

455 SE Golf Park Blvd Topeka, KS 66605 785.234.0878 www.kacap.org

Partners in America's Poverty Fighting Network

Senate Committee on Assessment and Taxation Testimony on SCR 1602 Scott Anglemyer, Executive Director, Kansas Association of Community Action Programs

Chairwoman Tyson and Members of the Committee:

Thank you for the opportunity to submit testimony in opposition to SCR 1602. My name is Scott Anglemyer, and I am executive director of the Kansas Association of Community Action Programs (KACAP). KACAP is the membership association for Community Action Agencies in Kansas that are working to create economic opportunity and end poverty in their communities. Our member agencies work to better focus local, state, private, and federal resources to assist low-income individuals and families become more self-sufficient. Together, our agencies provide services to over 14,000 low-income Kansans each year.

KACAP's interest in tax policy is that the state's tax burden should be equitable, which to our members means that the heaviest burden should not fall on the state's poorest citizens. As we have testified previously, dating back to 2012, our state's tax code has become increasingly inequitable. SCR 1602 does nothing to make the tax code more equitable, and, in fact, would make it more difficult to restore equity to the tax system. While the Legislature is considering changes to the tax structure in this session, it likely take concerted effort by the Legislature over several years to restore our tax system to the level of equity we saw prior to 2012. SCR 1602 would lock in revenue and expenditure levels before such shifts could be completed, making future adjustments to the tax code far more complicated and difficult.

Kansans of all income levels—including low-income Kansans—are tired of unproven experiments with state finances. The evidence is conclusive that the 2012 experiment failed, with disastrous consequences for the budget and for low-income Kansans. Passage of SCR 1602 would represent another such experiment, and promises to have equally devastating results. While several states have considered some sort of formualic limits on state expenditures and tax rates, only Colorado has adopted a measure as rigid as the one proposed in this resolution. In that state, its "Taxpayer Bill of Rights" or TABOR has necessitated deep cuts that have devastated the state's core services, such as public schools, higher education, healthcare programs, and more. Those cuts were so destructive that Colorado voters in 2005 voted to suspend TABOR and remove a "ratchet" mechanism identical to one contained in SCR 1602.

Kansas is still reeling from the last failed tax policy experiment. Now is not the time to stack one risky fiscal experiment on top of that another. We urge you to reject SCR 1602.

KACAP Member Agencies and Board of Directors

Community Action, Inc. East Central Kansas Economic Opportunity Corporation Economic Opportunity Foundation Harvest America Corporation