have concerns about the proposed statewide approach.

Local taxpayers have different expectation levels for local services and infrastructure investments. Those expectations vary greatly from small towns to large cities and rural areas to urban. As such, local officials are elected to represent those expectations, and locally elected officials should be charged with making the decisions to best serve their local taxpayers and their community.

Please keep in mind, locally elected officials retain the ability to lower mil rates and implement other property tax rebate programs commensurate to expectations. Olathe, with very high service level expectations and very substantial infrastructure investment expectations, has been successful in providing the high level of services and infrastructure taxpayers expect, while also lowering the City mil rate and implementing property tax rebate programs for seniors and veterans.

The City of Olathe believes those decisions should be made by the locally elected officials who live and work in their communities and where taxpayer voices carry much more impact at the ballot box.

The City of Olathe has additional concerns about the bill's potential impact on economic development strategies. If, for instance, properties that received incentives or abatements to enhance commercial tax revenue for current and future taxpayers are capped, local residential taxpayers could see that benefit eroded.

Only about 20% of property tax paid by Olathe taxpayers funds city services and infrastructure projects. Our locally elected officials have budgeted 75% of revenue used by the general fund for public safety and infrastructure, the two areas prioritized by local taxpayers.

While the City believes the Legislature should continue making the difficult choices regarding state revenue collection levels, the City believes local revenue collection and spending decisions should be left to local officials elected to represent local taxpayers.

As such, the City of Olathe opposes the SCR Amendment Limiting Property Value Increases.