

Thank you for your dedicated service on behalf of our community! Please carefully consider the Lawrence City Commission's 2018 legislative priorities set forth below.

### **City and University Relationships**

The City will collaborate with and support both the University of Kansas and Haskell Indian Nations University on their legislative issues and agendas.

### **Support for Home Rule and Local Control**

Locally elected officials are in the best position to make decisions for Kansas cities and are accountable to voters for those decisions. The City of Lawrence strongly supports the Home Rule Authority of Kansas Cities granted to municipalities under Article 12, Section 5 by the Kansas Constitution. Cities and other municipalities have seen local control eroded by the Legislature in measures imposing a tax lid on cities, changing annexation laws, changing conceal carry laws, and moving local elections, to name just a few.

### **State Support for Affordable Housing Initiatives**

The City of Lawrence has identified access to safe and affordable housing and neighborhoods as a strategic goal of the City. The City is currently pursuing various strategies to fund and find solutions to affordable housing in the Lawrence community. However, affordable housing is not just a City of Lawrence issue. The State needs to partner with cities to study the problem and find statewide solutions and tools for cities to utilize.

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

As the State of Kansas looks to balance its budget and fund State services and meet court ordered spending for public education, the City of Lawrence urges the legislature to avoid simply shifting costs to the local level. The State should partner with municipalities in finding solutions to complex problems.

### **Local Taxing & Spending Decisions Should be made by Local Officials**

The Lawrence City Commission urges the Legislature to remove the tax lid imposed on municipalities. Local elected officials should determine the appropriate spending and taxing policies of their community. A repeal of these tax limits would return budgetary authority to where it should be – local units of government. If the tax lid provisions cannot be repealed, the City of Lawrence in conjunction with the League of Kansas Municipalities supports removing the election process under the current tax lid and replacing it with a protest petition. We support additional exemptions to make the law more workable.

### **Transportation Restoration of Funding – Safety and Infrastructure Improvements & Connecting Links Program**

The City of Lawrence supports restoring KDOT funding. The City of Lawrence opposes any transfer of the T-WORKS funds to balance the State's General Fund. State highway funds should be used for highway improvements only. The City-County Highway Fund is essential to maintaining local roads and should be fully funded. The City also supports increasing the amount of State funding which supports maintenance of State highways within city limits. The City of Lawrence encourages increased funding for the connecting links program. The last increase in funding for this program was in 1999 – nearly twenty years ago.

## **Identification of Funding for west leg of K-10 expansion**

The City applauds KDOT for the completion of the South Lawrence Trafficway (SLT) in 2016 and encourages the State to fund the four-lane expansion of the west leg of K-10. Now that the four-lane, eastern leg of K-10 has been opened, traffic on the western leg of K-10 between I-70 and Iowa Street has increased. Funding to expand the lanes and improve the safety of at-grade intersections should be identified.

## **Property & Sales Tax Exemptions**

The City of Lawrence believes the existing property tax base should be protected and encourages the Legislature to resist any expansion of exemptions from taxation. The City supports the existing definition of machinery and equipment and the exemption should not be expanded. The Legislature should review existing exemptions in order to determine whether they are still appropriate and needed. The City of Lawrence supports current law that exempts local government and public construction projects from sales tax.

## **Gender and Marriage Equality**

The City of Lawrence supports marriage equality in Kansas and opposes any legislation that fails to recognize marriages between two people of the same sex. We also strongly encourage the State to amend the Kansas Act Against Discrimination to prohibit discrimination on the basis of sexual orientation and gender identity.

## **Alcohol and Liquor Tax Funds Are Critical**

The City of Lawrence opposes any efforts to divert the distribution of local alcohol taxes to the State. One-third of the alcohol tax 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. Many local not-for-profit agencies rely on the funds from the City's Special Alcohol Fund for their programs. 2017 legislative changes in House Substitute for Senate Bill 13, allowing the sale of strong beer in grocery stores and other establishments will negatively impact revenues to cities. It is expected that sales of cereal malt beverage (subject to local sales tax) will decline and transition to strong beer sales (not subject to local sales tax). Legislative changes need to be implemented before this law becomes effective in April of 2019 to reduce this fiscal effect.

## **Unfunded Mandates**

The City of Lawrence opposes unfunded mandates that take limited local tax dollars to support priorities and needs of state and federal governments. If the Legislature is going to impose new requirements on municipalities, it should provide adequate funding to the municipalities to comply with those requirements.

## **Biosciences and Technology Business Center – BTBC.**

We urge the Kansas Legislature and our local delegation to continue providing support and funding for biosciences and technology development, including support for the BTBC.

## **KPERS and KP & F Funding**

The City's ability to hire and retain qualified public employees is dependent upon an attractive and well balanced benefit package including the KPERS (and KP & F) retirement programs. Any modifications to the KPERS and KP & F programs should not negatively impact public organizations' ability to recruit qualified

professionals to public service. The State of Kansas must honor its statutory and contractual obligations to ensure that KPERS has sufficient funds to pay the required benefits to the public employees who are participating in the plan.

### **Sales Tax Fairness**

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. As the Legislature begins to tackle the State's significant budget shortfalls, it should remember that sales taxes are regressive and place a disproportionate share of the tax burden on the poor, low income, and fixed income elderly citizens of the State. Increases in the State's sales tax should be avoided.

### **Annexation**

Cities must also protect their authority as it pertains to annexation of property. Cities must have authority to plan for population growth, economic growth, and for infrastructure expansion. The ability of cities to grow is inherent to the ultimate success of annexation powers as they are currently established in State statute. The City of Lawrence opposes further statutory changes that would limit the authority of cities to grow through annexation.

### **Extending Period of Exemption for Handgun Ban in City Buildings**

Cities should be allowed to determine whether the carrying of concealed firearms are permitted in city facilities, and what security measures are appropriate. We request the laws be amended to return these decisions to local governing bodies. In the alternative, we request the exemption period in the Kansas Personal and Family Protection Act be extended an additional ten years.

### **Renewable Energy & Property Assessed Clean Energy (PACE) Legislation**

The City supports public and private incentives to encourage investment in renewable energy sources. The City supports the goal of having a 20% renewable portfolio for regulated utilities by 2020. We encourage the State to work with cities to pursue manufacturing facilities for wind, biomass, solar and other energy related industries in Kansas. The City also supports legislation introduced in the 2015 session – HB 2350, and the 2016 session – HB 2649, that would allow for the assessment of clean and energy efficient improvements to properties, to be assessed on a parcel's property taxes over a period of years. Twenty-four states have adopted such PACE legislation. The bills proposed in the past would allow for the creation of local programs that would have no impact on the State budget while increasing energy efficiency statewide. We urge reintroduction of PACE legislation.

### **Mental Health Issues & Expansion of Medicaid**

State funding for community based mental health services must be restored and expanded across the State in order to provide for 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. The City of Lawrence supports the Kansas Legislature committing to investments to close gaps in the continuum of care and restore the over \$15 million in grant funding that has been cut from Community Mental Health Centers across the State of Kansas. 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. The City of Lawrence is in support of Medicaid expansion and

restoration of the 2016 cuts to Medicaid reimbursement rates which have negatively affected our local hospital and treatment providers.

### **Funding for the Arts**

The City of Lawrence supports restoration of State funding for the arts. Funding arts initiatives is another form of economic development for the State and municipalities. Research shows the arts industry provides jobs, generates economic activity, produces tax revenue, and enhances a community's quality of life. A recently completed Arts & Economic Prosperity study showed the nonprofit arts and culture sector in Lawrence-Douglas County is a \$30.8 million industry that supports 1,061 full-time equivalent jobs and generates \$2.8 million in local and State government revenue.

### **Children's Initiative Fund**

The City of Lawrence opposes reductions in the Children's Initiative Fund and opposes transfers from the Children's Fund to the State General Fund. The Children's Initiative Fund which receives proceeds from a national settlement with tobacco companies, funds programs that benefit children.

### **Rail Service & Intercity Transit**

This City of Lawrence supports existing and enhanced passenger and freight rail service in Kansas. We support efforts to expand Amtrak service in the state via the Northern Flyer route. The State should also support maintenance of passenger train routes and should explore light rail development in the Kansas City metropolitan area. The City encourages state involvement to help neighboring cities and counties use public transit to reduce traffic congestion on State highways.