

To: House Taxation

From: Trey Cocking, Deputy Director

Date: January 22, 2020

RE: Written Only-Neutral Testimony on House Bill 2441

Mr. Chairman and Committee, thank you for the opportunity to present neutral testimony on HB 2441. HB 2441 would make it possible for all cities in the State to have a community historical museum instead of the current limitation to cities of the third class that are in two counties.

This bill would create a new taxing jurisdiction that could levy up to one mill for the creation of a Community Historical Museum. The Act being modified only allows for the creation of a new museum and does not allow the funds to be sent to a non-profit 501(c)(3) museum. This is a common misconception. The bill also potentially allows for a property tax with no input from a city's governing body. We are also concerned that the one mill does not provide adequate funding in many cases to fund the creation and maintenance of a new museum. This can result in the creation of a board with significant statutory obligations but inadequate funding. This can create unrealistic expectations in the community.

Before passing this bill, the League would request that the bill be modified to allow a city governing body to have the ability to review the petition, evaluate the sustainability of the creation of a museum and possible other sources of funding. After evaluating these factors, the city's governing body would then have the option to forward the question to an election. We would also ask the committee if it makes sense for the funds to be allowed to be dedicated to already existing museums regardless of the museum's public or private status.

We stand willing to work on this bill to improve it before it is forwarded to the House for its consideration.