

Testimony before the House Taxation Committee  
neutral on  
**House Bill 2237 – concerning taxation; relating to income taxation, rates, determination of income, tax credits; motor fuels tax, rates, trip permits, distribution; sales and compensating use tax, food and food ingredients**

by  
Judith Deedy, Executive Director of **Game On for Kansas Schools**  
February 7, 2017

Mr. Chair, Members of the Committee:

Thank you for the opportunity to submit written testimony on the taxation bill, 2237. We have taken a *neutral* position on this bill.

[Game on for Kansas Schools](#) is a nonpartisan grassroots effort among Kansans who share a belief in high-quality public education as a right of all Kansas students. We advocate for Kansas public schools to ensure our teachers, principals, superintendents, and school board members have the resources necessary to deliver quality education to all Kansas students. We inform communities across the state about issues and legislation affecting their students. The Game On team includes members representing the spectrum of education stakeholders (parents, educators, and other community advocates), and our membership extends statewide.

We appreciate and support the legislature's effort to reform our tax code and address recent revenue shortcomings. We consider this bill an important starting place for real discussion about our state's fiscal policy, and an opportunity to ensure our schools receive the stable and adequate funding they require. As advocates for public education, we are not able to say with authority whether this bill and all of its elements are *the* solution, but we are encouraged by the effort being made by the legislature to address our state's financial issues in a substantive way. We urge the this committee to seriously consider it and engage in the important work of enacting comprehensive tax reform.

**Recent tax policy has not worked to support our public schools.**

We believe our districts and schools have risen to the state's budget challenges. They are efficient with their budgets, but, as costs rise and revenues continue to fall short, it has become impossible to shelter our students from the effects of the budget crisis. Since the beginning of the Great Recession, our schools have been forced to eliminate staff, programs and services. As our country emerged from the recession, our state embarked on a tax cut experiment that has failed to produce promised revenue. Our schools have continued to operate with inadequate funds, which diminishes the quality of our public education and undermines the success of our students.

At the same time schools have been asked to do more with less, they have seen a rise in students facing economic or educational hardships that further stress their budgets.

Since the 2008-09 school year, our overall student population grown modestly, by 17,000 students or about 5 percent, but

- we now have 1000 fewer classroom teachers
- special education enrollment has increased by 10 percent.
- there are now approximately 9,000 homeless Kansas children in public schools<sup>1</sup>.
- nearly 40 percent of Kansas students enroll in free lunch programs<sup>2</sup>.

These statistics concerns us because education professionals have shown that poverty and disability make academic success more difficult. In order to ensure vulnerable young Kansans receive the support they need, our schools must have adequate, reliable funding. When our schools are constantly in a budget crisis, it becomes impossible to develop the curriculum and implement the programs that give our children the stable environment and quality education they need.

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<sup>1</sup> <http://www.ksde.org/Portals/0/Title/Homeless/Data-2015-2016KansasEHCY.pdf>

<sup>2</sup> USD Totals, Free and Reduced Enrollment Data Spreadsheet for 2015-16, [www.ksde.org/Agency/Fiscal-and-Administrative-Services/School-Finance/Reports-and-Publications](http://www.ksde.org/Agency/Fiscal-and-Administrative-Services/School-Finance/Reports-and-Publications)

Furthermore, our students must acquire skills to compete in a 21st century global economy with higher demands than earlier generations of students faced.

**Education is our state's single largest expense. It is also our future and, we believe, should not be short-changed.**

As school advocates, we are asking you, our legislators, to think of Kansas children when discussing changes to tax and fiscal policy. We are asking you to make sensible changes that will stabilize revenue and ensure our schools and communities can properly plan for their futures and support our children.

We are not tax experts, but we don't have to be to understand that comprehensive tax reform is essential. We understand that eliminating the LLC exemption will not entirely solve Kansas' revenue problems. We know we cannot continue to rely on transfers and payment delays to fund our state and its schools. We urge this committee and this legislature to analyze carefully the revenue needs of our state and enact provisions that will meet those needs. This bill provides an important opportunity to begin this important process.

As you make the hard choices that will steer Kansas back to the path of economic stability and prosperity, we hope you remain mindful that investments in education are investments in human capital. Kansas children will become the innovators, business owners and tax payers that move our economy forward in just a few short years. Underinvestment in their education today is a tax on our state's future. To ignore their needs now is to sabotage their ability to get ahead, grow tomorrow's economy and ensure a prosperous Kansas for generations to come.