



South Central Kansas Library System

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Serving Barber, Butler, Cowley, Harper, Harvey, Kingman, McPherson, Reno, Rice, Sedgwick, Stafford, and Sumner Counties.

March 9, 2023

House Bill 2176 AN ACT concerning library districts; creating the Arkansas city area public library district act and the Udall area public library district act; requiring an election to create such district; authorizing a tax levy therefor; amending K.S.A. 75-2554 and repealing the existing section.

Neutral Testimony

Senate Committee on Assessment and Taxation

Senator Caryn Tyson, Chair
Senator Virgil Peck, Vice Chair
Senator Tom Holland, Ranking Minority Member
Senator Molly Baumgardner, Member
Senator Chase Blasi, Member
Senator J.R. Claeys, Member
Senator Ethan Corson, Member
Senator Renee Erickson, Member
Senator Dan Kerschen, Member
Senator Mike Petersen, Member
Senator Usha Reddi, Member

The Arkansas City Public Library and Udall Public Library are members of the South Central Kansas Library System (SCKLS) in accordance with Kansas Statutes Annotated (KSA) 75-2547 Regional systems of cooperating libraries and following statutes. A cooperating member library of the South Central Kansas Library System may seek to expand its local public library tax area, but any expansion of a local public library tax area reduces the total taxing area of the regional library system.

No initial mill levies are identified in HB 2176, but New Sec. 2. (a) provides “the board of trustees of the Arkansas city public library may adopt a resolution proposing to create a library district and stating the proposed tax levy amount for the library district” and New Sec. 10. (a) provides “the board of trustees of the Udall public library may adopt a resolution proposing to create a library district and stating the proposed tax levy amount for the library district.”

Using 2023 assessed valuations, a mill levy rate of 5.000 for the proposed Arkansas City Public Library tax district was used to project tax impacts (<https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/county-tax-levy-sheets/2022-county-tax-levies-for-the-2023-budgets>). If authorized, proposed HB 2176 would decrease estimated tax revenue for the South Central Kansas Library System taxing district by a projected \$40,292 and increase the Arkansas City Public Library estimated tax revenue by \$93,882. Additionally and if authorized, proposed HB 2176 would decrease

estimated tax revenue for the South Central Kansas Library System tax district by a projected \$36,197 and increase the Udall Public Library estimated tax revenue by \$4,927. The estimated total decrease in tax revenue for the South Central Kansas Library System is projected to be \$76,489.

The current South Central Kansas Library System tax district impact on a home valued at \$100,000 within the USD 470 tax district, but outside boundaries of City of Arkansas City Public Library tax district is \$14.13. The expanded Arkansas City Public Library tax district impact on a home valued at \$100,000 within the USD 470 tax district, but outside boundaries of the current City of Arkansas City Public Library tax district would increase to a projected \$57.50.

South Central Kansas Library System annually contracts with the Arkansas City Public Library and Udall Public Library in accordance with Kansas Administrative Regulation 54-1-18 to provide free service and permit any citizen of the territory comprising the South Central Kansas Library System “to borrow materials and receive services without charge and subject to reasonable library rules”. Based on 2021 data, the 88 cooperating public and academic libraries in the twelve county South Central Kansas Library System service area provided access and basic service to 87,003 persons who resided in the SCKLS taxing district and who were registered users at a cooperating member library.

In addition to supporting free access and basic service to citizens and students who reside outside 72 public library taxing districts, the South Central Kansas Library System provides other supporting grants and services free-of-charge to 145 cooperating member public, academic, school district and special libraries. These other supporting grants and services from the South Central Kansas Library System would not be available nor cost-effective to provide locally. Consequently, specialized expertise and services from regional library systems create staffing efficiencies and cost-savings among cooperating member libraries.

The 2022 South Central Kansas Library System Value of Services Statement for the Arkansas City Public Library totaled \$37,643. The \$37,643 total included \$32,089 for grants-in-aid and technology and programming grants as well as \$5,374 in services including cataloging, continuing education, interlibrary loan, technology support and other services. The 2022 South Central Kansas Library System Value of Services Statement for the Udall Public Library totaled \$19,560. The \$19,560 total included \$8,943 for grants-in-aid and technology and programming grants as well as \$10,617 in services including continuing education, interlibrary loan, rotating collections, technology support, administrative support and other services. A reduction in South Central Kansas Library System tax revenue from the establishment of Arkansas City Public Library and Udall Public Library districts may result in a loss of grant funding for the two cooperating SCKLS member libraries.

HB 2176 expands the Arkansas City Public library and Udall Public Library tax districts while reducing the South Central Kansas Library System tax district. Consequently, SCKLS believes the passage of special legislation like HB 2176 will have a statewide long-term financial impact of reducing the tax district areas that support regional library systems of cooperating member public, academic, school district and special libraries.

Prepared on behalf of the South Central Kansas Library System Board and Executive Committee
by Paul Hawkins, Director, South Central Kansas Library System, paul@sckls.info, 800-234-0529, Ext. 113