

KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

Mark Desetti Senate Committee on Assessment and Taxation SCR 1602 February 15, 2017

Madame Chair, members of the Committee, thank you for the opportunity to address SCR 1602.

This resolution revisits an idea that has been in this statehouse in years past. It is commonly called the Taxpayer Bill of Rights or TABOR. And since our neighbors in Colorado adopted this many years ago, we have a clear example of what happens when something like this passes.

Colorado a few years ago was on the verge of fiscal collapse. Schools, highways, universities, health care, and public safety all were suffering. What was discovered was that the legislature had no way in which to fix the problems. They were hamstringed by this now constitutional provision. Voters responded by referendum, suspending TABOR temporarily. They were desperately trying to save their state.

Colorado has fewer problems today thanks to that suspension but thanks also to a vibrant tourism industry and the passage of legalized recreational marijuana. Recreational marijuana has somewhat offset the negatives of TABOR.

Here in Kansas the legislature passed a series of reckless tax cuts in 2012 and 2013. The result has been to reduce revenue by hundreds of millions of dollars. Since then, legislators have refused to return to a fiscally sound tax plan instead using one-time gimmicks to plug holes. We have seen the highway fund gutted, now proposals would gut KPERS and sell off the tobacco settlement that funds early childhood programs. The legislature had adopted two sales tax increases resulting in the nation's highest sales tax on groceries. The state's credit rating has been downgraded repeatedly; our revenue estimates have been cut back and cut back.

This legislature still has the opportunity to reverse the damage wrought by the tax cuts. If you were to adopt this constitutional amendment, you could only stand by helplessly as the state budget collapsed.

Enough damage has been done to Kansas. It is time to reverse course and restore stability to the state budget. Passing this resolution could only be intended to freeze Kansas in a perpetual state of decline.

We urge this committee to reject SCR 1602