

Written Testimony in Support of SB167

## To: Senate Assessment and Taxation Committee From: Tom Robinett, Vice President of Public Policy and Advocacy Overland Park Chamber of Commerce Date: Thursday, March 16, 2017

Chair Tyson and Members of the Committee:

Thank you for the opportunity to submit written testimony in support of SB167 on behalf of the more than 800 business members of the Overland Park Chamber of Commerce.

Late in the 2015 Session, the Legislature struggled to pass a tax package necessary to address projected revenue shortfalls, and the Senate added an amendment to its tax bill, that prohibited local units of government from adopting appropriations or budgets that, with certain stated expenditure exceptions, include revenues from certain increases in property taxes that exceed the increase in the CPI from the previous year without the proposed increases being approved by a popular vote.

The Chamber believes that tax lids are simply bad public policy. They end up inhibiting economic development because they often result in limiting the ability of local units of government to provide those amenities and services wanted by their taxpayers and demanded by businesses, both those already located in our community and wanting to stay and grow here as well as those looking to relocate here. They want good, well-maintained roads and other infrastructure, public safety, mental health and emergency medical services and other quality of life benefits. An unnecessary, cumbersome and costly restriction on the ability of local government officials to make the decisions that they are charged with when elected impairs the ability to plan while adding uncertainty, not only to elected officials but also to business executives, a critical element to economic development, job growth and business retention.

With that in mind, we support the repeal of the current law mandating the election approval process. There are several immediately identifiable benefits that would result from the proposed change, including:

- Eliminating an inadequately documented mandatory election process and the cost associated with an election;
- Avoiding the cost of holding an election;
- Allowing the local governing body an opportunity to explain its rationale for seeking the increase and educating its taxpayers about its identified need; and
- Providing the local governing body the option of either calling an election to approve exceeding the cap limit or revise and adopt a budget within the statutory spending limit.

For these reasons, we respectfully urge you to vote in favor of HB2376. Thank you for your consideration.