| Approved _ | April | 23, | 1983 | |
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| MINUTES OF THE | OUSE CO | OMMITTEE ONASSESSMENT AND TAXATION | |
|--------------------------|--------------|---------------------------------------|-------------------|
| The meeting was called t | o order by | Representative Jim Braden Chairperson | at |
| 9:00 a.m./pxnx. on | March 25 | , 19 <mark>83</mark> in room 519-S | _ of the Capitol. |
| All members were preser | nt axacanat: | | |

Committee staff present:

Wayne Morris, Research Department Tom Severn, Research Department Don Hayward, Revisor of Statutes' Office Nancy Wolff, Secretary to the Committee

Conferees appearing before the committee:

Duane Johnson, State Librarian

The meeting was called to order by the Chairman.

Duane Johnson, Kansas State Librarian, testified relative to Senate Bill 65. Senate Bill 65 would permit taxing subdivisions to levy an annual tax for employee contribution funds. (Attachment I)

Representative V. Miller made a motion that Senate Bill 65 be reported favorable for passage and Representative Barkis seconded the motion.

Representative Spaniol made a substitute motion that Senate Bill 65 be tabled. Representative Vancrum seconded the motion. The motion failed.

The Chairman then called for the vote on the original motion that Senate Bill 65 be reported favorable for passage. The motion failed.

Representative Leach made a motion to amend Senate Bill 65 conceptually to provide for a protest petition signed by 5% of the qualified voters. Representative Rolfs seconded the motion.

Representative Vancrum made a substitute conceptual motion that the bill provide for protest petition signed by 5% of the qualified voters, but that libraries are the only governmental entity entitled to the provision of Senate Bill 65. Representative Wunsch seconded the motion. The motion carried.

Representative Wunsch made a motion that Senate Bill 65 be reported favorable for passage as amended and Representative Vancrum seconded the motion. The motion carried.

The committee then discussed Senate Bill 183 which would allow cigarette manufacturers to sample cigarettes in the state of Kansas in packages that would contain less than 20 cigarettes without affixing tax stamps to the packages. The manufacturers would continue to pay the tax on these cigarettes at the rate prescribed by law directly to the Director of Taxation.

Representative Rolfs made a motion that Senate Bill 183 be reported favorable for passage and Representative Schmidt seconded the motion. The motion carried.

The committee discussed Senate Bill 118 which would provide for an additional 1/2 mill levy to be used for elderly services. Representative L. Fry made a motion that Senate Bill 118 be removed from the table and Representative Rolfs seconded the motion. The motion carried.

Representative L. Fry made a motion that the committee report Senate Bill 118 favorable for passage and Representative V. Miller seconded the motion.

CONTINUATION SHEET

| MINUTES OF THE HOUSE | COMMITTEE ON | ASSESSMENT AND | TAXATION, |
|--|--------------------|----------------|-----------|
| room <u>519S</u> , Statehouse, at <u>9</u> | :00 a.m. 45xxx. on | March 25, | , 1983 |

Representative Ott made a substitute motion that Senate Bill 118 would conceptually take affect only if House Bill 2207 does not pass the Legislature. Representative Frey seconded the motion. The motion failed.

The Chairman then called for the vote on the original motion that Senate Bill 118 be reported favorable for passage. The motion carried.

The meeting was adjourned.

DATE: 1 March 25 1983

GUEST REGISTER

HOUSE

ASSESSMENT & TAXATION COMMITTEE

| Chip Wheelen Leas. Policy Group Topeka State Library Advisory Commission Dighton, Kansas Dietric Jehnsen State Library Topeka Ed Jehn Topeka Bide Ells REVENUE TOPEKA | NAME | ORGANIZATION | ADDRESS |
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| Dannis Bosley State Library Advisory Commission Dighton, Kansas Dirtne Johnson State Library Topokat Ed John Topokat Copelar Raw. Library Commission | Chip Wheelen | Leas Policy Group | - 1 |
| Dennis Bosley State Library Advisory Commission Dighton, Kansas Dentine Johnsen State Library Topokat Ed John Typels Raw. Library Casas | Ane Hatch | Delace City Pueblo, Libra | |
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House Committee on Assessment and Taxation

James D. Braden, Chairperson

Friday, March 25, 1983

Hearing on Senate Bill No. 65

Background information:

1. The present wording of K.S.A. 12-16,102 authorizes an employee benefit fund levy in tax levying municipalities for that organization's employees. The levy is not specifically authorized for quasi-municipalities for whom the fund for operations is levied by another municipality. Example:

A city or county may levy for the Board of Directors of a library, but the board is responsible for the library's budget and operations.

- 2. Several cities have levied a library employees benefit fund in years past, but may not be able to continue this levy without the clearer authorization identified in S. B. 65. Example cities are Hays, Kinsley, Manhattan, Wamego, Iola and Great Bend. There may be more.
- 3. Authority for the library benefit fund levy has been questioned by the Municipal Accounts Section of the Department of Administration and by a June 23, 1982 opinion of the Attorney General (A.G.O. No. 82-136).
- 4. The change effected by S.B. 65 would eliminate the question about authorization of the employee benefit fund levy for libraries.
- 5. The levy is permissive and may be made only after the agreement of the municipality responsible for the tax levy.