



Date: March 9, 2022
To: Chairwoman Tyson & the Senate Committee on Assessment and Taxation
From: City of Derby
Re: Written Testimony in Opposition to SB 542

Thank you for allowing the City of Derby to submit testimony in opposition to SB 542. The City of Derby is committed to open government practices, but opposes this bill primarily due to the bill's creation of new K.S.A. 79-2988(c)(2).

As currently worded, new K.S.A. 79-2988(c)(2) permits any taxpayer in the state to contest Derby's process for exceeding the revenue neutral rate even when the complainant would not be impacted by such budget decisions. We respectfully request that standing to challenge a city's budget processes be limited to only taxpayers of that city.

Additionally, the legislation appears to allow challenges to the revenue neutral rate process indefinitely. An indefinite timeframe for challenges is potentially devastating to city operations and budgets if a surprise challenge arises. Permitting challenges by resident taxpayers within a reasonable time following the laid-out process achieves the aim of the legislation while also allowing jurisdictions to move forward with providing public services in the current economic conditions.

Finally, the direction of complaints to the state board of tax appeals is inconsistent with the board's mission and focus of valuation assessment appeals and protests. The City believes an agency with expertise in the area of municipal budget adoption procedures, such as the Department of Administration, is better suited to address such procedural challenges.

Thank you again for the opportunity to submit testimony in opposition to SB 542.