

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Nancy Brown at 1:30 p.m. on March 9, 1993 in Room 521-S of the Capitol.

All members were present except: Representative Bryant (excused)

Committee staff present: Michael Heim, Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Lois Hedrick, Committee Secretary

Conferees appearing before the committee:

Senator Audrey Langworthy
Chris Beal, Vice President, Governmental Affairs, Greater Kansas City, Missouri
Chamber of Commerce
Marlene Nagel, Community Development Director, Mid-America Regional Council
Gerry Ray, Intergovernmental Coordinator, Johnson County Board of Commissioners

Others attending: See Guest List ([Attachment 1](#))

Chairman Brown opened the hearing on **SB 200**, concerning the Missouri-Kansas Cultural District Compact; issuance of bonds; district size; and advisory committee role, stating that today's hearing is to debate amendments to the current statute. She stated that she had probably expressed the most concerns about the statute as it was originally debated several years ago, but was satisfied with the proposed amendments as they encompassed most of her concerns by placing accountability with elected officials so that the electorate could have knowledge and input into the process.

Senator Audrey Langworthy appeared in support of **SB 200**, stating that the statute was passed two years ago and signed by the current Governor. The proposed amendments are technical in nature and would amend the Kansas and Missouri Metropolitan Culture District Company, provided by KSA 12-2536 et seq. These amendments bring the Kansas statute into uniformity with the amendments being considered by the Missouri Legislature so the laws of each state would be uniform. The law only impacts Johnson and Wyandotte counties on the Kansas side and requires the vote of the people in counties. Before the compact can be enacted, both Johnson and Jackson (Missouri) counties must vote favorably. If the Kansas or Missouri legislatures further amend the bills being considered, it will require the bill to be brought before the legislatures again next year.

Marlene Nagel, of the Mid-America Regional Council, appeared in support of **SB 200** (see [Attachment 2](#)) for her testimony. Chris Beal, of the Greater Kansas City, Missouri Chamber of Commerce, appeared in support of **SB 200** (see his testimony, [Attachment 3](#)). He reported that the Missouri Senate Committee has passed their bill unamended and it should be on their General Orders Calendar after their spring break. Gerry Ray, of the Johnson County Board of Commissioners, testified in support of **SB 200** (see [Attachment 4](#)), indicating the Board of Commissioners' request for the Committee to support the bill.

There were no others present to testify on the bill. The committee then debated the bill, with Representative Macy inquiring as to who makes the decisions where the money is spent. Marlene Nagel pointed out that a commission would be created, under the terms of the bill, to oversee expenditures. Makeup of the commission would be representatives (an elected official) from each participating county, major cities, and one member appointed by the Governor of each state. Ms. Nagel indicated the Mid-America Council has found great support for the legislation since there is substantial need for cultural organizations, the arts, libraries, and educational projects in the metropolitan areas. Some discussion was held concerning the counties eligible to join the compact, and terms of the bill were spelled out. Five counties are included: Wyandotte and Johnson Counties in Kansas; Clay, Platte and Jackson Counties in Missouri. Representative Novak questioned the projected funding of projects and was answered that the bill permits assessment to be finalized based on an estimate of the total cost approved by the city governing body for the project prior to the commencement of the project. Ms. Nagel indicated that the greatest needs include ongoing financing for operating costs for the various organizations in the community, not only to provide services but to enhance services. Arts, educational projects with the schools, the humanities, museums and theatres not accessible to the handicapped all have indicated needs. The written testimony of Thomas Britt Nichols of Olathe, concerning **SB 200**, was distributed to the Committee ([Attachment 5](#)).

The hearing on **SB 200** was closed. The Chairman indicated the committee will be requested to act on the bill tomorrow.

The meeting was adjourned at 2:37 p.m. The next meeting is scheduled at 1:30 p.m., March 10, 1993, in Room 521-S of the State Capitol.

GUEST LIST

COMMITTEE: House Local Government

DATE: March 9 1993

[illegible]

**Testimony on Missouri-Kansas Bi-State Cultural District S.B.200
to Kansas House Local Government Committee**

Marlene Nagel, Community Development Director
Mid-America Regional Council
600 Broadway, 300 Rivergate Center
Kansas City, Missouri 64105
816/474-4240

Good afternoon. I am here today to speak on behalf of Senate Bill 200. This bill seeks some technical corrections to the Missouri-Kansas Bi-State Cultural District law. The original law was passed by the Kansas Legislature in 1991 and allows residents of the bi-state Kansas City metropolitan area to consider establishing a special district to fund important cultural resources and amenities.

A community task force of the Mid-America Regional Council co-chaired by Overland Park City Councilmember Ailie Speer and Kansas City, Missouri, Councilman Dan Cofran, has been working over the past 8 years to build regional support for the area's cultural organizations and facilities. The task force worked closely with members of the Kansas Senate and House on the original Kansas legislation.

Over the past year, the MARC task force has been conducting a cultural needs assessment of the metropolitan area, including work on the bi-state cultural district idea. Last May, we conducted a public opinion poll of a sample of area residents. We were encouraged by the substantial support throughout the region for the idea of metropolitan funding for cultural facilities in general and a bi-state cultural district in particular. A copy of some of the opinion poll results is attached. A more recent survey by the Overland Park Chamber of Commerce showed that city's residents and business leaders to be favorable to the idea as well.

The work of the task force has concluded that changes are needed to the enabling laws in both Kansas and Missouri to remove inconsistencies that might prevent the effort from moving forward. The changes proposed in S.B. 200 make some minor changes to the current law.

Identical legislation has been introduced in Missouri by Senator Harry Wiggins and Representative Karen McCarthy. The Missouri General Assembly is being asked to make substantial changes to that state's bi-state cultural district law to conform to provisions supported by the Kansas Legislature.

ATTACHMENT 2-1

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Changes to Kansas Law .

- * Limit the size of the district to counties within 60 miles of Johnson County, Kansas and Jackson County, Missouri
- * Include ballot language to allow voters through the area to consider identical issues
- * Include the advice of advisory panels in funding decisions by the bi-state cultural district commission
- * Require that counties remit sales tax proceeds to the district within 60 days of their receipt from the state.
- * Allow the district to issue bonds five years after the district's formation and with the approval by voters of each bond issue.

Major Changes to Missouri Law

- * Repeals existing law and substitutes a law identical to the Kansas law.
- * Requires that both Johnson County, Kansas, and Jackson County, Missouri, participate in the district in order for the district to be formed.
- * Requires that elected officials serve as the city and county appointments to the commission.
- * Does not allow recreation to be an eligible activity.
- * Limits the bonding and other powers of the commission.
- * Requires advisory committees in the funding decision-making process of the commission.
- * Allows cities of 50,000 population to have direct representation on the commission. (Allows the addition of Olathe, Kansas, as a city with direct representation).

III. Public Opinion and Culture

Kansas City residents are proud of their cultural facilities and organizations. In a public opinion survey conducted as part of the needs assessment, area residents said they would take their out-of-town friends to various cultural attractions, including the region's museums, theaters, musical performances and zoo. Further, they believe the Kansas City cultural programming is as good as, or better than, that in any other city of similar size. Resident attendance is high and attendees praise the quality exhibits and programming. Having fun while learning is their main attraction.

Public opinion and the region

The public opinion survey conveys the public's viewpoint on cultural needs and investments. The Kansas City area has a temperate political climate blending both Democratic traditions on the Missouri side with the Republican roots of Kansas. While voters are cautious about new taxes, they generally express middle-of-the-spectrum values between preferring no new taxes and allowing some taxes for needed projects.

Like many suburbanized communities, the Kansas City area has difficulty overcoming local perspectives to develop regional projects. However, residents are moderate on the question of regional solutions to problems. When asked to place themselves on a scale between only using tax dollars for local projects or providing some dollars for multi-county programs and facilities, people lean more toward support for regional programs than more narrow parochial interests. Factors which affect their support of metro cooperation include the level of tax or regulatory burden being considered, the importance of the project and the sense of fairness in distribution of the benefits or tax burden.

The public opinion poll reported here, the *Kansas City Metropolitan Community Cultural Arts Survey*, was conducted in May 1992 of 503 metropolitan area residents,

The scientifically designed random sample of residents was selected from a computerized list of telephone prefixes in the eight-county metropolitan area. The telephone exchanges chosen assured that each county was represented in proportion to its population.

The results have been minimally weighted to adjust for sampling variation relating to geography and ethnicity.

Residence of Survey Respondents		
<u>County</u>	<u>#</u>	<u>%</u>
Cass	21	4
Clay	50	10
Jackson	210	42
Johnson	121	24
Leavenworth	20	4
Platte	21	4
Ray	5	1
Wyandotte	<u>55</u>	<u>11</u>
	503	100

Ciruli Associates, 1992

From Metropolitan Kansas City Cultural Needs Assessment, January 1993
Mid-America Regional Council Regional Amenities Task Force

Public opinion poll

Highlights of the poll impacting a cultural tax district include:

- ✓ Kansas Citians are proud of their cultural facilities, with one-fourth saying that they are better than cultural organizations in other cities of similar size. They rate the Nelson-Atkins Museum of Art, Starlight Theatre, Kansas City Zoological Gardens, Harry Truman Library and Museum and Kansas City Museum as the cultural attractions they would most likely recommend to out-of-town visitors.
- ✓ Residents cite quality of exhibits and good shows as the characteristics they most appreciate. Other characteristics cited in the order mentioned include simply enjoying the attraction, educational benefits, affordability, being outside, the historical quality and the wide variety of attractions available.
- ✓ More than 30 different organizations and types of attractions were mentioned as cultural needs in the area—either as currently missing or needing improvements. Most often cited were zoo improvements, Union Station reutilization and building a performing arts center and science museum. More than half the residents could not name a capital or programming need.
- ✓ One-half of the respondents said they were satisfied with the facilities and programs in their home county. But one-third said they wanted more cultural attractions, specifically children's programs, plays and musicals, performing arts centers, pop music and a variety of art, science and historical museums.
- ✓ People strongly support cultural educational programs, including teaching children about the value of different cultures and offering more educational programs for children at museums, theaters and symphonies. People also would like to avoid budget cuts in school arts programs.
- ✓ Nearly one-half of the residents said they have attended a performing arts activity such as a symphony, play, dance performance, ballet or opera during the last 12 months. More than 60 percent said they visited an art, science or history museum or the zoo over the last 12 months.

Survey Highlights

- 38 percent say the Nelson-Atkins Museum of Art is the main attraction
- The Kansas City Zoological Gardens is the top capital priority.

Ciruli Associates, 1992

Metropolitan cooperation

Residents voiced overwhelming support for cooperation on funding zoos, museums and the arts. The public is much more supportive of regional solutions and funding for cultural organizations which attract audiences throughout the metropolitan area than only supporting local neighborhood organizations. They recognize there must be suburban support for facilities that provide services for suburban residents, regardless of the facilities' locations.

Metropolitan Kansas City Public Opinion Poll

Question: *I'd like to read you a few comments made concerning cultural facilities and programs in the Kansas City region. For each one, please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree.*

The Kansas City metropolitan area needs to cooperate on things like funding zoos, museums and the arts.....

Strongly agree	48%
Somewhat agree	36
Somewhat disagree	6
Strongly disagree	4
Don't know	6

Question: *Because more than one-half the visitors and students who go to the zoo and museums and downtown performing arts programs come from outside Kansas City, the suburbs should help pay for the facilities and programs...*

Strongly agree	36%
Somewhat agree	38
Somewhat disagree	11
Strongly disagree	8
Don't know	6

Question: *It's better to only support cultural activities in my neighborhood and not the larger regional institutions...*

Strongly agree	5%
Somewhat agree	12
Somewhat disagree	25
Strongly disagree	52
Don't know	6

Ciruli Associates, 1992

By county, metropolitan support for funding cooperation varied from a high of 100 percent in Ray County to a low of 67 percent in Leavenworth County. Overwhelmingly, people in the eight-county metropolitan area are receptive to cooperating with one another and feel that the suburbs should help financially support larger organizations which draw a suburban audience.

Metropolitan Cooperation By County

Question: *The Kansas City metropolitan area needs to cooperate on funding zoos, museums and the arts.*

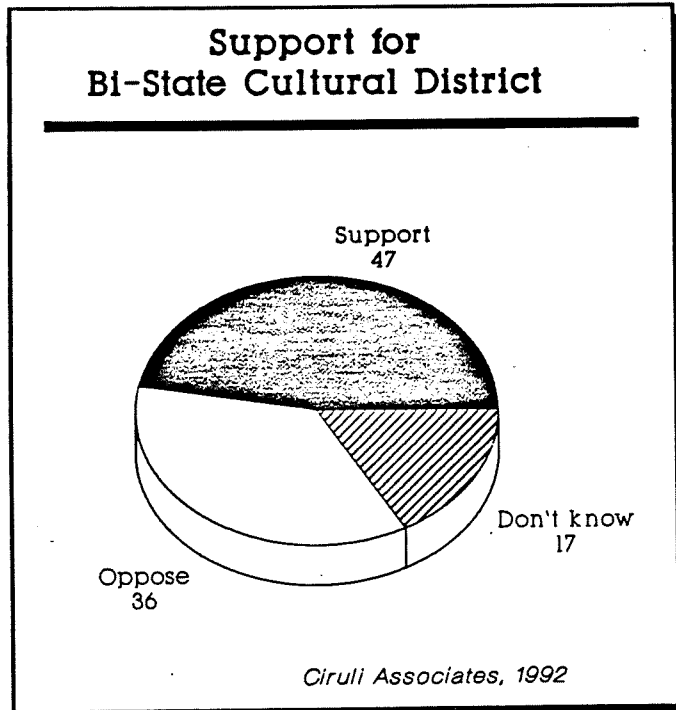
	<u>Agree</u>
Cass	68%
Clay	92
Jackson	83
Johnson	88
Leavenworth	67
Platte	85
Ray	100
Wyandotte	84

Question: *The suburbs should help pay for Kansas City facilities and programs.*

	<u>Agree</u>
Cass	54%
Clay	84
Jackson	77
Johnson	73
Leavenworth	72
Platte	70
Ray	100
Wyandotte	63

Ciruli Associates, 1992

Community and cultural leaders as well as the residents of Kansas City view metropolitan cooperation as a realistic goal. An eight-county cultural tax district could become a base of financial support for all area cultural organizations and a gateway for further metropolitan cooperation.



Public support for a bi-state cultural tax district

Despite little publicity about the concept, nearly one-half of metropolitan Kansas City residents support the idea of a bi-state cultural tax district and related sales tax. According to the public opinion poll, 47 percent support the district, 36 percent are opposed and 17 percent don't know. Supporters listed the need for culture/arts (27%), improvement needs of organizations (13%), importance of cultural education (8%) and helping the economy (4%) as the main reasons for wanting the district. The wish for no more taxes (27%), a fear of mismanagement (7%) and the perception that dollars can be spent better elsewhere (6%) were the main arguments of the opposition.

Support for the district is highest in Ray, Clay, Johnson and Jackson counties with Cass County residents showing less support.

In the public opinion poll, residents were asked whether they were in favor of using sales-tax dollars to support certain institutions. Improvements to the zoo was the highest rated at 74 percent, followed by using monies for a children's museum (72%).

Support for Bi-State Cultural District Metro County Ranking

<u>County</u>	<u>Percent of Support</u>
Ray	60
Clay	51
Johnson	50
Jackson	49
Metro average	47
Leavenworth	43
Platte	43
Wyandotte	41
Cass	31

Ciruli Associates, 1992

The poll's results are encouraging to the metropolitan area's cultural organizations seeking stable public financial support. Although a majority of residents (56%) knew "nothing at all" about the district, the concept (and related tax) still received a 47 percent approval rating. Those that had prior knowledge of the concept recorded higher levels of support. This poll suggests the base of public support is strong, but will require considerable public education.

The public supports culture

With concerns over the economy, Kansas Citians understand and appreciate the economic importance of culture. The public agreed government should support cultural organizations due to their impact on tourism and local jobs.

Support for Using Sales-Tax Dollars: Specific Examples

<u>Institution</u>	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
Zoo improvements and operations	74%	21%	4%
Children's museum . . .	72	19	9
Nelson-Atkins Museum of Art	66	27	7
Kansas City Museum . .	63	26	11
Kansas City Symphony .	59	30	11
Local community theater	52	40	9

Ciruli Associates, 1992

Economic Impact Results from Public Opinion Poll

	<u>Agree</u>	<u>Disagree</u>	<u>Don't Know</u>
Government should help culture because it attracts tourists and provides jobs . . .	78%	17%	4%

Ciruli Associates, 1992

Kansas Citians, understanding culture's strong economic impact on the area, approve of government support. Because culture can play an increasingly important role in the economic health of metropolitan Kansas City, citizens wish to keep cultural institutions vital.



GREATER KANSAS CITY ♥
CHAMBER OF COMMERCE

TESTIMONY

CHRIS BEAL

GREATER KANSAS CITY CHAMBER OF COMMERCE

MARCH 9, 1993

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Madam Chairman and Members of the Committee:

My name is Chris Beal, and I am vice president of Governmental Affairs for the Greater Kansas City Chamber of Commerce.

The Greater Kansas City Chamber of Commerce has participated with other community groups regarding efforts to establish a Bistate Cultural District between Missouri and Kansas.

Thanks to the combined efforts of Representative Nancy Brown and Senator Audrey Langworthy, the Kansas Legislature passed its version of a Bistate Cultural District in 1991. The Kansas-passed version of the bill was similar in concept to the Missouri legislation but not so similar that it could not be placed on the ballot by the local county governments.

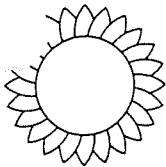
To get the measure on the ballot, the differences between the two bills must be resolved. The changes to the Kansas law are minor compared to the changes that must be made to Missouri law. The two main differences between the bills are that the Kansas law requires elected officials to serve on the commission and the Missouri law allows the district to incur bonded-indebtedness. The differences have been ironed out, and the result is two separate bills that are making their way back through the Missouri and Kansas legislatures this year.

The resulting legislation is really technical cleanup. However, the main substantial change to the Kansas law is that it would allow the district to incur indebtedness after five years of operation. At this time, any projects would have to be subject to a vote of the people if bonds are needed to finance a particular project.

That is the only real change to the Kansas legislation and on behalf of the Greater Kansas City Chamber of Commerce, I urge your committee's support of Senate Bill 200.

ATTACHMENT 3
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Johnson County
Kansas

MARCH 9, 1993

HOUSE LOCAL GOVERNMENT COMMITTEE

HEARING ON SENATE BILL 200

TESTIMONY OF GERRY RAY, INTERGOVERNMENTAL COORDINATOR
JOHNSON COUNTY BOARD OF COMMISSIONERS

Madam Chairman, members of the Committee, my name is Gerry Ray, Intergovernmental Coordinator for the Johnson County Board of Commissioners.

The Board of Commissioners supports SB 200 because it offers a way for the metropolitan area to work together to develop cultural facilities that will benefit the entire community. When a community is fragmented by a state line and multiple local jurisdictions, it is difficult, if not impossible, to establish a coordinated approach to provide the facilities that will enhance the area. The County believes SB 200 give the communities in Kansas and Missouri the opportunity to move ahead on some much needed projects.

The bill has been crafted in a manner that provides ample protection from the possibility that any one jurisdiction will dominate the process. The Compact Commission is made up of elected officials and has sufficient requirements for citizen participation through the referendum procedure.

The Johnson County Commission believes SB 200 will be advantageous to our area and asks that the Committee recommend it for passage.

ATTACHMENT 4
3-9-93

THE LAW OFFICES OF



THOS. BRITT NICHOLS
ADMITTED TO PRACTICE IN KANSAS AND MISSOURI
COURT SQUARE BUILDING (NEXT TO THE COUNTY COURTHOUSE)
110 SOUTH CHERRY, SUITE 700
OLATHE, KANSAS 66061-3452
913/768-4400 FAX 913/768-0110

March 8, 1993

The Honorable Nancy Brown
House of Representatives
State Capital Building
Topeka, KS

VIA FAX: 1-296-0042

Re: Bi State Cultural Commission enabling act(s)

Dear Representative Brown:

I appreciate the call I got concerning the hearings that your committee is holding on the above matter. I apologize for not being able to come to Topeka to participate in the hearing. In any event, perhaps I can encapsulate my thoughts in short enough form in this letter to be of some use to you and your committee.

I realize that I am commenting on the pending legislation without having had the opportunity to read the current version of the act. I ask you to bear with me and, in the event that I am going over old ground, please forgive me for taking your time. It is certainly possible that the concern that I have about the legislation (and perhaps even the underlying concept) has already been addressed.

It has come to my attention that there are several areas (park use, sporting event tickets and zoo admission to name a few) where our neighbors to the east, who one might argue stand to benefit most and certainly most immediately from a bi-state funding mechanism for cultural activities, have establish fees structures or ticket or admission distribution systems that charge more or make admission less available to Johnson County resident than to residents of their own counties. While, as a general rule where tax revenues are not being shared across jurisdictions, it is clearly permissible for a jurisdiction to have one price (or policy) for residents and a second (and almost always higher) price (or policy) for nonresidents, it is certainly unfair for that to continue when tax revenues are being shared. It may even be discriminatory.

If it does not do so already, the bi-state cultural commission enabling legislation needs to contain some protection for Kansas (or at least those counties which form a part of the bi-state cultural authority) residents against the current practice of charging higher prices or restricting access to events or favoring one group of persons against another in ac-

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tivities which are either funded, in whole or in part, directly by the bi-state cultural commission (whether the funding is for capital or operating expenses) or indirectly through an agency or entity whose budget is enhanced by bi-state tax dollars. As to indirect funding, clearly one would have to foresee that an agency or entity could, by virtue of having bi-state tax dollars to spend on an activity, shift monies that it would otherwise have been required to spend on that activity to any of its other budgetary needs. "Loosening" up monies in that manner should also place the benefited activity in the realm of those for which Johnson County residents should be placed on a par with residents of the benefitted agency.

I know that I may sound oblique when one reads this. However, the issue is simple. If Johnson County (or Wyandotte or Leavenworth) tax dollars are going to be used to support cultural activities in Jackson, Clay, Platte or wherever, counties in Missouri, our residents should not be required to pay higher prices for admission to cultural activities or to stand in a different line for admission to activities in the other counties which benefit from our tax revenues as a part of the commission. I have discussed this issue with several people. Those who care about either bi-state cultural programs or who care about tax dollars have generally agreed with the position that I am suggesting the committee embrace. In fact, several have indicated a desire to examine the final product to make certain that this issue is addressed before the commission is formed.

Again, I appreciate the opportunity to address you and your committee. It is my regret that I could not do so in person. If, for any reason, you or any member of your committee or the legislature at large, has any question for me about the foregoing, please encourage them to call.

Thanks for your time and attention,



Thos. Britt Nichols

TBN/w*