

Approved: 3/21/94
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 17, 1994 in Room 519-S of the Capitol.

All members were present except: Representative Wagnon, excused

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

Conferees appearing before the committee:

Representative John Toplikar
Mark Burghart - General Counsel, Department of Revenue
Nancy Hempen - President, Kansas County Treasurer's Association
Mike Billinger - Ellis County Treasurer; Kansas County Treasurers Association
Jerry McCoy - Sedgwick County Treasurer
Gerry Ray - Johnson County Commissioners
Fred Logan - Counsel, Kansas Library Association
Howard McGinn - Director, Emporia Public Library
Duane Johnson - Kansas State Library
Marsha Ransom - Kansas Library Association
Fred Atchison - Manhattan Public Library; North Central Kansas Libraries System
Joe McKenzie - Salina Public Library
Whitney Damron - Pete McGill & Associates
Mike Seller - Mayor of Independence
Don Moler - General Counsel, League of Kansas Municipalities

Others attending: See attached list

Chairperson Roe opened the hearing on SB 479.

SB 479 - payment of state taxes by credit card.

Mark Burghart, Department of Revenue, testified in support of SB 479. Mr. Burghart said this bill is not mandatory but merely provides the opportunity for taxpayers to pay their tax liability by means of a credit card. He also said at least twelve states now authorize in varying degrees the use of credit cards to pay state taxes or fees (Attachment 1).

Nancy Hempen, Kansas County Treasurer's Association, testified in support of SB 479. Ms. Hempen said this legislation will enhance the collection of taxes at the local level, decrease the number of insufficient checks and allows for another alternative method for paying taxes (Attachment 2).

Mike Billinger, Ellis County Treasurer testified for the Kansas County Treasurer's Association in support of SB 479. Mr. Billinger said counties can benefit by adapting to technological services already accepted and used by taxpayers. He also said it is essential to efficient treasury management that we make these technologies work to the benefit of county government (Attachment 3).

Jerry McCoy, Sedgwick County Treasurer, testified in support of SB 479. Mr. McCoy said he believes this will assist county treasurers in reducing delinquencies by providing payment options for those who may be cash poor but credit rich (Attachment 4).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, Room 519-S Statehouse, at 9:00 a.m. on March 17, 1994.

Gerry Ray, Johnson County Commissioners, testified in support of SB 479. She said the Board of Commissioners supports this bill because it is an option that provides an efficient process of collection for the county in a convenient method of payment to the taxpayer (Attachment 5).

Chairperson Roe concluded the hearing on SB 479.

The Chair opened the hearing on SB 733.

SB 733 - public libraries; tax levies.

Fred Logan, Counsel, Kansas Library Association, testified in support of SB 733. Mr. Logan said this bill is narrow, it assures accountability through a protest petition and election procedure, and it is consistent with present Kansas law (Attachment 6).

Howard McGinn, Emporia Public Library, testified in support of SB 733. He said approval of this bill will give Emporia and other cities in Kansas the same rights enjoyed by the citizens of Hutchinson, Salina, and Topeka for the past 50 years (Attachment 7).

Duane Johnson, State Librarian, said he supports SB 479 because the proposed law allows a reasonable and very much needed change in the method of funding public library service. He also said it is worth noting that the library boards of Hutchinson and Salina have had access to the 6 mill levy maximum since 1981, but still levy less than 5 mills (Attachment 8).

Marsha Ransom, Kansas Library Association (KLA), testified in support of SB 733. Ms. Ransom said in contemplating this proposal, the KLA sought to find a way to address the needs of the majority of public libraries, without adverse effects for any, and with the simplest legislation (Attachment 9).

Fred Atchison, Manhattan Public Library and North Central Kansas Libraries System, testified in support of SB 733. He said this legislation would create a real opportunity for providing a local option supporting measured, reasonable growth for public libraries, balanced by a petition process providing for accountability (Attachment 10).

Written testimony in support of SB 733 was submitted by:

Joe McKenzie - Salina Public Library (Attachment 11)

Whitney Damron - Pete McGill & Associates (Attachment 12)

Mike Seller, Mayor of Independence, testified in opposition to SB 733, stating their most important objection to this bill is the belief that library services should not be singled out above any other group or need of the City. The decision concerning the use of scarce tax dollars should be left to locally elected officials and not appointed persons who represent only a single interest group (Attachment 13).

Don Moler, General Counsel, League of Kansas Municipalities, testified in opposition to SB 733, stating this legislation creates separate taxing entities of the many city, county and township libraries in Kansas. He said the League opposes the creation of new districts when existing general purposes local governments, such as cities, counties and townships exist. Mr. Moler also said the League objects to the proposed increase of 6 mills to the allowable mill levy rate for libraries (Attachment 14).

Representative John Toplikar testified that he opposes SB 733 as currently written and prefers the language in HB 2710 that would provide for an option to elect the local library board members. Representative Toplikar said there is no question libraries in Kansas need more funding for new technology, but he believes there should be accountability.

Chairperson Roe concluded the hearing on SB 733.

The meeting adjourned at 10:25 a.m.
The next meeting is scheduled for March 18, 1994.

HOUSE TAXATION COMMITTEE

DATE 3/17/94

NAME

ADDRESS

REPRESENTING

Alan Steppat	Topeka	PETE McGill & Assoc.
Alan Zarek	Topeka	K-W-1-C 90.3 FM
Fred Logan	Prairie Village	KLA
BEV BRADLEY	Topeka	KS Assoc of Counties
Lois Snod	Topeka	State Library
Dwaine Johnson	Topeka	State Library
Fred Atchison	Manhattan	North Central Kansas Libraries
Marcia Fensom	Winfield	KLA
Freda Dobbins	St. Marys	Pott. Wab. Reg. Library
Melody Rehenstey	Wichita	
Jerry McCoy	WICHITA	SENECA CO. TREASURER
Paul Sasse	Independence	City of Independence
MIKE SELLER	II	MAYOR - CITY OF INDEPENDENCE
James Swan	Great Bend	Great Bend Public Lib
GERRY RAY	Overland Park	Johnson County Commission
Charlie Perdue	KCK	KCK PL
Virginia Roe	Manhato	
Whitney Dameron	Topeka	Pete McGill & Assoc. / KS. Library Assn.
Don Moler	Topeka	League of KS Mun.
Johnny Simon	Topeka	State Treasury
Ann Jones	Minneapolis, KS	Offawa Co. Treasurer
Mike Billings	HAYS KS	TREASURER
LENN SCARROW	MANHATO, KS	TREASURER

DATE 3-17-94

DATE 3-17-94

REPRESENTING

[illegible]

STATE OF KANSAS

Mark A. Burghart, General Counsel
Robert B. Docking State Office Building
915 S.W. Harrison St.
Topeka, Kansas 66612-1588



(913) 296-2381
FAX (913) 296-7928

Department of Revenue
Legal Services Bureau

MEMORANDUM

To: The Honorable Keith Roe, Chairperson
House Committee on Taxation

From: Mark A. Burghart, General Counsel
Kansas Department of Revenue

Date: March 17, 1994

Subject: S.B. 479 -- Credit Cards to Pay State Taxes

Thank you for the opportunity to appear in support of S.B. 479. The bill would allow taxpayers to use credit cards to pay any of the taxes or fees administered by the Director of Taxation. The Director would be authorized to establish a fee to be added to each credit card transaction to cover the cost of using the card. In no event may the Director discount or otherwise reduce a tax liability for the privilege of using a credit card.

S.B. 479 is not mandatory. It merely provides the opportunity for taxpayers to pay their tax liability by means of a credit card. The ability to charge a tax liability and spread payment over a number of months would entice some taxpayers, who would otherwise be delinquent, to file and pay timely. Such taxpayers would avoid penalty and interest which is assessed for late payment under the current law. It is believed that the use of credit cards will reduce the number of bad checks received by the Department. Credit cards could be accepted for both timely filed returns and to pay delinquent taxes.

For timely filed returns, taxpayers would merely place their credit card number in a space designated on the tax return. Once the return is received by the Department, the account would be verified on terminals provided by the credit card company which would be located within the Department's fiscal section. The credit card company would then immediately transfer the amount of the tax liability to the appropriate state account. Preliminary discussions with representatives of a local bank card company which processes bank card transactions for many area banks, indicate that the dollar volumes would be such that the authorization/validation equipment could be provided to the Department free of charge.

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The Honorable Keith R...

March 17, 1994

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The fee for using a credit card to pay a state tax liability varies from state to state. The terms are negotiated as part of the contract between the particular state and the credit card company. In Virginia, for example, Discover Card collects a \$1 fee for debts up to \$200 and a \$2 fee for debts over \$200. A 1-2% fee is typical among the states.

In some states, the Legislature appropriates funds to pay the credit card fees. These states do not pass the fee on to taxpayers.

The Federation of Tax Administrators advises that at least twelve states now authorize in varying degrees the use of credit cards to pay state taxes or fees. These include: Maryland, California, Montana, Idaho, Maine, Indiana, Alabama, South Dakota, Oklahoma, Utah, Oregon, and Iowa.

I would be happy to respond to any questions you might have.



KANSAS COUNTY TREASURERS' ASSOCIATION

OFFICERS:

NANCY HEMPEN
DOUGLAS COUNTY
President

JOANN HAMILTON
OSAGE COUNTY
Vice President

KEVIN JONES
OTTAWA COUNTY
Secretary

NANCY WEEKS
HASKELL COUNTY
Treasurer

March 15, 1994

TO: Members of House Taxation Committee

FROM: Kansas County Treasurers Association
Nancy Hempen, President

RE: SB 479

On behalf of the Kansas County Treasurers Association, I extend our appreciation to you for your consideration of this bill.

This legislation will enhance the collection of taxes at the local level, decrease the number of insufficient checks and allows for another alternative method for paying taxes.

Kansas legislation is currently needed for the useage of credit cards (such as Discover) that will allow us to pass on the necessary cost to the user.

Similar legislation (HR 2175) is pending at the federal level which states "a card issuer shall not prohibit or otherwise limit the ability of federal, state, or local governmental agencies to assess and collect from the user of a credit card issued by the card issuer a fee for honoring the credit card".

Banks are bound by contracts with some credit card companies indicating businesses must pay the fee which prohibits us from passing the cost on to the user.

The above legislation is being supported by the National Municipal Finance Officers Association, Government Finance Officers Association, Budget and Accounting Association and the National Association of County Treasurers and Finance Officers.

Passage of this legislation is important and will enhance the collection of tax dollars. Your support and passage of this legislation will be appreciated.

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Attachment 2

Date: March 17, 1994

To: House Taxation Committee

From: Mike Billinger, Ellis County Treasurer

Representative of the Kansas County Treasurer's Association
Legislative Committee

Good morning Chairperson Roe and members of the House Taxation Committee. My name is Mike Billinger, treasurer of Ellis County, and I respectfully submit the following testimony on behalf of the Kansas County Treasurer's Association.

I appreciate this opportunity to express K.C.T.A.'s support of legislation that would allow counties to provide credit card services to taxpayers. However in order for this Association to utilize credit cards it will be necessary for the United States Congress to pass legislation exempting governments from paying credit card user fees and providing surcharges to the users of these cards. Legislation (H.B. 2175) has been introduced in the Congressional Committee on Banking and Finance and Urban Affairs to exempt governments from paying credit card fees.

The legislation before this Committee will allow County Treasurer's to offer immediate credit card services provided federal law is enacted exempting governments from paying credit card user fees.

Following a polling of its members, K.C.T.A. has concluded a sufficient demand exists for the use of credit cards. Many taxpayers request the use of credit cards when paying registration fees and taxes and are disappointed when denied the opportunity to do so.

The following are benefits resulting from the use of credit cards:

- 1) Timelier payments result in reduced peak period processing and lower collection costs.
- 2) Credit card use promotes innovative payment programs such as pay-by-phone or customer operated terminals. These programs lower costs and provide the public with convenient payment methods.
- 3) Credit card transactions reduce the cost of processing checks and cash as well as reducing the potential for cash shrinkage.
- 4) Credit card transactions are guaranteed if simple procedures are implemented at the point of initiation, thereby reducing the risk of bad checks and their associated costs.

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5) Credit cards allow taxpayers to pay their tax liabilities and do so on installments without the use of a bank loan.

In conclusion, counties can benefit by adapting to technological services already accepted and used by taxpayers. The private sector demonstrates that the use of credit cards would enable counties to conveniently and efficiently deliver services, improve income and reduce costs effecting cash management operations. By including credit cards as an alternative payment method of taxes and other services offered by the county, we will have positioned ourselves for the advent of the "debit card". The debit card allows the card holder to access a checking account at the time of use and eliminates the need for writing checks. Thus the debit card does to check writing what check writing did to payment by cash. It is essential to efficient treasury management, that we make these technologies work to the benefit of county government.

In summation, I would like to express my appreciation to this committee for studying the feasibility of credit cards. On behalf of the Kansas County Treasurer's Association, I respectfully request your recommendation for the passage of S.B. 479 sanctioning the use of credit cards for the payment of taxes and motor vehicle registrations.

Thank you.



SEDGWICK COUNTY, KANSAS

TREASURER

Jerry McCoy

SUITE 107

COUNTY COURTHOUSE, WICHITA, KANSAS

MAILING ADDRESS: P.O. BOX 2909 WICHITA, KANSAS 672 11-2909

PERSONAL PROPERTY TAXES/VEHICLE REFUNDS
REAL ESTATE TAXES

383-7651
383-7414

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CASHIER

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383-7561
383-7345

TESTIMONY OF JERRY MCCOY, SEDGWICK COUNTY TREASURER
REGARDING SENATE BILL NO. 479
AUTHORIZING TAX PAYMENT BY CREDIT CARD
BEFORE THE KANSAS HOUSE TAXATION COMMITTEE
MARCH 17, 1994

I strongly support the provisions of S.B. 479 to authorize tax payments by credit/debit card and providing that any credit/debit card fee be absorbed by the user.

It is incumbent upon public officials to make available to taxpayers generally accepted methods of payment, where those methods may increase the collection rate of taxes at no additional risk to the tax collector.

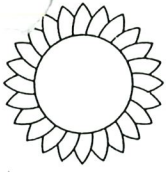
Increasingly, as more people have access to credit cards and the increased emphasis by financial institutions to encourage use of debit cards, the ability to pay by credit card is now the norm. Government, while it cannot afford to always be on the leading edge of technology, cannot also, be too far behind.

Payment by credit/debit card will provide taxpayers the option of stretching out payment of their tax obligation over whatever time that is consistent with their resources while eliminating late payment penalties and the embarrassment of having their names published on a delinquent tax list in the newspaper. This allows government to be paid timely and eliminates pressure on treasurers to provide costly alternative payment options, which disrupts the timely distribution of tax revenues. It can also reduce the costly handling of returned checks.

I sincerely believe that S.B. 479 will assist county treasurers in reducing delinquencies by providing payment options for those who may be cash poor but credit rich. This affects many taxpayers since there are certain times of the year when an unusually large amount of bills come due in a short period of time.

I urge your support of S.B. 479.

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Attachment 4



Johnson County
Kansas

March 17, 1994

HOUSE TAXATION COMMITTEE

HEARING ON SENATE BILL 479

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

Mr. Chairman, members of the Committee, my name is Gerry Ray speaking on behalf of the Johnson County Board of Commissioners in support of Senate Bill 479.

The bill would allow counties to accept credit cards for the collection of taxes and fees. The Treasurer could set a fee to cover the cost of the transaction.

Johnson County supports this bill because it is an option that provides an efficient process of collection for the county and a convenient method of payment to the taxpayer. It is believed that this will expedite the collection procedure that will benefit both the taxpayers and the County.

Some Legislators have voiced concerns that by allowing the use of credit card tax payments, it will be encouraging people to go into debt. It must be recognized that the majority of the population uses credit cards to purchase clothing, groceries and many other items. The method in which anyone chooses to handle their personal finances is strictly an individual decision. The government should provide them as many options as possible from which they can select the one appropriate for them.

The Committee is urged to recommend Senate Bill 479 favorable for passage.

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Attachment 5

HEARING BEFORE THE HOUSE COMMITTEE ON TAXATION
ON SENATE BILL 733

March 17, 1994

Remarks of Fred Logan,
Counsel for the Kansas Library Association

A debate has begun in this session of the legislature on the future of library and information service in the state of Kansas. It is a very important debate and a very important issue. The stakes are quite large: the manner in which information technology is utilized for Kansans throughout the state, not only in the urban areas, but in the most remote rural areas; the delivery of information in an information age; and maintaining quality library service are issues of critical importance to Kansans:

For the past forty years, the state of Kansas has granted considerable autonomy to libraries and library boards to better equip them to address these kinds of issues. Library districts in Kansas are already separate taxing districts, and have been for many years. In a county such as Johnson County, for example, the Johnson County Library taxing district is separate and different from the countywide taxing district that supports Johnson County government. Taxes for the Johnson County Library are not levied countywide because Olathe has its own library system.

While libraries in Kansas have had some autonomy, they have also been accountable. Even though libraries are struggling to address the ever-increasing needs of Kansans for information and for better information technology, they have maintained their historic accountability to the public. It is probably safe to say that there are few, if any, public institutions in the state of Kansas that are as popular as libraries.

I was retained by the Kansas Library Association to assist it in drafting a bill that would recognize the challenges confronting libraries; that would recognize the autonomy historically granted to library boards to provide library service for their communities; that would recognize the fact that the levy limits for libraries are obsolete; and that would assure accountability to the public. I have served as counsel to the Johnson County Library for 13 years and have had occasion to become familiar with the four different library systems in the state of Kansas: the special system for the Salina, Hutchinson and Topeka libraries; the system for city, county and township libraries; the regional library system; and the library district system.

Fortunately, this legislature has created several library models over the years that made my work relatively easy. The legislature has historically granted some leeway to library boards in making library budgets. The bill that you have before you accordingly is nothing new. In two separate instances, the

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legislature has granted authority to library boards to increase their budgets by some small increment, subject to a protest petition and election procedure. That system applies in the Salina, Topeka, and Hutchinson library system and it applies to the library district system, as well.

The bill before you is drawn from the Salina, Topeka, and Hutchinson model. The language that you have before you in Senate Bill 733 is largely drawn from K.S.A. 12-1215, the statute that is applicable to those three libraries. I would suggest to you that this model is appropriate for libraries throughout the state. These three libraries have had the kind of budget authority granted by Senate Bill 733 for many years. No one from those communities has come to the legislature urging it to change this system. These libraries have excellent relations with their city councils or commissions and no local unit of government is arguing for more control. Most importantly, these three library systems have outstanding libraries.

What does Senate Bill 733 do, then? With one exception, city, county and township libraries would have budget authority consistent with that exercised by Salina, Topeka, and Hutchinson libraries, without problem, for many years. I mentioned that there is one exception. The one exception is the Johnson County Library, which would not be able to make use of the authority granted by this bill. Under the terms of this bill, however, other city, county, and township libraries would be able to increase their budgets by up to one-half mill in a year, subject to a protest petition and election procedure. This kind of system, as I mentioned, is already in place in Salina, Topeka, and Hutchinson and in library district systems established pursuant to K.S.A. 12-1236.

Let me mention what this bill does not do. It does not create some radical new system. It does not give library boards powers that they have not already held before. In fact, because of the protest petition and election procedure, this bill in many respects is more restrictive than other library laws passed by the legislature in the last 40 years.

The simple fact of the matter is that historically the legislature has not held to the notion that city or county governments need to "control" libraries or library budgets. The legislature has held to the notion that libraries need to be accountable and to act responsibly within limits set by the legislature. The popularity of libraries in this state, and the fact that members of the public have not come before you to complain about library budgets, speak volumes about the success that libraries have had in meeting the expectations of the legislature.

I encourage you to give careful consideration to the concepts embodied in Senate Bill 733. How can libraries serve more people in an information age? How can even the smallest libraries acquire rapidly-changing information technology?

This bill is narrow, it assures accountability through a protest petition and election procedure, and it is consistent with present Kansas law. If it is good public policy for some libraries to have this kind of budget authority, if having this kind of system has led to outstanding library service, why is it not good public policy for all libraries?

I thank you for giving me the opportunity to testify in my capacity as counsel to the Kansas Library Association in support of this bill.

HOUSE TAXATION COMMITTEE

REPRESENTATIVE KEITH ROE, CHAIR

Thursday, March 17, 1994

Statement of Howard F. McGinn, Director, Emporia Public Library, speaking in support of Senate Bill 733.

This past week the staff at the Emporia Public Library helped people find job information on the ALEX job database, taught 200 pre-school children, completed a thirteen session discussion series for young African-American high school women to help them plan their careers and cope with societal pressures, provided financial ratios for a new business, delivered books to the elderly in homes across Lyon County, and circulated 3,831 books. Three classes in computer technology were offered by Flint Hills Technical School in the library as part of a cooperative program between the two institutions. This week was not unusual.

In 1994 over 250,000 people from a seven county area will use the Emporia Public Library. Thousands of requests for information will be answered. Businesses will make decisions based on library database searches. Persons will seek health and legal information. Children will learn to read. Family histories will be searched. Students from kindergartens in USD 253 to the Ph.D. program at Emporia State University will be served. And some customers will come just to find something to read or listen to while on vacation.

The Emporia Public Library, like so many of the state's public libraries, has evolved into a modern information center. The library has had to invest in modern information technology while continuing to invest in traditional library services in order to meet the needs of an information driven community. But we will not be able to continue to meet the needs of Emporia and seven surrounding counties if we are forced to continue to operate under statutes that have not been adjusted since 1951. Our development of information resources is negatively affected by the restrictions of outdated legislation.

What I ask is simple - your support of Senate Bill 733. Your approval of Senate Bill 733 will give Emporia and other cities in Kansas the same rights enjoyed by the citizens of Hutchinson, Salina, and Topeka for the past 50 years. But more importantly, your vote for Senate Bill 733 will help Emporia and the other cities continue to make the investments necessary to meet modern information needs. On behalf of the Board of Directors of the Emporia Public Library I urge you to vote for Senate Bill 733.

I appreciate this opportunity to speak before the committee. I will be happy to answer questions from the committee.

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Attachment 7

HOUSE TAXATION COMMITTEE
REPRESENTATIVE KEITH ROE, CHAIR

Thursday, March 17, 1994

Statement of Duane Johnson, State Librarian, speaking in support of
Senate Bill 733

1. The State Library supports S. B. 733 because the proposed law allows a reasonable and very much needed change in the method of funding public library service.

The funding method proposed here is very similar to the method provided in K. S. A. 12-1215 which has served the cities of Hutchinson, Salina, and Topeka for the past 50 years. The effective and responsible service which the library boards of these cities have consistently provided through the decades is testimony to the wisdom of this method of library funding. It is appropriate to allow this method to the other public libraries of the state.

2. The statutory mill levy limitations under which most libraries have operated have not been adjusted since 1951. It simply is not possible to operate an effective public library on the limitations provided for in K.S.A. Chapter 79, and in the soon to be adopted Senate Bill 447. These limitations force many libraries to restrict hours of service because the levy limits will not allow funds to pay minimum wage salaries and other basic operational expenses. In some, new books have become a luxury!

Using 1992 annual statistics, of the 315 public libraries, 180 are operating on mill levies of three mills or lower. There are an additional 56 with budgets so small that they are unable to report a specific mill levy amount. Presumably using the authority of a home rule charter ordinance, 25 libraries operate on a mill levy of more than 3 mills, but less than 4 mills, and 54 libraries operate with levies of from 4 to 6.7 mills. Approximately 310 of the 315 libraries would be affected by the funding method proposed in this bill.

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Attachment 8

3. The Legislature's 1992 interim study committee on libraries recognized the need to increase levy authority and recommended an increase for all library units.

4. While the effect of this bill will allow library boards to increase library funding when necessary, the process of budget publication and the opportunity for citizen petition and election on the proposed increase insures public participation in the decision making.

It is worth noting that the library boards of Hutchinson and Salina have had access to the 6 mill levy maximum since 1981, but still levy less than 5 mills. The library boards have been very careful in the use of the levy authority provided in the law.

5. Recent news headlines and the related news stories have notified us all that the national and global information network is a reality. These networks are essential to education and a competitive local economy. Local libraries through out the U.S. are encouraged to be an community connection to these information services.

The reality is that most Kansas public libraries have no funding capacity to pay for access to these necessary information services. We see the model for information service in the 21st century, but with current levy restrictions, public libraries are not able to gain access to these networks for the benefit of the people they serve. The effects of SB 733 would enable Kansas libraries to begin the work of delivering service in the new information environment.

This bill responds to a critical need. We urge you to recommend SB 733 to the Senate.

Thank you for the opportunity to present this information.

I would be pleased to answer questions from the committee.

TESTIMONY

OF

MARCIA RANSOM
DIRECTOR, WINFIELD PUBLIC LIBRARY
LEGISLATIVE CHAIR, KLA

ON BEHALF OF
THE KANSAS LIBRARY ASSOCIATION

PRESENTED BEFORE

THE HOUSE OF REPRESENTATIVES
COMMITTEE ON TAXATION

MARCH 17, 1994

RE: SB 733

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Attachment 9

Mr. Chairman, Members of the Committee, my name is Marcia Ransom. Thank you for the opportunity to address you today.

I am speaking to you as a representative of the Kansas Library Association, which is a statewide professional organization comprised of 1,100 public, academic, and special librarians. It also represents approximately 90% of the 300 public libraries in Kansas. I am also the Director of the Winfield Public Library.

As I am sure you are aware, library governance and funding is complex, to say the least. In contemplating this proposal, SB733, KLA sought to find a way to address the needs of the majority of public libraries, without adverse effects for any, and with the simplest legislation.

The statutes pertaining to libraries are found primarily in Chapter 12 of K.S.A., and for the most part, were put in place in 1951. The changes since that time have been at the instigation of individual libraries or small groups who came to the legislature to address a particular need. There has not been a widespread change or update since 1951. While this has not immobilized the library community, due to the option of Home Rule for communities who have wished to improve their library's funding, it has not created a real progressive atmosphere, either.

You have seen library legislation already this session which looked very similar to this in HB2710. Both bills were crafted after 12-1215, which has been on the books for many

years and is the statute which governs and funds Salina, Hutchinson, and until 1992, Topeka Public Library.

In 1992, Topeka and Leavenworth used this statute as a basis for 12-1260 and 12-1276, which allow the expansion of those libraries into their respective counties with an eight mill levy limit. The question was brought before the voters in Topeka and Shawnee County last year, successfully, and Topeka is now the Topeka/Shawnee County Public Library governed by this type statute.

The differences between this bill and the earlier version offered by Rep. Toplikar, HB2710, are significant. This bill does NOT provide for elected boards, and it also sets the petition/referendum requirement at five percent of the general electorate rather than at ten.

Also, unlike Rep. Toplikar's proposal, this bill leaves authority in the hands of the governing body. Library boards would have the authority to levy UP TO six (6) mills incrementally, and subject to protest. At that point they would be bound to seek approval in the form of a charter ordinance from the governing body to go to a higher levy authority.

The governing body would retain authority over ownership and dissolution of property and the issuance of bonds. This bill, as you can see, does not propose to change or even address those issues.

Library boards would publish and hold hearings on their budgets. This was suggested early in our discussions of this

issue with staff from the League of Municipalities as a way for library boards to alleviate the perception from city officials that they were raising taxes for the purpose of funding the library. In and of itself, publishing of the budget does not grant any authority, but it does allow the public to see clearly where their tax dollars are being spent which increases accountability.

In essence, the change proposed in this bill is one of numbers, from 1951 numbers to numbers we see as relevant today and, hopefully, for a number of years to come.

The six mill levy limit is currently in place for Salina, Hutchinson, and school district administered libraries. There is a well established precedent. And, as you can see by the attachments, it is not radical for libraries which have passed charter ordinances to be at or near this level.

This bill has a very broad application. Unless we want to try to address the complexity of the current situation, the nine different types of libraries effected and their differing levy limits, an overall approach is necessary.

I would like to refer to the attachments. There are at least six acts in the statutes which organize and fund public libraries. Mill levies range from 1.5 in counties and regional libraries to 3 mills in second class cities. Of these libraries, 102 have charter ordinances, while 219 do not. That's about one-third of the total communities that have opted for Home Rule in order to support their libraries at a higher level than required by law. In that context, the

maximum of six mills is reasonable and should end the need for piecemeal legislation.

The incremental increase of 1/2 is established over the 1/4 mill which exists in 12-1215 because of the inclusion of the smallest libraries in this bill. In many of their situations, 1/4 mill would be insignificant and would impede growth. Libraries in third class cities number 223 of the total number of libraries, or nearly 70%. This bill is designed especially to meet their needs as well as the needs of the larger libraries. For this reason, the language is written allowing UP TO 1/2 mill. If you look at the varying mill levies in these attachments, you will see that rarely does a larger library receive large increases in any one year. And, the boards operating under 12-1215 are yet to achieve the six mills they have had available for several years.

Appointed library boards tend to act conservatively, and if a library budget is growing, it is, in all likelihood steady, planned, controlled growth.

The appointment or election of library boards is currently a major point of debate. We can say with certainty, that appointed boards have served us well. They are appointed by your contemporaries in city and county government. They are particularly aware of the responsibility they have to the taxpayers of your communities.

On the other hand, we know that progress may come with elected boards attached, and if that is the case, we will

strive to make it work as well as possible.

Another concern that we are hearing a great deal about is the number of taxing districts in the state and the impact of this bill upon that number. In researching the issue, we found a Bureau of the Census report that ranks Kansas fifth or sixth in the nation, but in a closer look we found that states self-reported the data and that interpretations differed. The League of Municipalities in a November 1991 article in the Kansas Government Journal, report 4,025 taxing units, but state that many township governments, of which there are 1,414, are inactive, so the active number may be somewhat lower. They also count 37 of the 322 public libraries in their overall number. They express concern that this bill would add over 300 taxing units to the state. They are in a better position than we to know what the numbers are or will be, but every library, by law, currently has a "library fund," in which tax dollars collected from its levy must be deposited. This will not change, nor will the numbers of libraries levying a tax change because of this bill. Communities organize libraries and by doing so according to existing law, agree to fund them. The number of taxing districts in the state is generally not a factor in the decision.

Lastly, we've had concern expressed by some libraries that this bill will not help them because they are already at or near six mills and also receive additional support from their city. We wish every library in the state had this

situation, but it is evident from the numbers reported by all these libraries that this is not the case. For communities which are doing better in funding their libraries than this bill proposes, we offer the solution of Home Rule. We feel that it is imperative, however, that the legislature again address this issue and assist the library community in establishing standards and equity in access to information throughout the state.

Thank you for this opportunity to address the Committee.

KANSAS LIBRARIES OPERATED WITH A PROPERTY TAX LEVY:

1.	THIRD CLASS CITY	177 locations	2 MILLS
2.	SECOND CLASS CITY	71 locations	3 MILLS
3.	FIRST CLASS CITY	15 locations	2 MILLS
4.	HUTCHINSON AND SALINA	2 locations	6 MILLS
5.	TOPEKA CITY-COUNTY	1 location	8 MILLS
6.	School District Administered	1 location	6 MILLS
7.	TOWNSHIP	21 locations	2.5 MILLS
8.	REGIONAL	2 locations	1.5 MILLS
9.	DISTRICT	8 locations	3 MILLS
10.	COUNTY	15 locations	1.5 MILLS
11.	URBAN COUNTY	1 location	2 MILLS
12.	REGIONAL SYSTEMS	7 regions	.75 MILLS
13.	HIGH SCHOOL	347 locations	
14.	COMMUNITY COLLEGE	19 locations	

LIBRARIES
IN CITIES OF THE FIRST CLASS
1992 LEVY DATA

<u>City/ Library</u>	<u>Pop.</u>	<u>Statute</u>	<u>Levy Limit</u>	<u>Current Levy</u>	<u>\$\$\$\$\$\$\$\$</u>
Atchison	10,656	12-1220	2.00	NR	\$ 137,176
Coffeyville	12,917	12-1220	2.00	4.15	146,535
Dodge City	21,129	12-1220	2.00	4.147	339,234
Emporia	31,131	12-1220	2.00	3.261	270,388
Fort Scott	8,362	12-1220	2.00	3.00	73,188
Garden City/ Finney Co.	33,070	12-1220	1.50	1.50	381,501
Hutchison	39,308	12-1215	6.00	4.287	507,738
Junction City	20,642	12-1220	2.00	2.74	175,153
Kansas City	155,616	72-1623a	6.00	4.84	1,898,924
Lawrence	65,608	12-1220	2.00	2.984	758,487
Leavenworth	38,495	12-1276	8.00	3.125	336,900
Liberal	16,573	12-1220	2.00	2.76	161,225
Manhattan	37,569	12-1220	2.00	6.041	901,542
Newton	16,700	12-1220	2.00	5.017	249,103
Olathe	63,352	12-1220	2.00	2.425	735,785
Parsons	11,924	12-1220	2.00	3.00	77,868
Pittsburg	17,789	12-1220	2.00	3.368	150,435
Salina	42,299	12-1215	6.00	4.581	733,468
Topeka/ Shawnee Co.	157,513	12-1260	8.00	6.77	3,882,487
Wichita	304,011	12-1220	2.00	NR	4,485,760
Johnson Co./ Shawnee Mission	291,666	12-1223	2.00	2.59	5,500,375

1st Class Cities within Johnson Co.

Lenexa	34,969
Overland Park	114,868
Prairie Village	23,824
Shawnee	39,006

from
Kansas State Library Annual Statistical Report, 1992
Kansas Government Journal, January 1994

LIBRARIES
IN CITIES OF THE SECOND CLASS
1992 LEVY DATA

<u>City/ Library</u>	<u>Pop.</u>	<u>Statute</u>	<u>Levy Limit</u>	<u>Current Levy</u>	<u>\$\$\$\$\$\$\$\$</u>
Abilene	6,242	ALL ARE	ALL ARE	4.501	92,989
Anthony	2,516	12-1220	3.00	5.00	33,478
Arkansas City	12,762		EXCEPT	3.38	118,394
Augusta	7,876		COUNTY	4.483	20,967
Baxter Springs	4,351		LIBRARIES	3.51	42,792
Belleville	2,517			7.19	44,875
Beloit	4,066			NR	34,765
Bonner Springs	6,413			3.00	50,796
Burlington/CoffeyCo	8,404		1.5	1.478	793,092
Caldwell	1,351			NR	13,110
Caney	2,062			1.08	6,900
Chanute	9,488			NR	132,557
Cherryvale	2,464			NR	16,500
Chetopa	1,357			4.00	9,925
Clay Center	4,613			3.00	42,364
Colby	5,510			3.55	67,848
Columbus	3,268			3.00	32,700
Concordia	6,167			4.00	65,802
Council Grove	2,228			4.1	28,299
Derby	14,699			3.44	175,037
El Dorado	11,504			3.054	108,344
Elkhart\	3,408		1.5	1.43	172,314
Morton Co.					
Ellis	1,814			3.969	15,350
Eureka	2,974			3.725	31,000
Florence	636			5.31	5,312
Fredonia	2,599			3.00	26,470
Frontenac	2,627				
Galena	3,308			2.64	17,634
Garnett	3,210			4.00	30,099
Girard	2,794			2.247	26,499
Goodland	4,983			3.28	48,554
Great Bend	15,807			5.00	283,227
Halstead	2,015			3.836	34,450
Harper	1,735			2.84	15,894
Hays	17,807			5.20	367,863
Haysville	8,364			4.00	58,183
Herington	2,685			2.57	18,342
Hesston	3,012			4.68	78,047
Hiawatha	3,603			3.935	50,826
Hillsboro	2,704			4.00	21,299
Hoisington	3,182			5.00	25,808
Holton	3,196			NR	25,116
Horton	1,885			NR	21,000
Hugoton/Stevens Co.	5,048		1.5	.63	195,595

2nd Class City Libraries - cont.

<u>City Library</u>	<u>Pop.</u>	<u>Statute</u>	<u>Levy Limit</u>	<u>Current Levy</u>	<u>\$\$\$\$\$\$\$\$</u>
Humboldt	2,178	ALL ARE	ALL ARE	NR	26,500
Independence	9,942	12-1220	3.00	4.00	127,518
Iola	6,351		EXCEPT	3.249	54,583
Kingman	3,196		COUNTY	4.73	42,309
Kinsley	1,875		LIBRARIES	6.141	28,538
Larned	7,555			6.75	76,459
Lincoln	1,231			4.00	16,586
Lindsborg	3,077			2.08	16,943
Lyons	3,688			4.00	35,268
Marion	1,906			4.403	18,440
Marysville	3,360			4.538	42,609
McPherson	12,422			3.504	151,938
Minneapolis	1,983			2.965	11,782
Neodesha	2,837			3.00	19,866
Nickerson	1,137			4.178	7,004
Norton	3,017			NR	41,996
Osage City	2,689			3.00	29,000
Osawatomie	4,690			2.60	27,509
Osborne	1,778			5.40	20,800
Ottawa	10,667			4.737	146,127
Paola	4,698			2.991	59,050
Phillipsburg	2,828			5.00	36,000
Pratt	9,702			1.84	37,840
Russell	4,781			4.658	61,254
Sabetha	2,335			2.43	24,108
Scott City/Scott Co.	5,289		1.5	1.549	66,661
Seneca	2,027			2.80	28,540
Sterling	2,191			3.00	14,065
Ulysses/Grant Co.	7,159		1.5	.74	186,310
Valley Center	3,624			NR	37,815
Wamego	3,706			4.36	42,740
Wellington	8,517			3.68	86,943
Winfield	11,931			4.50	154,939
Yates Center	1,815			4.57	18,500

2nd Cities Within Johnson Co.

Fairway	Mission
Leawood	Roeland Park
Merriam	

LIBRARIES IN CITIES OF THE THIRD CLASS

City/Library	Pop.	Statute	Levy Lmt	Current Levy	\$\$\$\$\$\$\$\$\$
Agra/F. Lee Doctor	322		2.00	2.071	1,104.00
Allen/Lyon Co. Dist. 1	1,104	12-1236	3.00	.57	3,502.00
Almena	423	ALL ARE	2.00	4.00	4,223.00
Altamont	1,048	12-1220	2.00	NR	5,932.00
Altoona	456	EXCEPT	2.00	1.725	1,400.00
Americus Township	1,491	DISTRICTS	2.50	1.16	6,566.00
Andover/Fred Wilson	4,204		2.00	2.063	34,340.00
Argonia/Dixon Township	726		2.50	1.331	4,200.00
Arlington	457		2.00	1.58	1,518.00
Ashland	1,032		2.00	1.9	5,800.00
Athol	86		2.00	NR	
Attica	716		2.00	1.00	2,005.00
Atwood	3,404		2.00	1.7	6,631.00
Axtell	432		2.00	2.859	3,064.00
Baldwin	2,961		2.00	1.375	9,720.00
Basehor/Dist. 2	4,064	12-1236	2.50	2.76	40,559.00
Belle Plaine	1,649		2.00	2.421	17,276.00
Belpre/Henry Laird	116		2.00	NR	
Bern	457		2.00	0.000	.00
Bird City/Mary L. Gritten	467		2.00	1.48	3,039.00
Bison	252		2.00	2.16	
Blue Mound/Linn Co. Dist. 3	251	12-1236	3.00	2.707	8,085.00
Blue Rapids	1,131		2.00	1.751	4,000.00
Bronson	343		2.00	2.12	1,032.00
Brownwell	44		2.00	2.025	350.00
Bucklin	710		2.00	3.41	10,003.00
Buhler	1,277		2.00	1.72	6,437.00
Burlingame	1,074		2.00	2.84	4,907.00
Burns	226		2.00	NR	1,052.00
Burr Oak	278		2.00	2.00	300.00
Burrton	866		2.00	1.618	3,943.00
Bushton/Farmer Township	380		2.50	.941	4,115.00
Canton Carnegie	1,050		2.00	.547	1,882.00
Carbondale	1,526		2.00	1.291	5,317.00
Cawker City/Hesperian	588		2.00	3.50	4.26
Cedar Vale	760		2.00	1.694	2,540.00
Centralia	452		2.00	0.000	.00
Chapman	1,264		2.00	2.43	5,500.00
Cheney	1,832		2.00	3.378	13,924.00
Cimarron	2,049		2.00	1.75	13,808.00
Claflin/Independent Township	890		2.50	1.734	9,063.00
Clayton	77		2.00	NR	30.00
Clearwater	1,875		2.00	4.00	20,934.00
Clifton	561		2.00	2.15	2,115.00
Clyde/Randolph-Decker	793		2.00	NR	7,200.00
Coldwater-Wilmore	1,449		2.00	0.000	.00
Colony	447		2.00	2.00	1,213.00
Colwich	1,091		2.00	2.00	7,984.00
Conway Springs	1,384		2.00	2.00	4,612.00
Coolidge	90		2.00	NR	
Copeland	290		2.00	1.873	4,227.00
Corning	142		2.00	NR	1,850.00
Cottonwood Falls/Burnley Town.	1,081		2.50	2.324	7,432.00
Courtland	343		2.00	1.82	1,975.00
Cunningham	535		2.00	2.00	2,850.00
Delphos	494		2.00	1.98	1,988.00

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LIBRARIES IN CITIES OF THE THIRD CLASS

City/Library	Pop.	Statute	Levy	Lmt	Current	Levy	\$\$\$\$\$\$\$\$\$
Dighton/Lane Co.	2,375		1.50		1.50		39,511.00
Douglass Public	2,388		1.50		4.00		13,248.00
Downs Carnegie	1,119		2.00		3.90		10,700.00
Dwight	365		2.00		1.57		886.00
Edna	438		2.00		2.25		1,512.00
Effingham	540		2.00		2.000		2,644.00
Ellinwood	2,329		2.00		1.864		12,550.00
Ellsworth/J.H. Robbins	2,329		2.00		4.00		48,456.00
Enterprise	865		2.00		2.00		3,669.00
Erie	1,276		2.00		2.00		7,507.00
Eudora	4,011		2.00		0.000		.00
Everest/Barnes Reading Rm	310		2.00		NR		1,531.00
Fall River	113		2.00		2.00		711.00
Formoso	128		2.00		NR		2,500.00
Fowler	571		2.00		NR		2,146.00
Frankfort	927		2.00		2.271		5,467.00
Gaylord	173		2.00		2.642		890.00
Geneseo	382		2.00		2.00		2,115.00
Glasco	556		2.00		4.770		5,500.00
Glen Elder	448		2.00		2.50		3,457.00
Goddard	1,804		2.00		1.57		16,086.00
Goessel	506		2.00		3.00		3,450.00
Gove	103		2.00		1.846		328.00
Grainfield	357		2.00		1.906		1,953.00
Greensburg/Kiowa Co.	3,660		1.50		.787		43,000.00
Grenola	256		2.00		3.00		1,210.00
Grinnell/Moore Family	348		2.00		1.653		2,559.00
Gypsum	365		2.00		2.00		779.00
Hamilton	301		2.00		2.28		1,200.00
Hanover	696		2.00		6.10		9,593.00
Hanston	326		2.00		1.61		1,495.00
Hardtner	198		2.00		NR		1,969.00
Hartford/Elmendaro Township	1,006		2.50		.991		5,832.00
Havana Study Club	121		2.00		0.000		.00
Haven	1,198		2.00		2.110		6,124.00
Hepler	150		2.00		1.783		789.00
Hill City/Graham Co.	3,543		1.50		2.387		87,850.00
Hope	404		2.00		2.54		1,977.00
Howard	815		2.00		2.068		3,355.00
Hoxie/Sheridan Co.	3,043		1.50		4.207		15,257.00
Inman	1,035		2.00		2.649		7,916.00
Jamestown	325		2.00		2.50		1,769.00
Jennings	188		2.00		4.029		1,950.00
Jetmore	850		2.00		1.75		4,982.00
Jewell	529		2.00		2.57		3,200.00
Johnson/Stanton Co.	2,333		1.50		1.630		109,723.00
Kanopolis	605		2.00		4.21		4,154.00
Kensington	553		2.00		2.05		2,347.00
Kinsley	1,875		2.00		6.141		28,538.00
Kiowa	1,160		2.00		2.00		9,158.00
Kirwin	269		2.00		2.20		961.00
Kismet	421		2.00		1.31		1,411.00
La Crosse/ Barnard Township	1,545		2.50		2.83		22,230.00
LaCygne/Linn Co. Dist. 2	1,491	12-1236	3.00		.69		70,253.00
Lakin/Kearny Co.	4,027		1.50		.755		137,803.00
Lebanon	364		2.00		2.70	9-13	1,721.00

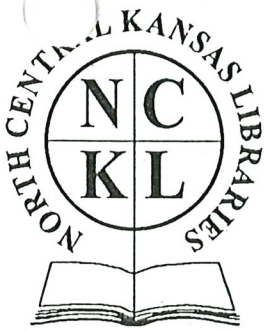
LIBRARIES IN CITIES OF THE THIRD CLASS

City/Library	Pop.	Statute	Levy	Lmt	Current Levy	\$\$\$\$\$
Lenora	329		2.00		1.545	1,926.00
Leon	707		2.00		NR	1,300.00
Leonardville	374		2.00		2.04	1,801.00
Leoti/Wichita Co.	2,758		1.50		1.285	43,980.00
Lewis/Meadowlark	560		2.00		2.285	11,300.00
Linwood/Dist. 1	1,817		2.00		0.000	20,811.00
Little River	496		2.00		.990	1,765.00
Logan	633		2.00		2.00	4,231.00
Long Island	170		2.00		2.04	1,064.00
Louisburg/Miami Co. Dist. 1	7,007	12-1236	3.00		2.76	76,342.00
Lucas	452		2.00		2.00	3,565.00
Lyndon Carnegie	1,444		2.00		0.000	.00
Macksville	488		2.00		2.174	2,718.00
Madison	845		2.00		3.02	4,440.00
Mankato	1,037		2.00		3.00	5,000.00
Marquette	760		2.00		0.000	.00
McCracken	231		2.00		2.214	1,203.00
McCune	462		2.00		1.683	2,219.00
McDonald	184		2.00		NR	
Meade	1,526		2.00		4.69	23,800.00
Medicine Lodge/Lincoln	2,453		2.00		4.152	26,780.00
Melvorn/Entre Nous	423		2.00		0.000	.00
Meriden	2,299		2.00		1.6	3,236.00
Minneola	705		2.00		2.73	4,718.00
Moline	473		2.00		2.033	2,171.00
Montezuma Township	1,431		2.50		0.000	14,000.00
Moran	551		2.00		0.000	.00
Mound City/Mary Sommerville	789		2.00		NR	3,405.00
Mound Valley	405		2.00		1.97	967.00
Moundridge	1,531		2.00		3.00	15,700.00
Mt. Hope	805		2.00		1.84	4,804.00
Mulvane	4,674		2.00		3.406	42.90
Ness City	1,724		2.00		3.799	18,434.00
Norcatour	198		2.00		1.998	1,255.00
Northwest Ks Heritage Ctr	296		2.00		NR	
Nortonville	934		2.00		1.956	2,530.00
Norwich	445		2.00		1.66	2,169.00
Oakley	2,045		2.00		5.04	6,051.00
Oberlin	2,197		2.00		3.69	19,572.00
Osage City/Lieber	2,689		2.00		3.00	29,000.00
Oskaloosa	1,832		2.00		1.615	4,735.00
Otis	385		2.00		2.35	1,701.00
Overbrook	920		2.00		4.18	10,133.00
Oxford	1,143		2.00		2.00	4,283.00
Palco	295		2.00		2.799	3,450.00
Parker/Linn Co. Dist. 1	1,567	12-1236	3.00		2.76	10,059.00
Partridge	213		2.00		NR	800.00
Peabody Township	1,535		2.00		1.362	7,886.00
Plains District	1,548		2.00		1.30	86,216.00
Plainville	2,173		2.00		3.997	30,169.00
Pleasanton/Lincoln	1,231		2.00		1.49	4,442.00
Potwin	448		2.00		2.014	1,440.00
Prairie View/Sunshine	111		2.00		NR	
Prescott City	300		2.00		2.00	732.00
Pretty Prairie	601		2.00		1.612	2,164.00
Protection	864		2.00		0.000	.00

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LIBRARIES IN CITIES OF THE THIRD CLASS

City/Library	Pop.	Statute	Levy	Lmt	Current	Levy	\$\$\$	\$\$\$\$
Quinter/Jah Johnson	945		2.00		5.7		3,100.00	
Randall	96		2.00		NR			
Ransom	386		2.00		2.14		2,048.00	
Republic/Rae Hobson	177		2.00		2.10		709.00	
Richmond	528		2.00		NR		1,922.00	
Rossville Township	1,581		2.50		1.97		13,801.00	
Santanta/Dudley Township	1,525		2.50		.46		33,644.00	
Savonburg	96		2.00		2.00		261.00	
Scandia	421		2.00		2.087		2,138.00	
Sedan	1,306		2.00		2.00		4,810.00	
Sedgwick/Lillian Tear	1,438		2.00		4.00		14,250.00	
Selden	248		2.00		2.00		1,345.00	
Sharon Springs	872		2.00		2.21		5,127.00	
Silver Lake Township	1,882		2.50		2.17		18,721.00	
Smith Center	2,016		2.00		3.00		18,093.00	
Solomon	939		2.00		NR		7,416.00	
South Haven	410		2.00		0.000		.00	
Spearville Township	1,151		2.50		.556		4,960.00	
St. Francis	1,495		2.00		4.00		15,562.00	
St. John/Ida Long Goodman	1,357		2.00		2.00		7,704.00	
St. Marys/Pott-Wab. Reg.	18,882	12-1231	1.50		1.811		185,690.00	
St. Paul/Graves	936		2.00		0.000		.00	
Stafford/Nora E. Larabee	1,344		2.00		5.242		13,002.00	
Stockton	1,507		2.00		4.35		25,258.00	
Sublette/Haskell Township	1,825		2.50		0.000		.00	
Summerfield	169		2.00		2.782		594.00	
Sylvan Grove	321		2.00		2.32		1,362.00	
Sylvia	308		2.00		1.67		1,405.00	
Syracuse/Hamilton Co.	2,388		2.00		1.27		53,765.00	
Thayer/Friday Reading Club	435		2.00		2.00		2,097.00	
Tonganoxie	2,347		2.00		1.417		12,802.00	
Toronto	317		2.00		2.00		1,574.00	
Towanda	1,289		2.00		1.940		3,843.00	
Tribune/Greeley Co.	1,774		1.50		1.080		31,100.00	
Troy/Doniphan Co.	8,479		1.50		2.19		69,841.00	
Turon	393		2.00		1.99		2,247.00	
Udall	824		2.00		2.00		5,447.00	
Utica	208		2.00		NR		1,380.00	
Valley Falls/Delaware Township	2,000		2.50		1.903		14,940.00	
Vermillion	113		2.00		3.386		867.00	
Viola	484		2.00		0.000		.00	
WaKeeney	3,694		2.00		2.73		15,783.00	
Walnut	293		2.00		2.00		1,454.00	
Walton	226		2.00		1.838		1,613.00	
Washington	1,304		2.00		5.014		13,750.00	
Waterville	601		2.00		1.807		3,821.00	
Weir	730		2.00		3.00		3,093.00	
Wellsville	1,563		2.00		3.73		13,654.00	
Wetmore	284		2.00		2.088		1,106.00	
White	533		2.00		1.39		1,551.00	
Whitewater	683		2.00		2.50		4,008.00	
Wilsey/Elm Creek	334		2.00		0.000		.00	
Wilson/Lang Memorial	834		2.00		5.20		7,291.00	
Winchester	613		2.00		NR		1,732.00	
Zenda	96		2.00		2.210		832.00	



MANHATTAN PUBLIC LIBRARY

SYSTEM CENTER

JULIETTE & POYNTZ

MANHATTAN, KANSAS 66502

(913) 776-4741

FAX: 776-1545

House Taxation Committee
Representative Keith Roe, Chair

Thursday, March 17, 1994

Statement of Fred Atchison, Director of Manhattan Public Library and North Central Kansas Libraries System, speaking in support of Senate Bill 733.

SB 733 would create a real opportunity for providing a local option supporting measured, reasonable growth for public libraries, balanced by a petition process providing for accountability. The idea behind this bill is not new as Topeka, Salina and Hutchinson have worked successfully with similar legislation (K.S.A. 12-1215) for many years. SB 733 does not change existing budget authority as library board authority has been clearly established in state law.

The assumption of responsibility by a public library for publishing its budget would seem to be a logical step, reducing the concerns expressed by some municipalities who have complained about having to publish the public library's budget.

No community would be required to change an existing relationship with a library. The adoption of a charter ordinance would, in effect, maintain the status quo or allow the governing body to establish a new mill levy limit.

SB 733 would not have much of an impact on Manhattan, as we are operating under a 6 mill levy limit by charter ordinance and are presently using well over 5 mills to run the library (our state statutory limit is 2 mills). However, there are approximately 20 libraries in our 12 county service area who have not had significant, or in many cases any increase in their statutory mill levy limit established by state law in the early 1950's.

What is at stake here is how we think about libraries. Support of SB 733 recognizes the potential that even the smallest of libraries have to make a difference in their communities. Such support allows libraries to move beyond static institutions constrained by zero growth budgets and into a more suitable role of enhancing the life of the community with vital materials collections, becoming partners in economic investment and linking communities with electronic networks for exchanging information.

SB 733 could mean the difference between closed doors and lively, vital institutions contributing to the quality of life in communities throughout our state.

The communities that would choose to take advantage of SB 733 would be enabling their libraries to meet the challenges of new technologies and increasing patterns of use. I hope those communities get the opportunity to make that choice. How we think about libraries is very important.

House Taxation Cmte

3/17/94
Attachment 10



Salina Public Library

March 16, 1994

TO: House Committee on Taxation

FROM: Joe McKenzie
Library Director
Salina Public Library

I am submitting written testimony today in support of Senate Bill 733.

The Salina Public Library has been operating under a statute that is similar to that proposed in Senate Bill 733 - statute 12-1215. In the 5 years that I have been Director, we have never had a public protest of the budget proposals that we have published. Our community is very conscious of their property taxes. They have voted down the Local Option Budget for the school district twice in the past year. I am sure that we are not alone in having a community that closely monitors the local taxing entities, such as schools and libraries. Today, everyone wants value for their dollar and no one tolerates misuse of tax dollars or overspending. People have been very supportive of the library and the manner in which we have operated to deliver good library service.

I have found that our Board of Trustees takes their responsibility under the statute very seriously. While they are interested in the support and development of library services, they balance that interest with knowledge of the local tax burden and approve policies and budgets that are reasonable. Our General Fund mill levy for 1994 is just 4.708 mills, up from 4.574 2 years ago in 1992. We have had an adequate budget in Salina with the support of the Board of Trustees operating under 12-1215. They have not abused their authority to set a budget. I am sure that many other library boards would operate in a similar reasonable and prudent manner. Communities would grow stronger with the benefits that are possible under the proposed legislation.

Please give strong consideration to the legislation proposed in Senate Bill 733. Public libraries in the state need a strong, fair and consistent piece of legislation under which to operate and Senate Bill 733 would be a major improvement for libraries in Kansas.

Thank you for the opportunity to submit written testimony to your committee.

Joe McKenzie

301 West Elm
Salina, Kansas
67401
825-4624
CH. 825-0505

Hours	
Mon-Thurs.	9-9
Fri-Sat.	9-6
Sunday	1-6

*3/19/94
House Taxation Cmte
Attachment 11*

TESTIMONY
OF
WHITNEY DAMRON
OF
PETE MCGILL & ASSOCIATES
ON BEHALF OF
THE
KANSAS LIBRARY ASSOCIATION
PRESENTED BEFORE THE
HOUSE
TAXATION COMMITTEE

MARCH 17, 1994

RE: SB 733

3/17/94

*House Taxation Committee
attachment 12*

Good morning Chairman Roe and Members of the House Taxation Committee. I am Whitney Damron of Pete McGill & Associates appearing before you today on behalf of the Kansas Library Association in support of SB 733.

Committee members will recall SB 447 which repealed certain fund levy limits was adopted by the Committee during the past few weeks and advanced to Final Action by the House yesterday. The Kansas Library Association requested libraries be removed from that particular bill during hearings before the Senate Committee on Assessment & Taxation and allow the libraries an opportunity to bring forward a separate piece of legislation to address the unique funding considerations of libraries.

Before you is that work product. SB 733 is an attempt to update and standardize funding statutes for libraries which have been virtually untouched for forty years. SB 733 is patterned closely after statutory authority adopted by the legislature in previous sessions for the Topeka/Shawnee County, Salina, Hutchinson and Leavenworth/Leavenworth County libraries.

With that, I will conclude my remarks and allow other conferees to explain the mechanics of the bill and its benefits for libraries in the State and their patrons. We would request your favorable support of SB 733. I thank you for the opportunity to make a few comments on SB 733 and would be pleased to stand for questions at the appropriate time.

Office of the Mayor

City Hall - 120 North Sixth Street
Independence, Kansas 67301

March 16, 1994

Representative Keith Roe
Chairman
House Taxation Committee
Statehouse
Topeka, KS 66612

Dear Representative Roe:

I come before you this morning to share with you our concerns pertaining to Senate Bill 733. Library services are an intricate part of the services provided by our City for our citizens. We have worked closely with our appointed library board in addressing and funding library needs.

In recent times as Mayor of the City due to significant downturns in our City's assessed valuations we have had to continually review our level of services and become more efficient in our operations to minimize the burden on local taxpayers. In the last four years, even with declining valuation the City has been able to maintain a constant City mill levy. This has happened due to strong Commission leadership and cooperation from individual boards, such as the Library Board. An example of this in past years have been meetings between members of the Library Board and City Commission where we have discussed tax rates needed to fund library operations and the board has accepted the challenge to work with the Commission to help maintain tax rates. The mill levy used to fund library services in our City is 4.02 mills, or almost 10% of the City's total mill levy. Currently library operations are financed through special tax funds levied specifically for library purposes and funding from the City's general fund.

One way we have continued to make improvements to the library is through a citizen created Friends of the Library group for which I have been a board member for four years and currently serve as Vice President, groups such as this allow us to continue to upgrade our library without placing additional burden on our taxpayers.

Our most important objection to Senate Bill 733 is the belief that library services should not be singled out above any other group or need of the City. The decision concerning the use of scarce tax dollars available for funding all municipal functions should be left to locally elected officials and not appointed persons who represent only a single interest group.

3/17/94
House Taxation Cmte
Attachment B

As proposed Senate Bill 733 could have the effect of increasing ad valorem funding available to our library by 49% above current levels. With our desire not to increase the tax levy on local property taxpayers this increase if it occurred would need to be absorbed from other important municipal services; i.e. police, fire, EMS, street, recreation and education programs, etc.

A specific concern to the City in Senate Bill 733 as proposed is the provision concerning a protest petition calling for an election for any proposed mill levy increase. We do not disagree with making such increases subject to protest vote, but we object to the cost of such an election having to be paid from the City's general fund costing taxpayers several thousand dollars for such election. If this protest feature is to be included we recommend the bill be amended to provide that any cost of such election be borne by the Library Board from its available funds.

Over the last several years representatives of cities have come before the legislature concerning creation of unfunded mandates imposed upon cities and locally elected officials. We consider the adoption of Senate Bill 733 as one of those unfunded mandates. Under this bill as it pertains to our City a non-elected board may increase the taxes of our citizens, even though subject to protest which could require the City to pay for such an election, without involvement of individuals responsible and elected to oversee the City and address all local needs.

In conclusion, it is our belief that those who were elected into positions of trust and accountability should be making decisions on local issues effecting the level of services and taxation. In years past the City Commission and Library Board have demonstrated a willingness to work toward local library needs. At this time with over four thousand special taxing units in Kansas we do not see the need for over three hundred additional taxing units of government being created.

Thank you for the opportunity to appear before you and we request you oppose Senate Bill 733.

Sincerely yours,



Mike Seller
Mayor

MS:kz



League of Kansas Municipalities

PUBLISHERS OF KANSAS GOVERNMENT JOURNAL 112 S.W. 7TH TOPEKA, KS 66603-3896 (913) 354-9565 FAX (913) 354-4186

TO: House Taxation Committee

FROM: Don Moler, General Counsel

DATE: March 17, 1994

RE: SB 733--Library Tax Levies

Thank you for the opportunity to appear on SB 733, concerning the subject of allowing libraries to have their own property tax levies. Essentially this legislation creates separate taxing entities of the many city, county and township libraries in Kansas. The League opposes the creation of new districts when existing general purposes local governments, such as cities, counties and townships exist. This type of authority for library districts will only serve to create several hundred (315 we believe) more taxing districts in Kansas. That is the last thing we need. Specifically, Kansas ranks **second** in the nation in the number of taxing districts, exceeded only by the State of Illinois. An analysis by the League in 1991 indicated that there are 4,025 taxing districts in the State of Kansas. Do we really want to increase this number by several hundred more by giving city, county and township libraries their own taxing authority? The League believes that the State of Kansas should be looking more towards allowing local governments to consolidate their functions and services rather than increasing the number of taxing districts and further stressing the property tax dollar.

The League further objects to the proposed increase of 6 mills to the allowable mill levy rate for libraries. We do not believe this should be placed in statute, but rather should be left to the discretion of the local city or county governing body through the use of home rule. We firmly believe that elected city and county governing bodies are completely able to weigh the best interests of their local libraries and determine the appropriate level of funding for those libraries.

Another problem involves the interaction of this legislation with the existing statutory scheme. Specifically cities, counties and townships are required, pursuant to K.S.A. 12-1220 to "annually levy a tax for the maintenance of such library in such sum as the library board shall determine within the limitations fixed by law...". These limitations are found in Chapter 79 of the Kansas Statutes Annotated and as determined in some areas by Charter Ordinance or Charter Resolution. How are these statutes impacted by this legislation? Do the libraries get the initial levy authorized by K.S.A. 12-1220 and the additional 6 mills as authorized by this legislation? How is the budgeting process to be handled if SB 733 is enacted? These are all concerns which we do not believe are adequately addressed in the bill before this committee.

Finally, we note on page 2 of SB 733, lines 9:11, that any election held under this scheme would be held pursuant to the general bond law. Our concern is that the cost of the election would

*3/17/94
House Taxation Committee
Attachment 14*

apparently be paid by the city, county or township and we feel this is totally inappropriate given the library would be the entity attempting to levy the tax.

RECOMMENDATION: We believe SB 733 is a bad idea and should be discarded as such. The last thing the state of Kansas needs are several hundred more independent taxing units. We believe that the existing structure works well and that ultimate control of city, county and township libraries should be maintained by the elected governing bodies of those entities. We reject the notion that elected city, county and township officials cannot make informed and responsible decisions concerning the funding of libraries and hope the committee will agree.