



**Proponent Testimony of Randy Leis, County Commissioner Meade County
Before the Senate Committee on Assessment and Taxation
House Bill No. 2396
March 17, 2025**

Member Counties

WRITTEN TESTIMONY ONLY

Barber

Barton

Clark

Ellis

Finney

Ford

Gove

Graham

Grant

Gray

Hamilton

Harper

Haskell

Hodgeman

Kearny

Kiowa

Lane

Logan

Meade

Ness

Norton

Rawlins

Rice

Russell

Rush

Scott

Seward

Sherman

Stanton

Stevens

Thomas

Trego

Wallace

Wichita

Senator Tyson and Members of the Committee,

I'm Randy Leis, Meade County Commissioner. I also chair the Kansas Legislative Policy Group. It is a nonpartisan, non-profit group of 34 rural Kansas counties working together on issues of mutual interest. KLPG is one of the oldest local government associations in Kansas, founded nearly 50 years ago.

Thank you for allowing me to submit proponent testimony on House Bill No. 2396, which seeks to create the Acknowledging Stewardship of Tax Revenue and Appropriations (ASTRA) fund and would allow cities and counties to increase property tax revenue beyond the previous year's level, with an additional adjustment based on the Midwest Consumer Price Index. However, if the increase exceeds this limit, voters would have the opportunity to challenge the increase through a protest petition. Compliance with this property tax limitation would make cities and counties eligible for ASTRA funds, which must be used to support essential services, including roads, law enforcement, elections, and public health.

This bill is important because local governments are typically more focused on addressing the immediate needs of their residents and providing essential services that directly impact the well-being of communities.

Due to tax exemptions and other reductions in tax revenue, counties can often collect less from property and sales taxes. As a result, local governments have fewer funding sources available to meet their residents' needs and to support the key functions that keep communities vibrant and healthy.

Although tax exemptions are intended to incentivize investment or support specific sectors, they can ultimately weaken a county's ability to fund essential services. The shrinking tax base leads to an uneven distribution of the tax burden, where the remaining taxpayers bear a disproportionate share of the financial responsibility. This creates challenges for local governments in maintaining long-term budget stability and planning for future needs.

The KLPG continues to support the concept of state government sharing revenue with counties to fund essential services. This ensures that all residents, regardless of where they live, have access to vital services and promotes fairness, stability, and growth within the state.

- **Equitable Funding:** Revenue sharing ensures that counties, especially those with fewer resources or greater needs, can continue to provide essential services, such as infrastructure, public health, and public safety.
- **Reducing Disparities:** Without state revenue sharing, counties may struggle to fund these services, leading to disparities in service quality across different areas of the state.
- **Economic Health:** Properly funded counties contribute to the overall economic health of the state, benefiting residents and businesses across Kansas.

For this legislation to be successful, it is crucial that state government and county government work collaboratively to ensure resources are used wisely and share responsibility for outcomes. The process for local governments to access ASTRA funds be clear and straightforward. Taxpayers must also be able to understand how increased property tax revenues will be determined. Providing clear guidance on what qualifies for inclusion—such as construction, improvements and renovations—will help ensure transparency and prevent confusion.

We appreciate the repeal of the revenue neutral rate requirement. While the intent behind the revenue neutral rate was to protect residents from unexpected tax increases due to rising property values, it often made it difficult for local governments to keep pace with inflation and rising costs. Without the ability to raise tax rates without voter approval, many local governments were constrained in their ability to fund essential services.

This repeal helps strike a better balance between fiscal responsibility and the need to adequately fund critical services for communities. It addresses the tension between protecting taxpayers from excessive tax hikes and allowing local governments to address rising costs and evolving service needs.

We ask that you support House Bill No. 2396.

Thank you for your consideration.

Randy Leis
President
Kansas Legislative Policy Group