



# CITY OF TOPEKA

Legal Department  
215 SE 7<sup>th</sup> Street, Room 353  
Topeka, KS 66603

Amanda Stanley, City Attorney  
Tel: (785) 368-3883  
[www.topeka.org](http://www.topeka.org)

To: Senate Committee on Assessment and Taxation

From: Amanda Stanley, City Attorney

Date: January 11, 2024

Re: Written Testimony in Support of SB 196

I would like to thank Chairwoman Tyson and the Committee for allowing the City of Topeka the opportunity to provide written proponent testimony on SB 196.

No one likes property tax. It is often cited as the most hated tax, but yet, it is also the primary way the State has chosen to fund local governments. Local governments provide essential services for our citizens such as law enforcement, clean water, roads, snow removal, sanitation, and fire protection. In addition to what one thinks of as “traditional” functions of government, increasingly citizens are turning to their local governments demanding action on mental health, homelessness, rent assistance, economic development, and other quality of life issues. At the same time, citizens are asking for increased services, they are also asking for decreased property tax. Our Governing Body strives to listen to its citizens as it works to balance the needs of the present with the long-term sustainability of the future and align city resources with the areas of greatest importance to our taxpayers. During the 2024 budget discussions, the Governing Body decreased the mill levy by two from the 2023 mill levy. While not able to maintain at the revenue neutral rate, it was a significant effort to find cuts where possible. Similar efforts came with discussions on water rates. Those cuts come at a cost through. It means less proactive work and more maintaining status quo.

Local Ad Valorem Property Tax Reduction (LAVTR), established under K.S.A. 79-299, is supposed to transfer 3.63% of state sales and use tax to cities and counties. Revenue sharing in the manner dates to the 1930s and the current framework was established in 1965. At that time, the local share of certain cigarette revenue stamp taxes and cereal malt beverage taxes were rolled into the state general fund and a direct transfer was made into the LAVTR fund to replace those funds. The fund was part of an agreement between the state and local governments that involved ceding local revenue sources in exchange for the establishment of these funds. However, since 2001 Kansas cities and counties have not received the funding resulting in a loss of \$1,835,576,169 as a result of the state’s decision not to fund demand transfers.

Please take this opportunity to fulfill the State’s promise and provide cities and counties with essential revenue assistance as we work on complex problems such as homelessness and mental health that are impacting our citizens.

Thank you for your time and consideration on this important issue. We urge you to pass SB 196 to the full Senate for its consideration.