

CITY COMMISSION

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March 16, 2017

Senator Caryn Tyson Chairwoman Tyson, Senate Assessment & Taxation Committee Room 548-S, Statehouse Topeka, KS 66612

Re: Support of Senate Bill 167

Dear Chairwoman Tyson and Senate Assessment & Taxation Committee members,

The City of Lawrence supports passage of Senate Bill 167 which would repeal the current tax lid measures imposed on municipalities. Local elected officials should determine the appropriate spending and taxing policies of their community.

The tax lid measures adopted in 2015 and revised in 2016 present problematic constraints for local governments. A repeal of these limits would return budgetary authority to where it should be – local units of government.

Additionally, the tax lid legislation as currently written restricts municipalities' ability to raise property tax revenues above 1.4% without having a special election. The increase in 1.4% is calculated using a five-year rolling average of the change in consumer price index.

If the City of Lawrence identified community needs that would result in exceeding the 1.4% limit, a special election costing approximately \$50,000 to \$100,000 would be required. This creates an unfair burden to residents.

The City of Lawrence supports Senate Bill 167 and encourages the Senate Assessment & Taxation Committee to support passage of this bill as currently written.

Sincerely,

Thomas M. Markus

City Manager

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Lawrence Mayor and City Commission

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