

February 1, 2023

Chairman Luick, and Members of the Committee,

I am writing to you this evening to encourage a 'NO' vote on Senate Bill 2037. This bill imposes a requirement that water boards conduct an economic analysis for any new assessment project. The mandatory analysis would identify a benefit for each parcel of land within an assessment district. The benefit determined by the analysis would set a limit on the assessment on each parcel.

As you know, for any new assessment project conducted by a water board, landowners vote to tax themselves based on the value those landowners perceive from any assessment project. The goal of this bill is to prevent any assessment from exceeding the benefit derived by any landowner, which is an honorable goal, but, in practice, creates legitimate concerns. There are concerns about methods used by economists and engineers in determining and allocating benefits. If these consultants conducting this study do not determine benefits exist that are recognized by landowners, or alternatively if those consultants skew the allocation of those benefits, the landowners could be barred from taxing themselves based on their own observations and perceptions. In other words, this requirement is taking away local control. In addition, this requirement adds cost, time, and red tape to any new water project.

The EAW tool that the bill will use for economic analysis shifts the tax burden for assessment drains to people downstream of tile projects. The people downstream of existing tile projects will be deemed the most benefited and will pay more and the people who have already tiled won't pay hardly anything at all. Maybe even nothing.

This bill doesn't include all the benefits and opportunities that drains have to offer, economic nor environmental. It is bad for water management, it is bad for farmers, it's bad for land improvement, which impacts positive economic growth, which makes it bad for schools.

I really appreciate your time and consideration.

Sincerely,

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