

Thank you for serving Lawrence and the Douglas County Community in the Kansas Legislature! The Lawrence City Commission requests your attention to the list of legislative issues likely to be addressed during the 2013 session that will impact our community. Municipal governments, including the City of Lawrence, will be particularly concerned about any proposals that place caps on the taxing authority of cities. Attempts to erode the Home Rule authority of the City of Lawrence to determine local spending and taxing priorities will be met with opposition.

State Support for State Services: Avoid Shifting State Responsibilities to Local Taxpayers

The City of Lawrence recognizes that balancing revenues to expenditures, whether at a local level or State level, is always a challenge. However, the State must recognize that shifting of budgetary shortfalls to local governments does not solve the overall problem. The City of Lawrence strongly urges the Kansas Legislature to avoid shifting the State's responsibility to adequately fund State services to local taxpayers.

City leaders should also be included in any discussions regarding the re-structuring of State tax systems to ensure that State financial obligations are not shifted to local governments or local taxpayers.

Local Taxing & Spending Decisions Should be Made by Local Officials

The Lawrence City Commission strongly opposes the enactment of State-imposed spending or taxation controls or lids. The so-called Taxpayer Bill of Rights (TABOR) proposals create an arbitrary and capricious procedure for what should be an essential function of representative democracy: elected officials determining the appropriate spending and taxing policies of their community. Local tax and spending decisions should be made by locally elected officials – not by artificial limits in the State statutes or Constitution.

A case in point is the sales tax on groceries. The city's share of the sales tax is a critical revenue stream used to fund valued city services for our residents. Any effort to eliminate the sales tax on food sales / groceries will have a significant negative impact on the city's ability to fund vital city services. Since 2009 through September 2012, the city's grocery sales tax receipts have totaled, \$8,725,728. The City Commission strongly opposes efforts to eliminate the sales tax on groceries.

The city desires to partner with the Legislature to find solutions which will ease the hardship of property tax burdens on low-income, elderly homeowners while maintaining adequate funding sources for city services.

Transportation – Safety and Infrastructure Improvements

The city supports the State's T-WORKS program and urges the Legislature to look at additional funding streams to enhance investment in the state. Completion of K-10 Highway – The SLT – in Lawrence is a key approved T-WORKS project. Support for all modes of transportation is important to the Lawrence community. Investment in infrastructure is investment in jobs and growth potential. Infrastructure investment puts Kansans to work and provides the backbone for economic development initiatives. The city opposes any transfer of the T-WORKS funds to balance the State's General Fund. The City-County Highway Fund is also essential to maintaining local roads and should be fully funded in order to support critical infrastructure needs of communities. The city supports increasing the amount of State funding which supports maintenance of State highways within city limits.

Alcohol and Liquor Tax Funds are Key City Resources

The City of Lawrence and many community groups rely heavily on monies received from State taxes levied on alcohol purchases. Pursuant to State law, one-third of the fund revenues are allocated to the city's General

Fund, one-third to the Special Recreation Fund and one-third goes in the city's Special Alcohol Fund. Resources in the city's General Fund provide support for a number of city services, while monies deposited in the city's Recreation Fund provides resources for a number of park and recreation activities. A number of not-for-profit Lawrence organizations rely on the funds from the city's Special Alcohol Fund for their programs. The City of Lawrence opposes any efforts to divert or diminish the distribution of local alcohol tax fund dollars to the state.

Opposition to Unfunded Mandates and Legislation Restricting Local Authority

The City of Lawrence opposes unfunded mandates which take limited local tax dollars to support priorities and needs of State and Federal Legislatures. We also oppose legislation which restricts our local authority to make local decisions. An example of such a restriction is K.S.A. 12-16,123, which prohibits the city from requesting the names of tenants from landlords – thereby making the enforcement of city laws restricting the number of unrelated persons in single family zoned districts more difficult.

Similarly, amendments to the Organized Collection Service Act (K.S.A. 12-2034 *et seq.*), passed by the 2011 Legislature, greatly complicated a city's ability to add city-wide recycling services, and other organized collection services. The Legislature should revisit the Act to eliminate the burdensome and bureaucratic process so communities can implement recycling services that our citizens want and expect.

City-State Economic Development Partnerships: Building on the Success of the Bioscience and Technology Business Center

The Bioscience and Technology Business Center – opened in the fall of 2010 – is an outstanding success providing the opportunity for several new and existing companies to grow their business at the state-of-the art facility located on the University of Kansas West Campus. The facility represents a unique partnership of the City of Lawrence, Douglas County, the University of Kansas, the Kansas Bioscience Authority, Lawrence Chamber of Commerce, the Bioscience and Technology Business Center and others. The city and Douglas County have already committed funding for construction of Phase 2 of the facility – providing additional space for new companies bringing jobs and the potential for growth in Lawrence and Douglas County. We urge the Kansas Legislature and our local delegation to continue providing support and funding for biosciences and technology development, including support for expansion of the Bioscience and Technology Business Center.

Cities Should Be Exempt from Filing Fees for Tax Exemption Applications Involving Real Property

The Court of Tax Appeals (COTA) charges municipalities a \$400 fee for filing a real estate tax exemption application. COTA entirely exempts school districts from the filing fee, and requires not-for-profit organizations to pay just \$10 when the value of the property does not exceed \$100,000. Cities and counties own and maintain real property for the public's use and benefit, and they should also be exempt from paying filing fees for real estate tax applications before COTA.

Main Street Fairness Act

Small businesses are the lifeblood of local communities. The City of Lawrence strongly supports Congressional action to collect mandatory sales taxes on all goods – purchased locally or through the Internet. The Kansas Legislature should urge Congressional action on this key portion of tax fairness.

Homeland Security

The City of Lawrence urges an active partnership between State and local governments regarding issues of homeland security. The city's police department and our city/county fire and medical department are essential resources in providing security and safety to our community. These departments rely on funding resources that should be protected by our State Legislature.

Annexation

Cities must also protect their authority in regards to annexation of property. Cities must have authority to plan for population growth, economic growth and for infrastructure expansion.

Ensuring Adequate Water Resources

Because a good water supply is essential to the welfare and growth of the Lawrence community, the Lawrence City Commission has taken steps to assure continued quality water resources. The city opposes Federal and State regulatory changes to quality standards that are not demonstrably related to public health unless adequate State and Federal financial assistance is provided to meet such new treatment requirements. We oppose water transfers that will negatively affect Lawrence's current and future water supplies.

The City of Lawrence supports continued study and implementation of appropriate plans to respond to the sedimentation issues in Kansas' reservoirs. The city also supports State funding for continued research on water quality issues, particularly in light of the recent quality issues in the Kansas River and Clinton Reservoir during 2012. Both the Kansas River and Clinton Reservoir are vital water supplies for the Lawrence community. The City of Lawrence supports increases in the municipal water fees funding the State Water Plan if such increases fund water projects beneficial to preserving the quantity and quality of our vital water resources. Municipal water fees should only increase in proportion to increases on other water plan fees for industrial and agricultural users.