League of Kansas Municipalities

Date:

March 5, 2012

To:

House Committee on Transportation

From:

Larry R. Baer

Assistant General Counsel

Re:

HB 2735

Testimony in Opposition.

Thank you for allowing me to appear before you today and present testimony on House Bill 2735 on behalf of the League of Kansas Municipalities and our member cities. HB 2735 would require county appraisers to value all property that is within a federally railbanked right-of-way and that it assessed against the trail operator from the date of issuance of the notice of interim trail use.

The League has long supported the development of recreational trails, including rails to trails projects, and oppose state and federal legislation that would make such development more burdensome or costly. HB 2735 appears to make the operation of rails to trails projects (railbanked rights-of-way) more costly to cites and others who desire to avail themselves of the provisions contained in both state and federal law.

As written, HB 2735 would require that the operator be responsible for the payment of property taxes although the operator does not hold fee title to the real estate. There is no tax exemption provision within the bill for city or county operators. Because municipalities do not own the property they cannot make application for a tax exemption. In addition, under the bill, taxes would be assessed back to the date of the initial issuance of the of the notice of interim trail use. Some of these trails have been in existence for more than 30 years. This would result in significant additional expense to a municipality that operates one or more trails at the expense of local taxpayers.

The League opposes HB 2735 because it would make the development of rails to trail projects more costly and shift additional tax burden to local citizens. The League respectfully requests that the Committee not recommend the passage of HB 2735.

Thank you.