

Approved: 3/11/93  
Date

## MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Chairperson Keith Roe at 9:00 a.m. on March 10, 1993 in Room 519-S of the Capitol.

All members were present except:

Representative Crowell, excused  
Representative Wagle, excused

Committee staff present: Tom Severn, Legislative Research Department  
Chris Courtwright, Legislative Research Department  
Don Hayward, Revisor of Statutes  
Bill Edds, Revisor of Statutes  
Lenore Olson, Committee Secretary

Conferees appearing before the committee:

Duane Johnson, State Librarian  
Kent Oliver, Olathe Public Library  
Charles Perdue, Kansas City, KS, Public Library  
Roger Carswell, Iola Public Library and Southeast Kansas Library System  
Fred Atchison, North Central Kansas Library System  
Earleta Morey, Tonganoxie Public Library  
Chris McKenzie, Executive Director, League of Kansas Municipalities

Others attending: See attached list

Chairperson Roe opened the hearing on HB 2006.

HB 2006 Libraries; authority to increase general tax levies. Re Proposal No. 11.

Duane Johnson, State Librarian, testified in support of HB 2006, stating that this legislation is needed because public libraries throughout the state are critically in need of increased financial support and the statutory limit is the single most influential restriction on local library support. Mr. Johnson said that current levy limitations are out of date and inadequate, and that new formats of information must be included in library collections (Attachment 1).

Kent Oliver, Olathe Public Library, testified in support of HB 2006, stating that many of the current mill limitations originated twenty to forty years ago. The Olathe Public Library is at their mill levy limit and cannot buy enough materials to match the service demands of their patrons. Mr. Oliver requested that HB 2006 be amended to include all cities of the first class in the First Class limit provided by this bill regardless of population and/or the Olathe Public Library be included with the libraries of Hutchinson and Salina in K.S.A. 12-1215 (Attachment 2).

Charles Perdue, Kansas City, KS, Public Library, testified in support of HB 2006 and said that this bill is of major importance to the people of Wyandotte County. The Wyandotte County Library levy is 5.13 mills and their cap is 6.0 mills. Annually they are under a .25 mill cap and the Library would like to move to a .50 annual cap.

Roger Carswell, Iola Public Library and Southeast Kansas Library System, testified in support of HB 2006. Mr. Carswell said that public libraries in southeast Kansas, like most libraries statewide, are operating under terrible financial constraints. Some libraries have operated with no increase in mill levy authority since 1951 and inflation has far outstripped revenue growth. Most important, according to Mr. Carswell, is that the revolution in information technology and networking has added a new layer of expense which libraries can neither afford nor, in the long run, survive without (Attachment 3).

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, Room 519-S Statehouse, at 9:00 a.m. on March 10, 1993.

Fred Atchison, North Central Kansas Library System, testified in support of HB 2006, stating that this bill provides for a level of support for systems that would permit underfunded programs to be enhanced and would allow systems to take an important step toward helping to link Kansas communities with new and developing resource sharing networks (Attachment 4).

Earleta Morey, Tonganoxie Public Library, testified in support of HB 2006 and said that since the new Tonganoxie Public Library opened two years ago, their circulation has doubled. Because of inadequate funding, the Library has had to turn to the Friends of the Library for financial support to meet their monthly budget the last three months.

Chris McKenzie, Executive Director, League of Kansas Municipalities, said that he was not appearing in either opposition or favor of HB 2006. He stated that the major concern of the League falls in the area of oversight of elected governing bodies; that current law doesn't allow them to give adequate oversight to the end result of local library levies.

Chairperson Roe concluded the hearing on HB 2006.

The minutes of March 9, 1993, were approved as printed.

The meeting adjourned at 10:00 a.m.

The next meeting is scheduled for March 11, 1993.

Date: 3/10/93

# GUEST REGISTER

HOUSE COMMITTEE ON  
ASSESSMENT AND TAXATION

[illegible]



HOUSE COMMITTEE ON TAXATION  
REPRESENTATIVE KEITH ROE, CHAIR

STATEMENT FROM DUANE JOHNSON, STATE LIBRARIAN  
March 10, 1993

Thank you for the opportunity to speak in support of House Bill 2006.

The State Library is in support of this legislation because public libraries throughout the state are critically in need of increased financial support. The statutory limit is the single most influential restriction on local library support. A majority of communities use the statutory limit as the guide to determine the level of annual support made available for library services.

While the statutory limitations are strongly influential on local library support, the State Library is convinced that the limitations are 1) out of date, 2) inadequate 3) restrictive to the purchase of new and necessary formats of information, and 4) do not enable libraries to participate in state, national and global information networking.

1) CURRENT STATUTORY LEVY LIMITATIONS ARE OUT OF DATE - Most public libraries operate under a statutory levy limitation which has not been changed since public library law was recodified in 1951. Since this date inflation in the prices of books and other library materials have increased at rates many times greater than the rates of increase in property valuations and related levy capacity.

U.S. magazine prices,	1969 average	-	\$ 8.66	
	1978 average	-	\$27.58,	+ 318%
	1990 average	-	\$93.45,	+1,079%

U.S. book prices,	1969 average	-	\$ 8.77	
	1978 average	-	\$20.10,	+ 229%
	1990 average	-	\$52.88,	+ 603%

The two additional decades of inflation in the prices of library materials, from 1951 to 1969, would add to these high percents of increase, if we had the statistics to verify them.

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*House Taxation Cmte Attachment 1*



Inflation in the costs of basic daily library operations have also increased at rates greater than the increase in property valuation and related levy capacity. For example, the increase in minimum wage has left libraries in many small communities unable to pay a full time librarian salary or the FTE equivalent in several part-time positions. The local levy is not adequate to pay for necessary salaries, operational expenses, and modest book purchases. These libraries are forced to operate in severely shortened schedules of service which may amount to only a few hours each week.

2) CURRENT STATUTORY LIMITATIONS ARE INADEQUATE - More than 90% of library districts are at, or very near, the maximum of levy capacity under the statutory limitation. Public libraries must rely on the property tax levy to pay for more than 90% of the library's operating expenses. Legislation in recent years has had the effect of reducing the property tax levy available to the library - the library does not always receive allocations from motor vehicle, LAVTR, and back tax collections. Property valuations of many rural area library districts have declined in recent years. The net result of all these conditions is to require libraries to operate on severely inadequate levy authorizations. If you compare the fixed limits under which libraries have been required to operate to the levy increases which have been allowed for all other educational services, the inadequacy is even more apparent.

3) NEW FORMATS OF INFORMATION MUST BE INCLUDED IN LIBRARY COLLECTIONS - Current levy limits will not support adequate purchases of the new forms of information which libraries must make available to the public.

While books and other print forms of information remain essential, video information and electronic data publications are new formats which people want and need to use from the local library. This is a new area of library materials expense which current funding limitations will not adequately allow.

Classroom education and television, videos and computers in the home environment are training people to use these new formats of information. The trend is so well established, that

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these formats can hardly be referred to correctly as new. They represent the new information environment. Kansas libraries must attempt to fund these services with tax limitations from the early 1950's.

4) LIBRARIES MUST BE ABLE TO PAY FOR THE NEW EXPENSES OF USING STATE, NATIONAL, AND GLOBAL INFORMATION NETWORKS -

We are at the beginning of a new age of information service, represented by the developing information networks. These networks which will connect you to the global information environment, will soon be common place supports to local development, marketing, and education.

To the communities which are connected, the networks will supply the widest possible variety of useful information. Effective connections will influence economic development, job opportunities and the economic competitiveness of Kansas among other states and nations. Your local library will an important community connection to these networks.

Many citizens will use these networks from a home computer. But many other residents will rely on the local library to provide them access. Computers and the skills to use them for information purposes, and access to the information services which the networks will provide, all represent new expenses which the local library must be able to pay for. As to the world of printed information in the 1950's, to the world of electronic information in the 21st Century, the local public library will be the important access point for many people.

Thank you for the opportunity to present this information to the Committee on Taxation. We urge your support for House Bill 2006.





March 10, 1993

Testimony for the Kansas House Taxation Committee Concerning House Bill 2006.

By: Kent Oliver, President of the Kansas Library Association  
Director, Olathe Public Library

Dear Committee Members,

It is my pleasure to appear before you today to endorse House Bill 2006. Public Libraries in Kansas have been severely under funded for many years. Many of the mill limitations you see which are currently in effect originated twenty to forty years ago. Currently public libraries in Kansas are enjoying unprecedented growth in their usage. This is both a blessing and a curse because their growth in usage is not matched by growth in funding. Certainly their growth in use is not matched by the increase in valuation of their respective taxing districts.

In Olathe the most oft heard comment we hear at the Library is why don't you have more books on my subject and why don't you have more room in the library. Our response is that we are at our mill levy limit and cannot buy enough materials to match the service demands of our patrons. It is appropriate to call materials and programs a service, because they are just as much in demand as water, sewage service or any utility provided to citizens of a community.

The materials budget is spent on many services vital to the community. Those served include:

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Attachment 2



-The Library literacy class that relies on materials purchased so students may learn to read and become viable parts of our communities.

-The Business man who's small business relies upon the sources in the public library.

-The mother who brings her pre-schooler to the library to checkout picture books.

-The high school student who must use the public library for research because the school's library cannot purchase enough material to satisfy the needs of the curriculum since it is not considered a priority and the public library must attempt to satisfy this critical demand.

-The disabled person unable to read regular print and so must rely upon the public library's large print collection.

-The worker laid off his job and seeking employment information on job searching and resumes purchased at the public library.

-The Kansas chamber executive relying upon library resources to seek out business prospects for his community in the hopes of reviving the failing economy .

-The elderly couple that cannot afford to purchase best sellers but rely upon the books at the public library to add to their entertainment in their retirement years.

-The farmer who obtains a book concerning irrigation on Inter-Library loan which his small town library was unable to purchase but which a larger resource library owned.

-An elementary school child who works on his science fair project with sources from the children's area of the public library.

The Olathe Public Library and the Kansas Library Association Legislative Committee endorse House Bill 2006 and an increase in all Library mill levy limits. Both of these bodies also endorse an amendment to this bill in one form or another to alleviate an oversight in the statutes.

The current official population of the City of Olathe, which is served by the Olathe Public Library, is 63,350. Kansas Statutes do not provide for a public library mill levy limit for first class cities with a population of over 50,000. AS a result, the Olathe Public Library has no mill levy limit when not operating under charter ordinance. In order to avoid any possible confusion in the future the Library Board and KLA Legislative Committee would recommend that HB 2006 be amended and passed with the following change:

-All cities of the first class be included in the First Class limit provided by this bill regardless of population. ( Section 8, Lines 22 & 23, K.S.A. 79-1951)

AND/OR

-The Olathe Public Library be included with the libraries of Hutchinson and Salina in K.S.A. 12 -1215.

All public libraries in Kansas endeavor to provide the best possible library service to the communities they serve. Working as a librarian is not a way to vast wealth in a lifetime, but must be an occupation which is rewarded by the quality of service provided. Public libraries in Kansas seek only to provide service at a reasonable level and to have the means in which to meet their service demands.

## CASE ANNOTATIONS

1. Duty to approve treasurer's bond and turn over funds. *The State, ex rel., v. Bentley*, 96 K. 344, 345, 150 P. 218.

**12-1212, 12-1213.**

History: L. 1911, ch. 78, §§ 2, 3; R.S. 1923, §§ 12-1212, 12-1213; Repealed, L. 1951, ch. 485, § 24; July 1.

**12-1214.**

History: L. 1915, ch. 122, § 1; R.S. 1923, § 12-1214; Repealed, L. 1951, ch. 485, § 24; July 1.

## CASE ANNOTATIONS

1. Resolution hereunder cannot be rescinded; duty of city commission considered. *The State, ex rel., v. Bentley*, 96 K. 344, 345, 150 P. 218.

**12-1215.** Budgets and tax levies in certain cities; increase in levy; petition; election. (a) In the cities of ~~Tappan~~ Salina and Hutchinson, Kansas, in which a free public library has been established as provided by law, in addition to the powers and duties conferred by law, the board of directors of the free public library shall prepare, publish and approve an annual budget for the maintenance and support of the free public library in the same manner as required by law applying to other taxing units and shall annually levy a tax not to exceed 2.5 mills on each dollar of the assessed tangible valuation of the property of such city for the maintenance and support of such free public library. Whenever the board of directors determines that the tax currently being levied by such board is insufficient to maintain and support the library and such board desires to increase the mill levy above the current levy, such board may adopt a resolution declaring it necessary to increase such annual levy in an amount which together with the amount of the current levy shall not exceed a total of four mills in any year.

(b) Whenever the board of directors of such free public library determines that the tax levy of four mills authorized by subsection (a) is insufficient to maintain and support the library, the board shall adopt a resolution declaring it necessary to increase the annual levy by an additional amount not to exceed  $\frac{1}{4}$  mill in any one year up to a total amount which shall not exceed an amount equal to six mills in any year.

(c) Any such resolution adopted under subsection (a) or (b) shall state the total amount of the tax to be levied for library purposes and shall be published once each week for two consecutive weeks in the official city newspaper.

Whereupon such annual levy in an amount not to exceed the amount stated in the resolution may be made for the ensuing budget year and each successive budget year unless a petition requesting an election upon the proposition to increase the tax levy in excess of the current tax levy, signed by electors equal in number to not less than 5% of the electors who voted at the last preceding regular city election, as shown by the poll books, is filed with the county election officer within 60 days following the date of the last publication of the resolution. In the event a valid petition is filed, no such increased levy shall be made without such proposition having been submitted to and having been approved by a majority of the electors voting at an election called and held thereon. All such elections shall be called and held in the manner prescribed for the calling and holding of elections upon the question of the issuance of bonds under the general bond law. Such taxes shall be levied and collected in like manner as other taxes, which levy the clerk of such board of directors shall certify, on or before August 25 of each year, to the county clerk who is hereby authorized and required to place the same on the tax roll of the county to be collected by the county treasurer and paid over by the county treasurer to the treasurer of such board of directors.

History: L. 1943, ch. 110, § 1; L. 1947, ch. 120, § 1; L. 1949, ch. 118, § 1; L. 1953, ch. 83, § 1; L. 1959, ch. 75, § 1; L. 1961, ch. 71, § 1; L. 1965, ch. 102, § 1; L. 1977, ch. 59, § 1; L. 1981, ch. 68, § 1; May 19.

## Cross References to Related Sections:

Budget law, see 79-2925 et seq.

## Research and Practice Aids:

Municipal Corporations  $\Rightarrow$  885, 962.

C.J.S. Municipal Corporations §§ 1885, 1993, 1994.

## Attorney General's Opinions:

Procedure for increase in library levies in certain cities. 81-147.

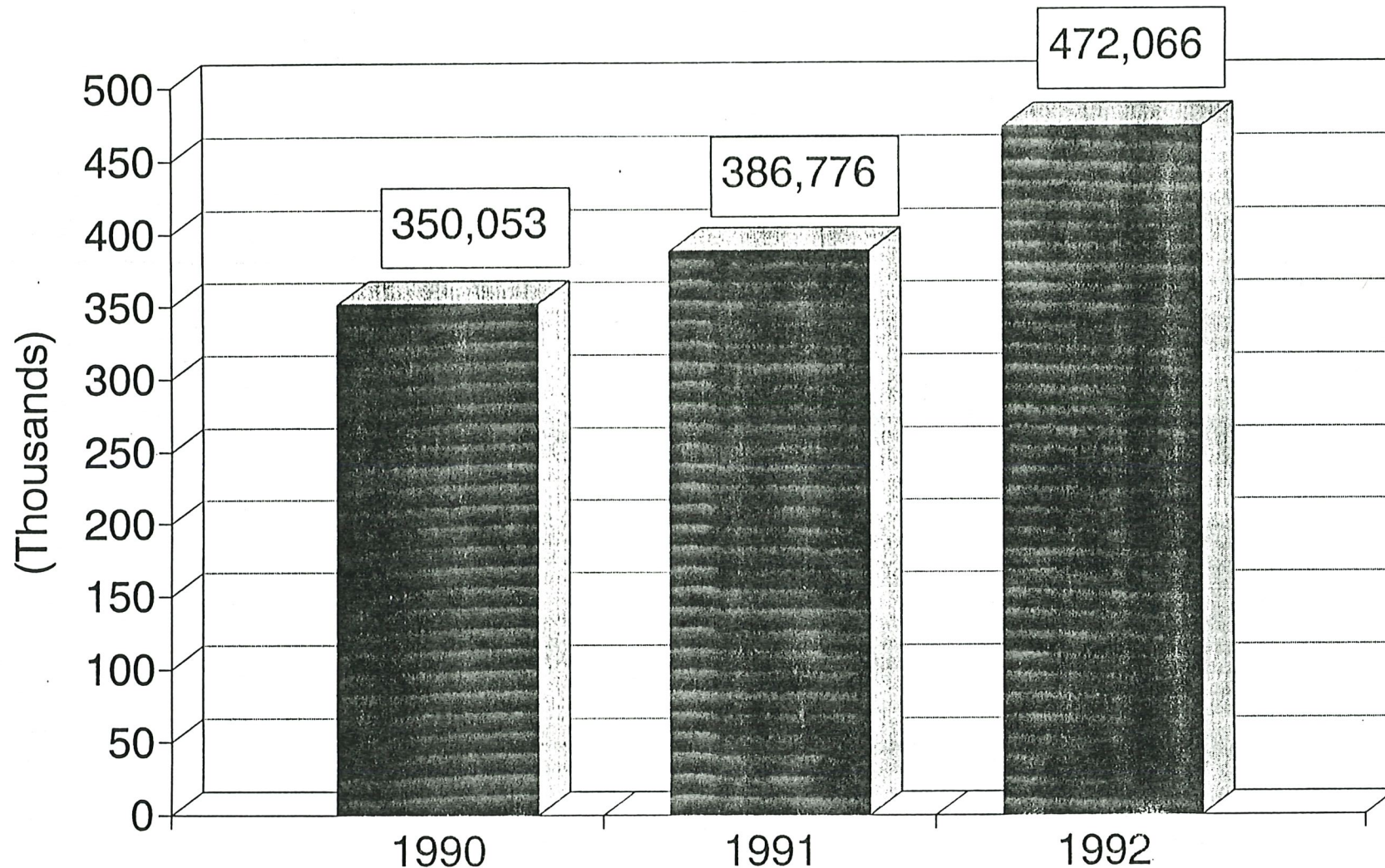
Annual tax levy for maintenance of public library. 82-193.

School districts; recreation commissions; certification of budget; annual resolution. 83-143.

**12-1216.** Same; tax levies separate from city and in addition to other levies; no city library levy. The tax levy provided in K.S.A. 12-1215, shall not be included in and shall not constitute a part of the tax levy of any city to which this act is applicable, and shall be in addition to all other levies authorized or limited by law and shall not be within or subject to any of the limitations prescribed by K.S.A. 79-1950 and 79-1951, or acts amendatory

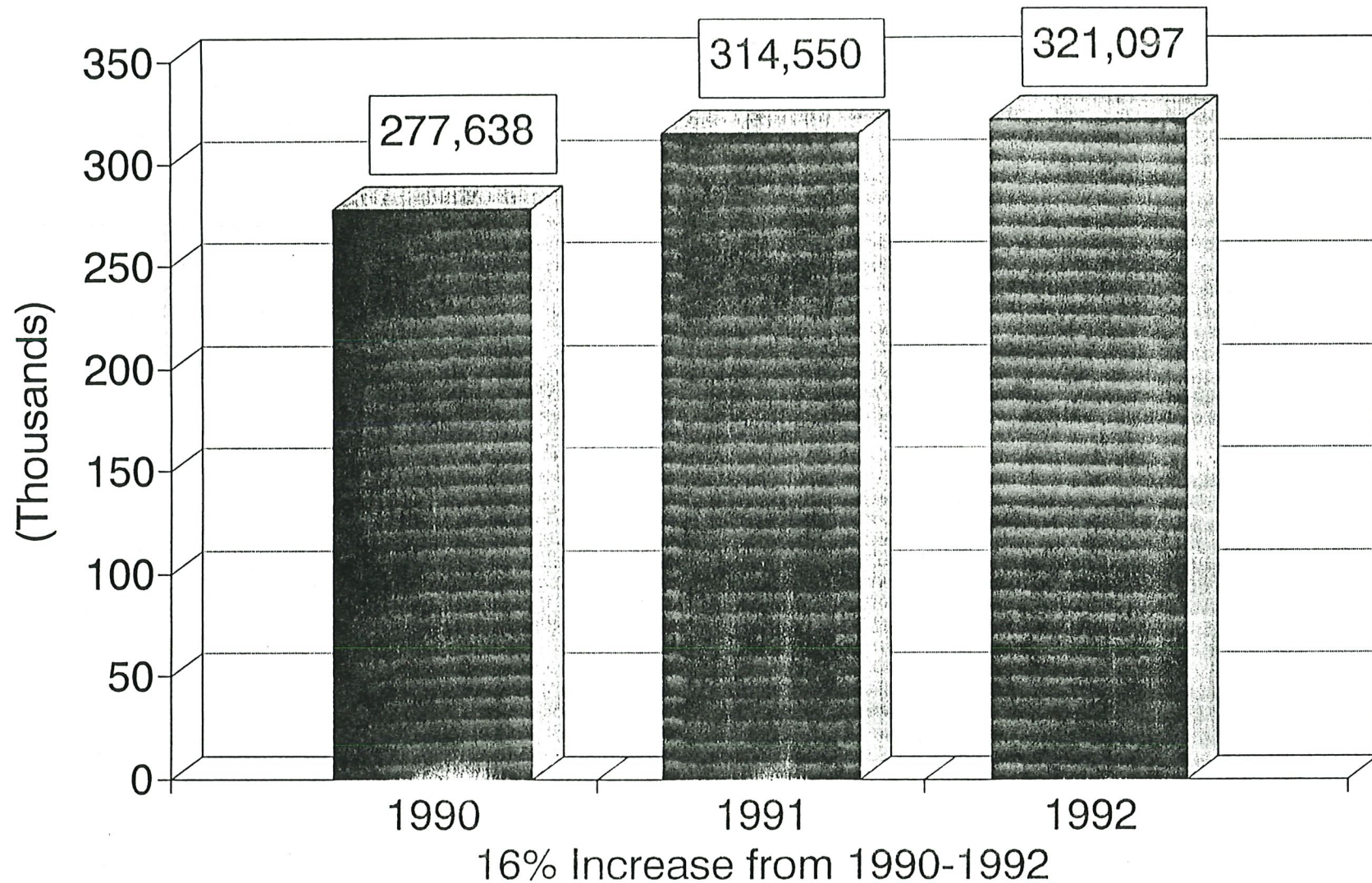


# OLATHE PUBLIC LIBRARY CIRCULATION



35% Circulation Increase from 1990-1992

# OLATHE PUBLIC LIBRARY BUILDING USER TRAFFIC



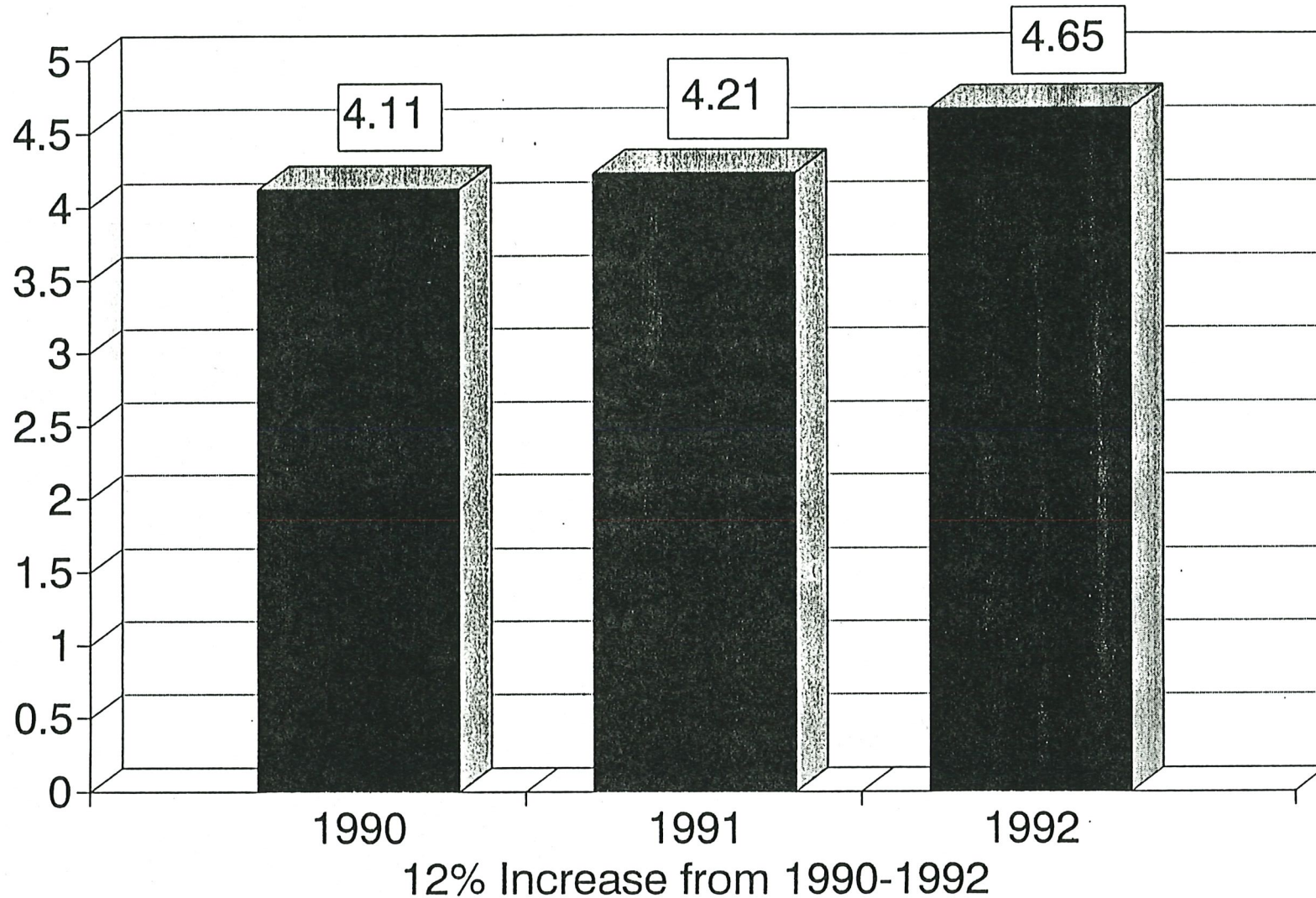
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# OLATHE PUBLIC LIBRARY

## AVERAGE CIRCULATION PER ITEM OWNED

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# SOUTHEAST KANSAS LIBRARY SYSTEM

## SYSTEM CENTER

218 E. MADISON

IOLA, KANSAS 66749

March 10, 1993

TO: House Committee on Taxation  
Rep. Keith Roe, Chair

Statement of Roger Carswell, Director of the Southeast Kansas Library System and Iola Public Library, speaking in support of H.B. 2006.

My name is Roger Carswell. I'm Director of the Iola Public Library and the Southeast Kansas Library System, which is headquartered in Iola. The Southeast Kansas Library System serves 53 public libraries, 39 school districts, 7 college or university libraries, and 2 special libraries. Through book drop locations, we also serve 7 communities which do not have their own libraries: Centerville, Fulton, Longton, Cherokee, Buffalo, Uniontown, and Galesburg.

Creating a more adequate financial base on which to operate is the single most important issue faced by public libraries within southeast Kansas and statewide.

Public libraries in southeast Kansas, like most libraries statewide, are operating under terrible financial constraints. Local revenues raise an average of only \$18.19 per capita. The grants these libraries receive from the regional system fell 43% from 1990 through 1993 because of the System's own financial woes. This loss was only partially offset by the recent increase in state-federal grants-in-aid, and now even that seems to be imperiled. Almost all public libraries in my region might be well described as being on the financial equivalent of a starvation diet.

A look at the median public library in my region is instructive. This library serves a population of over 1200 people. A two-mill levy for this library raises only \$5230. Adding in all other sources of revenue, from state aid to donations, the total budget is \$8647. With this they must pay the librarian's salary and benefits, building maintenance, utilities, insurance, and other operating expenses, and purchase books and other materials.

This library is open only 16 hours per week. The librarian earns \$6.00 per hour (16 other libraries in southeast Kansas pay the librarian only the minimum wage). The library has no computer or other advanced technology of any kind, nor any prospect of being able to obtain such equipment on its budget. The library receives \$1900 less from the Southeast Kansas Library System than it did only 3 years ago. Such is the situation this library faces--and since this is the median library, it is better off than half of the public libraries in southeast Kansas.

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Libraries have always operated on tight budgets. They have learned to use remarkably small resources to offer surprisingly good service to the public. They have learned how to stretch a dollar and have been perhaps the best stewards of the taxpayer's money that this country has seen. Yet, as used to tight budgets as libraries are, current circumstances are especially worrisome for at least three reasons. First, there has been no increase in mill levy authority since 1951. Second, inflation has far outstripped revenue growth. Third, and perhaps most importantly, the revolution in information technology and networking has added a new layer of expense which libraries can neither afford nor, in the long run, survive without.

I'd like to expand on this last point just a bit. More and more information is coming in electronic form rather than in print. Much of this information is available only electronically. These trends are continuing and accelerating. The public library has historically been the agency which made large amounts of information available to the public in a cost-effective way. To continue to fulfill this role libraries will have adapt to the Information Age by utilizing computer technology. The ability of libraries to do this depends on their funding.

In all probability, given the small amount of revenue generated by each mill in smaller communities, computer technology will come to the libraries in these communities only with help from the regional library system. This assistance could be either in the form of technical assistance or providing a portion of the needed equipment. The Southeast Kansas Library System wishes to provide such assistance, but is financially unable to either hire a specialist in this area (to provide technical assistance) or to purchase the equipment our libraries need. For this reason, an increase not only in their own levy authority but also in that of the regional system is vitally important to the local library.

Information in electronic form will become even more important in the future. If the public library is unable to provide people with access to this information, people will find other ways to access the information. And rest assured, the cost will be far, far higher than \$18 per person.

For these reasons, among others, I urge your support of H.B. 2006.



Submitted By Fred Atchison  
North Central Kansas Libraries System  
Manhattan, Kansas  
March 10, 1993

HB2006 represents an important step for library development in Kansas. The state is divided into seven library systems which were established by by statute more than twenty years ago to extend library services to the unserved. Systems have not acted alone in this enterprise, the state library has provided leadership and support. The urban libraries of the state and the college and university libraries have made their resources available through inter library loan.

Systems, however, have a particular role to play in serving rural patrons and small and medium sized libraries. Our system for example provides direct mail-a-book and dial-a-book services to people living outside established local library service areas. The subregional talking books library, which receives significant system support, provides service for disabled readers in our twelve county system service area. Member libraries benefit from our processing center, reference services, inter library loan, continuing education programs, consulting and grants.

System services may make the difference in closing the doors of a small library or keeping them open. Systems play a role in enhancing the quality of life in the rural communities of the state.

This effort costs money. Demands for services are on the rise and each year service costs more to deliver. While we struggle to fund traditional programs, we are being challenged to provide Kansans with access to automated information sharing networks. New information technology is rapidly developing and my fear is that small Kansas libraries and people living in rural areas will not be able to take advantage of these opportunities.

HB2006 provides for a level of support for systems that would permit underfunded programs to be enhanced and would allow systems to take an important step toward helping to link Kansas communities with new and developing resource sharing networks.

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Attachment 4