## CITY OF SHAWNEE

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Date:March 12, 2020To:Chairman Steven Johnson and House Taxation Committee MembersFrom:Caitlin Gard, Assistant City ManagerRe:Written Only Testimony in Opposition to HB 2656

Chairman Johnson and Committee Members,

Thank you for the opportunity to testify in opposition to HB 2656 on behalf of the City of Shawnee.

Shawnee currently utilizes the proceeds from the countywide sales tax within the City's general fund. In the past, portions of those proceeds have been dedicated to public safety initiatives to include a full-scale upgrade to the outdoor warming sirens, upgrades to the public safety radio equipment, and partially funding the construction of a new Fire Station in northwestern Shawnee.

In 2019, the City collected \$10,889,867 in proceeds from the countywide sales tax. That equaled 20% of our total general fund revenues collected and 13% of all revenues collected for all funds. For comparison purposes, that amount of funding would be equal to a levy of 11 mills.

Additionally, last year, taxable sales in the City were about 8.5% of all taxable county sales. When including compensating use, the City generates 8.3% of all taxable sales/compensating use activities.

While at this time, the City of Shawnee does not dedicate any portion of the county sales/use tax collections to pay debt service, the Governing Body has provided direction for future proceeds to fund public safety initiatives, which would include debt servicing facilities and equipment.

Eliminating this revenue source would fundamentally disrupt the programming and future plans for funding public safety and other initiatives in the City of Shawnee.

Based on this testimony, the City of Shawnee requests you not to pass out HB 2656.

Sincerely,

Caitlin Gard Assistant City Manager

