

TESTIMONY OF MATT CONKLIN
JUVENILE JUSTICE ADVOCATE
KANSAS APPLESEED CENTER FOR LAW AND JUSTICE
BEFORE THE KANSAS SENATE ASSESSMENT AND TAXATION COMMITTEE



IN SUPPORT OF SENATE CONCURRENT RESOLUTION NO. 1604

FEBRUARY 15, 2017

Chair Tyson and Members of the Committee:

My name is Matt Conklin; I am an advocate for Kansas Appleseed Center for Law and Justice, a nonprofit, nonpartisan organization that advocates for systemic solutions to the problems facing vulnerable or disadvantaged Kansans. Thank you for the opportunity to testify.

Kansas Appleseed strongly endorses Senate Concurrent Resolution No. 1604. Phasing down the food sales tax rate to two percent by July 1, 2020, will benefit millions of Kansans as well as Kansas businesses.

In Kansas, one in five children is food insecure,¹ meaning they do not have consistent access to a sufficient amount of healthy, affordable food. At 6.5 percent, Kansas has the second-highest food tax rate in the nation.² Once city and county tax rates are added, Kansas families pay as much as 10.5 percent in sales taxes on their groceries.³ When high taxes drive up the cost of food, families with the most limited resources have no choice but to purchase unhealthy, low-cost food. As a consequence, obesity and health problems rise. Kansas's health ranking has declined from 8th to 27th in the U.S., partly due to the increase in obesity statewide.⁴ Low-income households in Kansas typically spend 11.1 percent of their income⁵ on groceries; a reduced food sales tax would allow them to spend hundreds of their dollars on more nutritious food instead of sales taxes.

Food insecurity negatively impacts a child's lifelong physical, mental and cognitive health. The Journal of Child Psychology and Psychiatry published a study that found early malnutrition can affect a child's adult personality. According to this study, food insecure children are more likely to have higher levels of anxiety and lower levels of sociability or senses of competence. The study also found that food insecurity increases a child's risk of developing mental health issues.⁶

Not only does a high food sales tax hurt low-income families, it also hurts Kansas businesses. Many families are apt to cross into a neighboring state with lower food sales tax rates to purchase their groceries, costing the state \$345.6 million in food sales and \$21.2 million in lost tax revenue.⁷ A 2016 study by KC Healthy Kids and the Kansas Public Finance Center at Wichita State University found that the high tax rate costs the average rural grocer \$18,000 each year because families are buying less food.⁸

Reducing the food sales tax will put hundreds of millions of dollars back in the pockets of Kansas families.

Respectfully submitted,

Matt Conklin
Advocate
Kansas Appleseed Center for Law and Justice

¹ Feeding America. "Child Food Insecurity in Kansas." 2014.

² Federation of Tax Administrators. "State Sales Tax Rates and Food & Drug Exemptions." January 2016.

³ Kansas City Star. "Kansas lawmakers target state's high grocery tax." February 2016.

⁴ KC Healthy Kids. "Change Kansas' Grocery Tax." 2017.

⁵ Kansas Center for Economic Growth. "A Guide to Comprehensive Tax Reform in Kansas." December 2016.

⁶ Rappler. "Hungry children: What happens to their behavior?" September 2015.

⁷ Kansas Center for Economic Growth. "A Guide to Comprehensive Tax Reform in Kansas." December 2016.

⁸ *Id.*