

THE CITY of MOUNT HOPE

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March 11, 2024

To: House Taxation Committee Re: HB 2815

Dear House Tax Committee Members:

I am writing to oppose HB2815. I can only speak for the small cities in Kansas, but property taxes are the heart of our revenue sources. Since the state has elected to not share their revenue with municipalities as required by statute, we are constantly struggling with the balance of paying for basic services, and working to keep mill levy increases minimal.

To keep up with rising costs due to inflation, unfunded mandates, and community demands for services, we have admittedly had to increase our mill levy at times over the years. Instead of eliminating LAVTR, it would be helpful for Legislative leadership to create other methods and resources of revenue to take the pressure off property taxes.

It has been especially difficult since 2020 to maintain budgets due to Covid and the rampant inflation. Workers demand higher wages, infrastructure costs are getting out of range to maintain, street repair costs are exorbitant, and equipment costs are beyond reach for smaller communities. The legislature's actions to eliminate resources such as LAVTR and control mill levies without creating or providing alternative resources to address revenue shortfalls is, in effect, penalizing communities trying to be responsible to their constituents.

If the legislature wants to reduce property taxes, there are other methods that need to be attempted first, including: fully funding LAVTR; reexamine the property valuation system; and stop providing tax exemptions to every group that requests one on a regular basis. I ask that, at the very least, you remove the provision from HB 2815 that eliminates LAVTR before any consideration of the bill occurs.

Sincerely,

Terry/Somers, Mayor City of Mount Hope, Kansas