

STATE OF KANSAS



Senator Elaine Bowers
DISTRICT 36

ORAL TESTIMONY IN SUPPORT OF SB565
SENATE ASSESSMENT AND TAXATION COMMITTEE
MARCH 17, 2022

Thank you for the time today to address a situation brought to me from home in Senate District #36. In your testimony packet today, you will see a letter from Dan Shipman who farms in Jewell County in north central Kansas. Mr. Shipman's letter outlines the problem which arose in tax valuation when the USDA FSA Grassland Reserve Program (GRP) was moved under the Conservation Reserve Program (CRP) and the name subsequently changed to CRP Grassland. This federal change affected how the land was taxed under Kansas law. Essentially, the original CRP program converted dryland cultivated ground to grass, Kansas law clarified that this land would continue to be valued at dryland rates to not drastically affect tax revenues. With the name change of GRP to CRP Grassland, Kansas law now inadvertently makes the pasture taxed at farm ground rate even though it has never been farmed. The Grassland CRP program, intended to help ranchers, could be a plan which loses money on the farming ranching operation because the tax is now higher for the type of land it is used for.

This bill simply returns the classification for appraisal purposes back to the previous amount before the federal law changed the name of the conservation program for grasslands. The bill is consistent with the original intent when the CRP language was added to Kansas Statute. The intent has always been and will continue to be to keep the classification of the land the same as the existing use was when it was enrolled in the CRP program.

Again, thank you for your time and attention to this important issue that will help out the ranchers in my district and throughout the state.