



FINNEY COUNTY
KANSAS

COUNTY COMMISSION

William S. Clifford, MD, Chair | Duane Drees | Dave Jones | Larry C. Jones | Lon E. Pishny

T. (620) 272-3506
F. (620) 272-3599

Senate Assessment and Taxation Committee

Testimony – Proponent for House Bill No. 2033

By: Larry C. Jones, Finney County Commissioner

Senator Caryn Tyson, Chair
Kansas State Capitol, Room 548-S
300 SW 10th Street
Topeka, Kansas

Dear Chair Tyson and Members of the Assessment and Taxation Committee:

House Bill 2033 authorizes five counties to change their sales tax amounts for increments and amounts that differ from K.S.A. 12-187. I am here representing Finney County's version of the bill.

To provide some background on the Finney County issue, let me explain the process we used in coming up with the .30% sales tax approved by the voters of Finney County. During the past 20 years, Finney County and the City of Garden City have been working on and discussing road improvements to Jennie Barker Road on the eastern edge of Garden City. The original plan was for the City of Garden City to improve a 1-mile portion of the road from US 50 north. The other 1-mile section that connects the road to K-156 was agreed to be that of Finney County's. During the years that followed the original discussion, Finney County has had other road improvements that took precedent and we as county commissioners did not have the desire to raise property taxes for this section of the road. My fellow commissioners and I had a discussion during the budget process for 2018 in the summer of 2017 about when and how we should plan to complete Jennie Barker Road. At a similar time, the City of Garden City had asked us about Jennie Barker Road, as they were discussion capital projects that they were planning for upcoming years.

In July 2017, the City of Garden City made a decision to look at a sales tax ballot initiative for the following community wide improvements; Lee Richardson Zoo upgrades, a modern shooting range for law enforcement and various community groups, an additional fire station to more efficiently cover the growing portion of Garden City, and possible renovations at the Garden City Regional Airport. At this time, the Finney County commission reached out to the City of Garden City commission to discuss the possibility of changing the .25% citywide sales tax to a sales tax that was countywide and would include the Jennie Barker Road upgrades for Finney County.

As the two governing bodies representing the vast majority of Finney County routinely prefer working together, it was decided by both commissions to have countywide sales that would address both entities needs instead of funding these projects with property taxes.

Following this discussion by the entities, staff of the City of Garden City, Finney County, and bond counsel looked at what amount of sales tax would be required to properly fund the projects in a period that lasted no more than 15-years. When looking at the numbers of sales tax estimates and costs of the projects with inflation, a .30% sales tax was determined to be the appropriate amount.

At the same time, an interlocal agreement was written that explained the administration of the sales tax receipts by the City of Garden City and Finney County. For your information, the City of Garden City administers the funds and an oversight committee was put in place that consists of community members to help keep oversight of the funds for the benefits of the taxpayers. In addition to the receipts received by Garden City and Finney County, the City of Holcomb receives a share of the funds based on the formula specified in K.S.A. 12-192 and their revenues are not earmarked for any specific purposes.

In August 2017, Finney County commissioners adopted a Resolution to submit to the qualified electors of Finney County the proposition of a .30% countywide sales tax for 15-years pursuant to an approved interlocal agreement to finance the stated projects of Jennie Barker Road, construction and operation of a third fire station, an indoor shooting range and improvements at Lee Richardson Zoo. The sales tax ballot initiative was set for the November 7, 2017 elections.

In the months following the adoption of the Resolution and the election, elected officials visited with various community groups to educate the community about the sales tax question. Mostly positive comments were received about the sales tax, as many in the community know the importance of the projects were for the quality of life in Finney County and that the use of a sales tax paid by local consumers and visitors from across the country was preferably to a property tax increase.

During development of the Resolution and the discussion of the sales tax amount, it was missed by staff, legal counsel and financial advisors that a county had variances in the Statute that would need to be addressed if we had more than 1% countywide sales taxes on the books, in addition to having an increment different than .25%. For this oversight, we apologize. It was never our intent to ignore K.S.A. 12-187.

As elected officials responsible to the citizens of Finney County, we support the will of Finney County voters on November 7, 2017 to approve a .30% countywide sale tax to fund community wide quality of life improvements. Therefore, we request that you approve House Bill 2033 and allow this bill to move to the Senate floor for a vote.

Your time and attention to this matter is greatly appreciated.