



ABOVE AND BEYOND. BY DESIGN.

City Hall
8500 Santa Fe Drive
Overland Park, Kansas 66212
www.opkansas.org

Date: March 13, 2023
To: Chairman Smith and the House Committee on Assessment & Taxation
From: City of Overland Park
Re: SB 248 – Written Opponent Testimony

Thank you for allowing the City of Overland Park to submit testimony in opposition to SB 248. The proposed legislation would be devastating to the City's financial position and limit the ability to provide public services and programs to our residents.

The City uses local sales tax for general operations like public safety and public works, as well as supporting our capital infrastructure program. If SB 248 became law, the City would lose approximately \$6,200,000 to support these programs. Clearly, SB 248 would either seriously limit the City's ability to provide services to our residents or require dramatic increases in other revenues (likely property taxes). By narrowing the sales tax base and forcing cities to become more reliant on property taxes, SB 248 shifts the burden for funding public services from those shopping in Overland Park (many of whom are not from Kansas) to Overland Park property owners.

SB 248 also undermines the will of our citizens. Overland Park residents have voted to approve a local sales tax to address the City's infrastructure needs, and are considering a sales tax increase to keep up with increasing demands. By limiting local sales tax as a revenue tool, this bill undermines our voter's desire to use local sales tax to fund our infrastructure.

SB 248 also does not take into consideration that the bill will potentially hurt cities' ability to repay STAR bonds and CID bonds for a number of projects where food is sold. That is not fair to cities or bondholders who relied on these revenues to fund the projects.

Thank you for allowing the City to testify in opposition to SB 248. We respectfully request that the Committee not advance this legislation to the full Senate for approval.