

Testimony of John Smith, Stanton County Commissioner **Before the House Committee on Taxation** In Opposition of House Bill No. 2656 March 12, 2020

Member Counties

Barber

Barton

Clark

Ellis

Finney

Ford

Gove

Grant

Gray

Hamilton

Harper

Haskell

Hodgeman

Kearny

Lane Logan

Meade

Morton

Ness

Norton

Rawlins

Rice

Russell

Rush

Scott

Seward

Sherman

Stanton

Stevens

Thomas

Trego Wallace

Wichita

Chairman Johnson and Members of the Committee:

Kansas Legislative Policy Group (KLPG) would like to thank you for the opportunity to provide testimony today on House Bill No. 2656. KLPG is a non-partisan organization comprised of elected commissioners representing the collective interests of 33 rural

Kansas counties.

House Bill No. 2656 discontinues the apportionment of the countywide sales tax for

general purposes to cities beginning on July 1, 2020. We oppose House Bill No. 2656.

We work cooperatively with our local government partners to develop relationships that benefit all the residents of our communities through a shared tax base. Passage of House Bill No. 2656 will unravel and divide these successful partnerships.

For years, we have been successfully operating under this tax sharing arrangement and we have had no complaints that this system has failed. This measure appears to be forcing a fix for one community where the working relationship is broken. In fact, the existing relationship may not be broken at all, but merely one party was unable to convince the other that their alternate distribution proposal was reasonable. Now they come to the legislature seeking to change the rules for everyone.

The effect of this legislation is far reaching and will create immediate fiscal impact to our city colleagues. In addition, local governments will be required to incur unnecessary cost and time delays by crafting interlocal agreements to continue doing what the law currently provides. There is no compelling reason for the legislature to change current law that is successfully working and ask that you oppose House Bill No. 2656.

Thank you for the opportunity to present testimony to the Committee.

John Smith President

Kansas Legislative Policy Group

House Taxation Attachment

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