

TESTIMONY IN OPPOSITION TO SB 280

Submitted to: Senate Assessment and Taxation Committee

Date: March 6, 2025

From: Lacey Lies, Finance Director

City of Independence, Kansas

Chairman Tyson and Members of the Committee,

On behalf of the City of Independence, I appreciate the opportunity to submit testimony in opposition to SB 280. While we understand the intent behind efforts to provide property tax oversight, we strongly believe that SB 280 presents significant logistical, financial, and procedural challenges for local governments and their ability to effectively manage budgets and services for our residents.

Concerns with SB 280:

1. Conflict with Existing Revenue Neutral Law

SB 280 does not repeal or clarify the interaction with the revenue neutral law. If a city remains revenue neutral, would an election still be required? This creates a potential conflict with existing statutory budget timelines and requirements.

2. Unclear Election Requirements

The bill does not specify whether the required elections should be conducted in-person or via mail. Without clear guidance, local governments are left uncertain about compliance, which could result in legal and operational confusion.

3. Excessive Administrative and Financial Burden

If every taxing entity must hold a separate election each year, the cost of conducting these elections would be substantial. Cities would be forced to allocate significant financial and staff resources to annual elections, reducing available funds for essential services such as public safety, infrastructure, and community development. Furthermore, the added election costs ultimately impact taxpayers—contrary to the bill's stated intent of tax limitation. Instead of reducing tax burdens, the cost of frequent elections could force municipalities to raise rates elsewhere or cut vital services.

4. Increased Costs and Negative Impact on Taxpayers

The City of Independence is actively working to lower the property tax burden for our residents, but mandates such as SB 280 create unnecessary financial strain. The added costs of frequent elections, administrative overhead, and legal compliance directly impact city budgets. Instead of reducing taxes, this legislation could result in increased costs to taxpayers through either new fees or service reductions. Essential services such as road maintenance, public safety, parks, and community programs could be compromised simply to fund repetitive elections. These financial burdens would create a paradox where a law

intended to limit taxes inadvertently leads to greater financial pressure on local governments and the people we serve.

5. Timing and Budgeting Conflicts

Elections require proper notification and preparation. SB 280 does not align with existing budget deadlines, potentially making it impossible for cities to adopt budgets in a timely manner while ensuring compliance with election notice requirements.

6. Lack of Clarity on Inflation Rate Determination

The bill references the use of the rate of inflation but fails to specify which date should be used to determine this figure. Would it be based on the prior year, the date of election approval, or some other benchmark? This ambiguity could lead to misinterpretations and financial uncertainty.

7. Unclear Impact on Other Taxing Entities

SB 280 applies to all taxing entities with property tax authority, including libraries, airport and transit authorities, and special districts. It remains unclear whether separate elections would be required for each entity or if a single election would suffice. Additionally, there is no guidance on which entity would be responsible for election costs, further complicating budget planning.

Conclusion:

The City of Independence firmly opposes SB 280 due to its logistical challenges, financial burdens, and lack of clarity in key areas. Annual elections for minor property tax adjustments would impose significant costs on local governments while creating inefficiencies in municipal budget planning and service delivery. We are committed to responsible financial management and reducing unnecessary costs for our residents, but this legislation would ultimately force cities into a cycle of increased administrative expenses that would either raise the tax burden or eliminate services that directly benefit the community.

We respectfully urge the committee to oppose SB 280 and instead consider more effective and practical approaches to property tax oversight that do not impose unnecessary financial and administrative hardship on local governments and taxpayers.

Thank you for your time and consideration.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lacey Lies".

Lacey Lies
Finance Director
City of Independence, Kansas