

**DRAFT**



### **2023 State Legislative Program**

The *2023 State Legislative Program* is a policy document that expresses the position of the City of Manhattan (City) for the 2023 Legislative Session. It is not intended to be all-inclusive, but rather captures the major policy positions of the City. The City endorses the legislative positions and policies of the 2023 Statement of Municipal Policy from the League of Kansas Municipalities to the extent it does not conflict with items listed in this document (available online at <http://www.lkm.org/smp/>). We encourage area legislators and residents to contact City officials regarding any issue that could potentially impact local units of government. The City Commissioners and City Administration welcome questions and insights and are happy to offer their knowledge and experience on those matters affecting local government.

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# 2023 CITY ACTION AGENDA SUMMARY

## TOP ACTION ITEMS

[Sales Tax Revenue in STAR Bond Districts](#) – The City supports creation of long-term funding solutions to ensure State reimbursement of lost funds in STAR Bond districts caused by the reduction and elimination of the State share of food sales tax.

[Dark Store Theory – Alternative Property Valuation](#) - The City opposes any legislation that artificially limits or otherwise alters property valuation. BOTA should use proven techniques to consider fair market value and State Legislation should be adopted to prohibit the use of hypothetical lease fee as a property valuation technique.

[State Shared Revenues](#) - The City supports the Governor’s Tax Council recommendation for the reactivation and ongoing funding of the long ignored Local Ad Valorem Tax Reduction (LAVTR), as well as the restoration of City-County Revenue Share (CCRS). The City strongly opposes budget-balancing measures that simply displace the problem by reducing or eliminating revenue distributions and reimbursements to local government.

[Property Taxes](#)–The City supports all taxing authorities being equally transparent and abiding by the same limitations, restrictions, and requirements. Any additional transparency measures should not be burdensome or costly. Additionally, the City opposes legislature exempting any specific industry from taxation

[Retailer’s and Internet Sales Tax](#) - The City supports legislation establishing an online sales tax framework assuring State and local governments the authority to collect sales tax on remote sales, ending the tax abatement for online retailers. Remitted taxes should be distributed to State and local governments using existing methods/formulas. Additionally, the City opposed legislation discontinuing the apportionment of countywide retailers’ sales tax between counties and cities located therein. Additionally, the City supports creation of long-term funding solutions to ensure State reimbursement of lost sales tax funds on food in STAR Bond districts with grocery sales.

[Higher Education & Technical College Funding](#) - The City supports the Kansas Legislature fully funding the budget requests from the Kansas Board of Regents regarding Kansas State University and Manhattan Area Technical College. Additionally, the City supports legislation offering tax credits to support technical colleges in capital improvements, deferred maintenance, or the purchase of technology or equipment.

[Fort Riley](#) - The State of Kansas trails other States hosting major Department of Defense installations regarding overall funding and political support to keep and expand these bases and personnel assigned. The City supports continued funding and operations for the Governor's Military Council, reciprocity in certifications and licensing as well as further development of partnerships with Fort Riley, regional entities, and the State of Kansas along with vital cooperation between the State Government Leaders, Congressional delegation and Defense Industry partners.

[Infrastructure Funding](#) – The City supports increased federal and State funding to assist local communities with their water, wastewater, stormwater, levee and dam infrastructure, and associated security needs.

## SECONDARY ACTION ITEMS

[Mental Health and the Expansion of Medicaid](#) – The City supports the continued restoration of grant funding that has been cut from Community Mental Health Centers such as Pawnee Mental Health, and also supports the State of Kansas providing a sustained source of funding to assist financing operations of their Mental Health Stabilization Center in Manhattan. The City supports the expansion of the State’s Medicaid Program, KanCare.

[Property Valuation Caps](#) – The City supports a uniform and equal basis of valuation and rate of taxation of all property subject to taxation, and opposes any efforts to cap property appraisal increases.

[City Right-of-Way Management](#) – The City supports legislation that enables local officials and the citizens they represent to better control and manage the public right-of-way, including the ability to charge franchise fees to compensate the City and taxpayers for private use of the public right-of-way.

[Kansas Public Employee Retirement System \(KPERS\)](#) - The City encourages the legislature to honor its full funding commitments to KPERS. The City requests that the legislature include local governments in discussions about changes to KPERS or the Kansas Police & Fire Retirement System (KP&F).

[Abandoned and Blighted Housing](#) - The City supports legislation that streamlines and expedites the process to deal with the blight of abandoned, nuisance, foreclosed housing, and commercial structures.

## 2023 TOP LEGISLATIVE ACTION PRIORITIES

### Sales Tax Revenue in STAR Bond Districts

The City supports the State’s efforts in reducing and eliminating State sales tax on food purchases in grocery stores. However, this reduction in revenue compromises Manhattan’s ability (along with other cities in Kansas) to meet financial requirements within its existing STAR Bond District where retail stores selling groceries exist. State sales tax from such grocery stores are important revenue sources within STAR Bond Districts to fund the debt of these economic development projects, which highly benefit the State of Kansas.

- The City’s downtown STAR Bond district, established in 2006, includes a HyVee grocery store, the City’s Flint Hills Discovery Center, and other private investments. The District generates an additional \$5 million annually in State and local sales tax and HyVee is a major contributor to that revenue.
- This year, the City expanded this STAR bond district and issued \$24 million in STAR bonds toward a privately funded and operated Museum of Art and Light: a three-story, 50,000 square foot state-of-the-art museum featuring an immersive exhibit and interactive displays, creating a one-of-a-kind, hands-on, art and cultural attraction.
- The reduction of State food sales negatively impacts existing STAR Bond districts with grocery sales.

#### ACTION ITEM:

- **The City supports the creation of a long-term funding mechanism to ensure State reimbursement of lost funds caused by the reduction and elimination of the State share of food sales tax in impacted STAR Bond districts.**

### Dark Store Valuation – Alternative Property Valuation – Hypothetical Lease Fee

The City supports a fair and consistent approach to the valuation of property. Property taxes are an important revenue stream for local government services. Taxation should reflect the services furnished and funded by cities and take into consideration economic realities and properties should always be valued at true market value.

- In 2021, Riley County had 17 Dark Store Board of Tax Appeals cases docketed. With the 2022 Kansas Supreme Court new ruling reversing BOTA, these cases will likely need to be reheard.
- Inconsistencies in the valuation process lead to large swings of value and in turn affect a city’s ability to properly plan for estimated revenue available.

- The Kansas Board of Tax Appeals (BOTA) process should be fair and equitable for both the taxpayer and counties, driven by true market values versus hypothetical ones, or in the alternative, State-wide reclassification should occur.

**ACTION ITEMS:**

- **The City opposes any legislation that artificially limits or otherwise alters residential and commercial property valuation.**
- **BOTA should use proven techniques to consider fair market value for residential and commercial properties and State Legislation should be adopted to prohibit the use of hypothetical lease fee as a property valuation technique.**

**PRIOR BILLS SUPPORTED:**

- SB222- Excluding Hypothetical Lease Fee when determining fair market value for property taxation purposes.
- HB2402- Excluding Hypothetical Lease Fee when determining fair market value for property taxation purposes.

**State Shared Revenues**

The State has discontinued, reduced or threatened a number of shared revenue sources that have previously constituted significant contributions to local government, including the following: Local Ad Valorem Tax Reduction (LAVTR) program; City County Revenue Share (CCRS) distributions; and State Liquor Tax Distributions. Reductions to local governments has become a great burden on taxpayers.

- In 2003 and 2004, the State was experiencing financial difficulties and cut Local Ad Valorem Tax Reduction (LAVTR - K.S.A. 79-2959 and 79-2961) and City County Revenue Share (CCRS - K.S.A. 79-2964 and 79-2966) to local municipalities. The intention of the State legislature at that time was to reinstate those items when the economy turned around. Those revenues have not been returned to any municipalities as of yet. *The State Legislature is required by Kansas statutes to help relieve the burden on property taxpayers by funding the LAVTR program.*
- The City estimates to have missed out on \$17,667,699 in revenue from those sources since 2002. The City was receiving in the range of \$500,000 per year from LAVTR in 2002 and estimates nearly \$11,268,026 in lost revenue from that source. The CCRS revenue was in the \$300,000 per year range in 2003, and lost revenue is estimated at \$6,399,673 over that time.
- The Governor’s Tax Council has recommended lawmakers follow its requirement of sending a share of its sales tax collections to cities and counties each year through the LAVTR program.

**ACTION ITEMS:**

- **The City supports the reactivation and ongoing funding of previously eliminated State-shared revenues.**
- **The City strongly opposes budget-balancing measures that simply displace the problem by reducing or eliminating revenue distributions and reimbursements to local government.**

**Property Taxes**

The City thanks the State for fully repealing the property tax lid, as the City believes local taxing and spending decisions for a community should be made by local elected officials. All taxing authorities should be equally transparent and abide by the same limitations, restrictions, and requirements, and any additional

transparency measures should not be burdensome or costly. Cities rely on property taxes as a solid revenue stream to fund city operations and the tax base should be protected. Additionally, the City opposes legislature exempting any specific industry from taxation. Industry-specific property tax exemptions from the State would cause an unfair tax advantage to a particular for-profit sector and leave cities with even more shortfalls in revenue streams.

**ACTION ITEMS:**

- **The City opposes additional transparency measures that are burdensome and costly.**
- **The City opposes industry-specific property tax exemptions.**

**PRIOR BILLS OPPOSED:**

HB2445 Property Tax Exemption for Health Clubs. (2021)

**Retailers' and Internet Sales Tax**

The City thanks the State legislature for the passing of Senate Bill 50 during the 2021 session, establishing a minimum threshold remittance of sales and compensating use tax by of non-Kansas retailers doing business in the State. Sales and compensating use taxes from online sales have gone uncaptured for a decade, costing the State and local governments millions of dollars. This minimum threshold for online sales levels the playing field between online and brick-and-mortar retailers. If brick-and-mortar retailers cannot keep a level playing field, then the ripple effect in lost jobs and revenue along with vacant buildings throughout business districts will threaten our communities' sustainability. In addition, County sales tax revenues should continue to be shared with cities based on well-established formulas and previous voter approvals.

- The City opposes any legislation discontinuing the apportionment of countywide retailers' sales tax between counties and cities located therein. The current distribution formula has worked well for cities and counties for over 30 years and prying this revenue source from city governments would have drastic property tax impacts to maintain the same level of services and continue with required debt payments. Removing such a vital revenue source from cities of which such revenue is derived from economic activity within those cities, would result in the decline of city services, economic competitiveness and overall quality of life. This would ultimately result in dramatically negative impacts to counties.
- The reducing and eliminating State sales tax on food purchases in grocery stores compromises Manhattan's ability (along with other cities in Kansas) to meet financial requirements within its existing STAR Bond District where retail stores selling groceries exist. The City supports a long-term funding mechanism to ensure State reimbursement of lost funds caused by the reduction.

**ACTION ITEMS:**

- **The City opposes any legislation discontinuing the apportionment of countywide retailers' sales tax between counties and cities located therein**  
**The City advocates local sales taxes remain for food and advocates the State find an alternative funding source to make cities with grocery stores in STAR bond districts whole**

**PRIOR BILLS SUPPORTED & OPPOSED:**

- HB 2235 & HB 2400 - similar to the South Dakota law upheld by the US Supreme Court
- SB 50 –Requiring marketplace facilitators to collect and remit sales and compensating use taxes - Law effective July 1, 2021

- SB 171 – Providing adjusted sales tax rates for food and food ingredients.
- SB 87 & HB 2738- Opposed discontinuing apportionment of countywide retailers' sales tax imposed for general purposes between the county and cities located therein. (2022)

### Higher Education & Technical College Funding

The City has a great partnership and town-gown relationship with Kansas State University (K-State) and the Manhattan Area Technical College. Past budget cuts from the State to higher education have made it harder for Kansas State to grow and thrive as an economic hub for this region. Due to the COVID-19 pandemic, K-State had to make significant financial and budgetary reductions. The City thanks the State Finance Council for approving the Kansas Board of Regents' request to distribute available federal dollars from the Coronavirus Aid, Relief and Economic Security (CARES) Act. These funds assisted the University in funding costs related to the pandemic and restructuring campuses.

Additionally, the City supports legislation which would allow taxpayers to claim the Higher Education Deferred Maintenance Tax Credit for contributions to a technical college for capital improvements, deferred maintenance, or the purchase of technology or equipment.

- K-State is the largest employer in the area and a key driver for the city and State economies. As in the past few years, K-State has relied on limited internal resources to fund faculty promotions, professorial performance awards, below market equity increases for unclassified professional and university support staff, and USS longevity bonuses. Additionally, the Legislature did not approve the governor's proposed 2.5% cost of living adjustment, or COLA, for State employees; meaning K-State was unable to provide any type of university-wide merit salary pool or COLA increases 2022. This situation has a direct connection to the University's ability to recruit and retain valuable staff and students, which ultimately impacts the City as a whole.
- The City and the University appreciate that the Legislature stabilized State appropriations, but the need for enhanced funding for the university is imperative.
- Technical colleges have no taxing authority and rely on student tuition and fees and limited State appropriations to operate their vital educational programs. A tax credit established for technical colleges, leads to partnerships with business and industry willing to participate and will aid in the delivery of the skilled workforce needed by those very partners. The Legislature should also consider ways to provide some direct funding assistance to Technical Colleges who have less revenue options to meet everyone's workforce production challenges.
- The use of the tax credits toward capital improvements, deferred maintenance or the purchase of technology or equipment is exactly where technical colleges need the most help. The City recently forgave the outstanding balance of a repayable Economic Development loan with Manhattan Area Technical College so they could use those funds toward a roof replacement.

#### ACTION ITEMS:

- **The City supports the Kansas Legislature fully funding the budget requests from the Kansas Board of Regents regarding Kansas State University and Manhattan Area Technical College.**
- **The City supports legislation providing a tax credit for contributions to technical colleges.**

#### PRIOR BILLS SUPPORTED:

- HB 2315- Providing a tax credit for contributions to technical colleges.

## Fort Riley

Fort Riley is a vital asset to the entire Flint Hills region. Defense spending makes up over 1/3 of the region's economy and Fort Riley provides an economic impact to the State of Kansas of nearly \$1.8 billion. Reductions and instability in defense spending at the federal level is detrimental to Fort Riley and dependent economies.

- Multiple deployments in 2023 may have some impacts on the local, regional and State economies.
- The State of Kansas trails other States hosting major Department of Defense installations regarding overall funding and political support to keep and expand these bases and personnel assigned.
- Currently, Fort Riley has capacity to increase its force structure significantly. This would mean regional growth of increased troops and family members. The City supports the Fort's efforts in advocating for additional force structure to be located in Fort Riley.
- Ongoing intergovernmental support partnerships and collaboration between the City and Fort Riley, along with the State of Kansas, will be key to implement recommendations from a recent economic analysis study done for the region. Additional programs should be developed together that will help identify necessary resources to propel the Flint Hills region and the State into a 21<sup>st</sup> century economy.

### ACTION ITEM:

- **The City greatly appreciates the support of our legislative delegation over the past years in addressing identified needs for Fort Riley. The City supports continued funding and operations for the Governor's Military Council, reciprocity in certifications and licensing as well as further development of partnerships with the Fort, regional entities and the State of Kansas.**

## Infrastructure

The Federal Infrastructure Investment and Jobs Act (IIJA), enacted as the Bipartisan Infrastructure Law (BIL), was signed into law in November 2021, dedicating \$550 billion in new spending over five years (2022-2026). For decades, infrastructure in Kansas has suffered from a systemic lack of investment, this investment will allow the State to address infrastructure needs via a substantial number of new programs at the federal level or more federal pass through to States and local governments. The City thanks the State for the joint effort to coordinate the Kansas Infrastructure Hub to maximize Kansas funding opportunities. The City supports the Hub's continued use to connect funding agencies, ensure collaboration, and be a resource center for funding opportunities in Kansas.

- After one year, more than \$1.5 billion in BIL funds have been awarded and 115 specific projects funded in Kansas.

The City supports increased funding to existing and potential new programs to assist local communities with their aviation, water, wastewater, stormwater, levee and dam infrastructure, and associated security needs. The City constructs, manages, operates, and maintains numerous infrastructure components that provide a high quality of life for our residents and visitors. Infrastructure involving transportation, municipal utilities, and water and environmental structures are all dependent on the ability of local officials to self-determine what's appropriate for our community. Assistance with planning and funding infrastructure for Intelligent Transportation Systems (ITS) as well as Electric Vehicle growth is needed.



- ACTION ITEMS: **Comprehensive State Transportation Plan:** We support the Legislature following through on the T-Works spending plan passed in 2010 and the implementation of the IKE program to address long-term multi-modal transportation within the region. The City supports increasing the motor fuels tax to better fund KDOT and increase contributions to the Special City/County Highway Fund (SCCHF), as well other safety and economic develop grant programs.
- **City Connecting Link Improvement Program:** The State should maintain KDOT’s funding for connecting link programs at the FY 2020 level for cities to provide for the maintenance of State highways within city limits. The City supports full funding of the City Connecting Link Improvement Program (CCLIP).
- **Federal Fund Exchange Program:** The City supports legislation to codify the Federal Fund Exchange Program, which would include allowing local jurisdictions to bank funds for a minimum of three years, as well as hold a fixed exchange rate of \$0.90 in State funds received for every \$1.00 of local federal obligation authority exchanged.
- **Economic Development:** The City supports economic development programs, including the newly instituted KDOT Cost Share Program, that encourage capital investment in Kansas, led by local government and community leaders that help fund transportation improvements vital to the economic growth of our community.
- **Stormwater Grant and Loan Program:** The City supports the creation of a Stormwater Grant and Loan Program to assist local communities in the continued implementation of the best practices for stormwater management and levee system financing.
- **Water & Wastewater Quality:** The City supports funding for State utility loan programs, such as the Kansas Public Water Supply Loan Fund, that help local utilities meet infrastructure needs. In addition, the City encourages the State and federal governments to adopt broader standards and provide assistance to private property owners to better control non-point source pollutants to our rivers and streams rather than burdening point sources such as wastewater treatment plants, which comprise only a small fraction of the input stream.

PRIOR BILLS SUPPORTED:

- SB 188 & HB 2370 - Providing for an increase in motor fuel taxes and trip permits (2019).
- HB 2381 - Providing for a \$.06 increase in motor fuel taxes (2019).

## 2023 SECONDARY LEGISLATIVE ACTION PRIORITIES

### Mental Health and the Expansion of Medicaid

State funding for community based mental health services must be restored and expanded across the State in order to improve a mental health system that is stretched beyond its ability to provide the right care at the right time, in the right place for Kansas citizens. Expansion of Medicaid would also provide coverage for those who have a mental illness so they can access needed mental health treatment in their communities. In Kansas, untreated mental illness is associated with an estimated 128 suicides, 21,000 incarcerations and 29,000 unemployed adults, costing the private sector, including employers, nearly \$429 million per year.

- The State has cut the Mental Health Reform Grant by \$20 million over last 10 years. The State took a positive step in 2017 by restoring \$7.5 million, but more is needed. State levels of funding should at a minimum be restored to their 2007 levels.
- Nearly 3,000 people in Riley County would benefit from Medicaid (KanCare) expansion that are currently not eligible.

**ACTION ITEMS:**

- **The City supports the expansion of the State’s Medicaid Program, KanCare.**
- **The City supports the continued restoration of grant funding that has been cut prior from Community Mental Health Centers such as Pawnee Mental Health Center here in Manhattan.**
- **The City supports the State of Kansas providing a sustained source of funding to Pawnee Mental Health Center to assist in the financing operations of their Mental Health Stabilization Center in Manhattan.**

**PRIOR BILLS SUPPORTED:**

- HB 2313 - Lottery ticket vending machines with portion of proceeds going towards mental health crisis centers.
- HB 2044 – KanCare Expansion. Passed Senate and House and was vetoed by the Governor in 2017.

**Property Valuation Caps**

Each property should be assessed at fair market value. In 1986, Kansas Voters passed legislation in which properties should be taxed on a uniform and equal basis. At the time, the amendment was passed due to the State’s entire property tax system being out of alignment in regard to valuation of different types of properties.

- In a growing community market like Manhattan, where homes often sell quickly and actual sales prices can rise significantly each year, an across the board cap on valuation increases for all properties would be limiting.
- The State Constitution does not allow for property appraisal valuation caps as they would violate the uniform and equal standards for property appraisals.

**ACTION ITEM:**

- **The City supports a uniform and equal basis of valuation and rate of taxation of all property subject to taxation.**
- **The City opposes any efforts to cap property appraisal increases.**

**City Right-of-Way Management**

More and more private companies and individuals are requesting to locate infrastructure in the public right-of-way for personal benefit or profit. The City is currently seeing a large amount of small cell facilities that are wanting to locate in the public right-of-way and will continue to see growth in the future. State and federal policies continue to erode the City’s ability to control those small cell facilities and other entities in its own right-of-way. It is important now for municipalities maintain the ability of strong requirements for right-of-way use, including the ability to charge franchise fees to compensate the City and taxpayers for private use, given the increasing number of providers accessing public right-of-way and the diversification of services provided today and in the future. Cities should be able to enforce

maintenance and repair standards on franchises that disturb the public right-of-way and/or damage the existing public infrastructure.

- Cities should be able to negotiate aesthetic policies and practices for equipment being located in the public right-of-way.
- Cities should be able to receive fair market compensation for use of the public right-of-way by private entities.

ACTION ITEMS:

- **The City supports legislation that enables local officials and the citizens they represent to better control and manage the public right-of-way.**

### Public Retirement Systems (KPERs)

The State of Kansas should fully fund its portion of the employer contributions at the Actuarial Required Contribution (ARC) levels at the required times. The KPERs system should accumulate sufficient assets during a members' working lifetime to pay all the promised benefits to that member when they retire.

- KPERs was only 56% funded in 2012 but the strength of the economy in recent years has seen that rise to over 70% as of December 2020.
- In 2019, the State made a \$115 million payment to catch up on previously missed payments
- Any changes to the current system should consider the need of local governments to predict and control employee benefit costs and to recruit and retain qualified employees. This includes accumulated leave and human resources policies to determine a retiree's benefits.

ACTION ITEM:

- **The City encourages the legislature to honor its full funding commitments to KPERs. The City requests that the legislature include local governments in discussions about changes to KPERs or the Kansas Police & Fire Retirement System (KP&F).**

### Abandoned and Blighted Housing

During the 2017 session, the Senate debated SB 31, legislation allowing cities to provide an effective and efficient method for dealing with the procedural challenges that are often faced when dealing with abandoned properties in the community. The health and welfare of the general public in Manhattan is important.

- Often times there are non-responsive owners or other interest holders, ownership is in question, or the city is not able to get an owner or interest holder to take responsibility for property maintenance on the structure. Cities should be able to address some of those issues in abandoned houses, reducing the time those structures might pose a health and safety danger to others. The bill allows cities more flexibility to better deal with those abandoned homes and prevents that situation from occurring.
- Such legislation could allow the City, or a non-profit organization, to rehabilitate properties for future use rather than properties ending up degrading further and ending up having to be demolished.

ACTION ITEM:

- **The City supports legislation that streamlines and expedites the process for local governments, neighborhood organizations and private businesses to deal with the blight of abandoned, nuisance, foreclosed housing, and commercial structures to protect the rights and property values of surrounding property owners.**

PRIOR BILLS SUPPORTED:

- SB 31 – was debated by the Senate but sent back to committee for additional review in 2017.
- SB 338 (2016) – Passed by the House and Senate and vetoed by the Governor.
- HB 2314 (2019) – Passed the House (Yeas 97, Nays 27), referred to Committee on Ethics, Elections and Local Government.

## **2023 STANDING LEGISLATIVE ITEMS**

### **ECONOMIC DEVELOPMENT**

The City supports continued funding for the Kansas Department of Commerce and other State economic development programs that would help leverage local investments in attracting and keeping high-skill, high-wage jobs. The City opposes any changes in State law that would restrict the flexibility of cities to use financing tools including TIF, CIDs, STAR Bonds, and TDDs to promote economic development in their communities.

### **FINANCE**

#### Accumulated Interest on Delinquent Special Assessment Taxes

The City requests, and supports, amending K.S.A. 79-2004 to provide that delinquent special assessment taxes are differentiated from general property taxes and the associated interest from those delinquent special assessment taxes is distributed to the entity which levied those taxes.

#### Budget Timing

The City supports legislation to allow the adoption of City budgets by November 30 but keep the August 25 deadline for certification of the amount of ad valorem tax revenue needed. The current statutory framework for the adoption of municipal budgets makes it difficult for cities to plan for budgets that must be presented to governing bodies five months before the start of the fiscal year.

#### Sales Tax on Digital Goods

In order to ensure a fair playing field between brick and mortar businesses and online businesses, sales tax should be levied on digital good transactions including print, audio, video, software, games, and streaming services that provide those digital goods.

#### School Finance Formula

The City supports the State adopting a school finance formula that meets the standards set forth by the Kansas Supreme Court and includes a military second count date.

### State Budget Concerns/Tax Policy

The City supports the Kansas Legislature to find ways to balance the budget without shifting the burden to local government entities. Local governments should also be included in any discussions regarding restructuring of the State tax systems to ensure solutions are reached that fully assess the resulting financial burden on local taxpayers.

### Taxes Paid Under Protest

Due to the effect that taxes paid under protest can have on the City, the State and the county should be required to notify the City when taxes, including compensating use and ad valorem taxes, are paid under protest, so that we have accurate data when making budgetary decisions.

### Unfunded Mandates

State and federally mandated functions, without the financial resources to accomplish their legislative intent, are contrary to the spirit of constitutional home rule and are not conducive to cooperative intergovernmental relationships. The City opposes unfunded mandates and proposes any legislation or function of sufficient importance mandated to local governments by the State or Federal branches of government be fully funded by the State and/or Federal government on a continuing basis.

## GOVERNANCE

### Airline Revenue Guarantee

Adequate and affordable air service is a key factor in improving the economy and tourism potential of regions and cities throughout Kansas. Support from the State of Kansas, in partnership with regional communities, facilitated the recruitment of non-stop jet service from Manhattan Regional Airport via American Airlines. The City thanks the Legislature and Governor for reinvesting State funds to recruit additional commercial air service, or expanding existing service, at the Manhattan Regional Airport through airline revenue guarantees or similar arrangements, rather than direct subsidies, and asks for fairness regarding the distribution of State funds for either direct subsidies or other similar programs across the State and encourages State officials to support Kansas transportation systems by flying MHK versus utilizing out of State airports.

### Annexation

The City opposes any change to legislation that limits the authority of the city to grow through annexation.

### Consolidation of Services

The City supports processes for local consolidation of services without undue statutory barriers and specifically supports the consolidated Riley County Police Department structure, and the legislation (K.S.A. 1944-27) which allowed such consolidation to occur.

### Home Rule and Local Control

The City opposes any change in State law which would limit the Home Rule authority of cities.

## Local Elections

The City supports local government elections remaining non-partisan in nature.

## Political Signs in Public Right-of-Way

K.S.A. 2018 Supp. 25-2711 prohibits a city from regulating or prohibiting the placement of political signs on private property or the unpaved right-of-way for city streets in the period 45-days prior to an election through the two days following the election. Like most cities, the City prohibits the placement of all non-governmental signs in the city's rights-of-way. The State law creates a content-based exception to such a prohibition, which may conflict with First Amendment jurisprudence. The City acknowledges that the Kansas Attorney General, in AG Op 2018-16, Stated that the State law does not violate the First Amendment because a city can simply decline to regulate ROW signage at all times, or at least during the election period, to comply with both the First Amendment and the State law. The City supports the authority of local government to regulate and prohibit the presence of signs in its rights-of-way in a content-neutral manner, at all times.

## Public Property and Rights-of-Way

The City supports legislation that enables cities to enforce maintenance and repair standards on franchisees that disturb the public right-of-way and/or damage the existing public infrastructure, and also allows the City to negotiate, within reason, location of facilities and how the final product may look.

## Water & Wastewater Certification

The City supports improved certification programs that better align the necessary skillsets for real world water and wastewater system operation with the content of the corresponding exams. We support review of water and wastewater certification to ensure validity and reliability. These certifications need to continue to be protective of the public health and environment. We encourage contracting and collaboration to help utilities acquire the knowledge, skills, abilities, and certifications needed to effectively and efficiently serve Kansas rate payers.

## Weapons and Firearms

A local government should be able to assess its properties and determine where concealed or open carry is permitted or prohibited. The City supports prohibiting firearms through the posting of signs. As an employer, we believe Cities should have the same ability to regulate its employees' carry of firearms while engaged in their work as a private employer would have. The City supports the ability of local governments to regulate the carry of firearms and weapons within City-owned-and-operated facilities and public spaces. The City also supports the ability of local governments to set policies regarding the carrying of firearms by municipal employees while they are engaged in their work.