

TESTIMONY (Written Only) SENATE

Supporting SB 377

Committee on Assessment & Taxation

By Andy Sanchez, KS AFL-CIO Executive Secretary-Treasurer

January 31, 2024

Chairwoman Tyson and members of the committee, thank you for this opportunity to share our **SUPPORT** for SB 377. The bill is comprehensive state tax policy changes that will directly bring relief to Working Families and Seniors feeling the pinch of inflation and economic stresses. We believe SB 377 is a strategic approach to managing our state's economy with timing in mind.

First, SB 377 is an opportunity to help struggling families and retirees at the grocery store accelerating our quest to zero on food. Second, the bill cuts property tax for homeowners by raising the exemption, and then creates a Tax Holiday for back-to-school expenses at a critical time of the year for families. Further, and again focusing on critical timing for Kansas' families, the bill doubles the Child and Dependent Care Tax credit to help working people in need of childcare. This comes at a time when employers can't find enough workers to fill the jobs available, so this is a situational reasonable approach. Last, SB 377 eliminates state tax on Social Security income earnings to help retirees on a fixed income. This also is a family friendly tax policy that our state can do. There is no need for Kansas to be one of only eleven states to tax Social Security benefits. In Kansas it is indeed possible to be taxed twice on Social Security.

On behalf of the 75,000 members we represent, we believe SB 377 offers the soundest tax policy for our state, because our state must not get bogged down in tax policy battles when economic innovation opportunities are opening up right before our very eyes. But, we must do two things to meet that demand: provide the workforce with training and make the opportunity to work, possible. Second, we believe we can make "good" on our progress for all working families to fair better against economic pressures seemingly beyond their control and government can help. Government should help keep the economy moving forward and incentivize workers in these ways whenever possible. The Kansas AFL-CIO works hard to improve the quality of life for Kansas' workers. We know, as lawmakers you have those same objectives of showing the rest of the country that Kansas can be their home, and you can support and raise a family here. Passage of SB 377 is fair tax policy for all Kansans. We hope that you will be encouraged to support SB 377 for passage. Thank you.