Approved: 4-9-97

Date

#### MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 11:10 a.m. on February 25, 1997 in Room 254-E of the Capitol.

All members were present except:

Senator U. L. "Rip" Gooch, Excused

Committee staff present: Mary Galligan, Legislative Research Department

Midge Donohue, Committee Secretary

Conferees appearing before the committee:

Mr. Don Norton, Topeka Mr. Tom Young, Topeka Mr. John Rothrock, Topeka

Ms. Barbara G. Anderson, Kansas Preservation Alliance, Manhattan

Mr. Elmer Ronnebaum, Baileyville Ms. Hilda Fawcett, Neodesha Mr. Sean Clopp, Independence

Mr. Bob Marsh, Kansas Preservation Alliance, Ottawa Mr. Chuck Stones, Kansas Bankers Association, Topeka Mr. Tom Groneman, Register of Deeds, Wyandotte County Courtney B. Swann, Kansas Historical Society, Topeka

Mr. Matt Goddard, Heartland Community Bankers Association, Topeka

Others attending: See attached list

## SB 168: An act designating the square dance as the official state folk dance of Kansas and the polka dance as the official state ethnic dance.

Mr. Don Norton, Topeka, addressed the committee as a proponent of **SB 168** (Attachment #1). He talked about the polka dance, explaining its origin and the organized polka clubs in Kansas which he said had between five and six thousand members. Mr. Norton told the committee the polka was a beloved and recognizable dance form, and he cited the contribution it has made to the positive reputation of the state, as well as its impact on the economy (Attachment #2)

Mr. Tom Young, Topeka, appeared in support of SB 168, more particularly the square dance provision (Attachments #3 & #4). He described the dance and provided its history. He told about the many people in Kansas who enjoy the dance and cited the spirit of square dancers who, he said, support many charitable causes. He advised there were approximately 200 square dance clubs which make up the Kansas Square Dance Association, and he spoke about the economic impact that group has on the state's economy.

Mr. John Rothrock, Topeka, addressed the committee in support of **SB 168**, especially the folk dance provision of the bill (Attachment #5). He defined the folk dance and gave its origin. Mr. Rothrock explained that a folk dance is the traditional dance of specific folk; that it is truly an ethnic dance and deserves to be designated the official state ethnic dance of Kansas.

Senator Mike Harris, a sponsor of the measure, appeared before the committee to thank it for hearing the bill. He said it was a serious piece of legislation that had been around for a couple of years. Senator Harris spoke of his association with the conferees who supported the bill and pointed out the revenue the dance groups are responsible for bringing into the state. He asked the committee to give the bill serious consideration.

Senator Jones questioned whether it would be good policy to designate one particular dance the official state

#### CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL & STATE AFFAIRS COMMITTEE, Room 254-E- of the Capitol, at 11:00 a.m. on February 25, 1997.

ethnic dance, citing other ethnic groups who might take exception. Senator Harris acknowledged this was something worth considering and explained the folk and polka dances had been combined into one bill this year with the hope it would be easier to work.

Senator Biggs asked Mr. Norton to respond to Senator Jones' concern. Mr. Norton replied that ethnicity did not really have a lot to do with the polka now; that a number of Hispanics belong to polka clubs, and he was not aware of any ethnic barriers.

The hearings were closed on SB 168.

Staff reviewed SB 367, explaining it would increase the mortgage registration fee by one cent, with the additional amount going to the Heritage Trust Fund. Staff cited p. 2, Sec. 2, of the bill and pointed out it might require a technical amendment.

## SB 367: An act concerning mortgage registration fees; relating to the heritage trust fund.

Ms. Barbara G. Anderson, LLC, Manhattan, appeared as a proponent of the bill (Attachment #6). A part-time Assistant Professor at Kansas State University, Ms. Anderson provides consulting services in the field of historic preservation. Ms. Anderson presented slides of various historical sites depicting work that had been accomplished as a result of the Heritage Trust Fund. She indicated she supported an increase in the Heritage Trust Fund for many reasons, pointing out that it is the only state financial incentive program for the preservation of listed historic properties in Kansas. She told the committee the Fund's current funding level restricts it to granting fewer than three in ten qualified requests. Ms. Anderson stated that the penny increase in the Mortgage Registration Fee for the Heritage Trust Fund would have a tremendously positive impact on our communities and our state restoration projects.

Mr. Elmer Ronnebaum, St. Mary's Parish, St. Benedict, expressed support of **SB 367** (Attachment #7). He told the committee that his church was fortunate to receive financial assistance from the Heritage Fund to restore leaded glass windows and resurface limestone masonry. Mr. Ronnebaum said that, although his community raised funds for the restoration, it would not have been possible to complete the project without financial assistance. He encouraged the committee to give favorable consideration to the bill which he said would enhance the ability of local owners to retain and pass on to future generations the heritage that every community should nurture.

Ms. Hilda Fawcett, Neodesha, Treasurer of Friends of the Brown Hotel, spoke in support of **SB 367** (Attachment #8). She explained that Friends of the Brown Hotel is dedicated to restoring a 100 year old hotel to its originally built restaurant and bed and breakfast facility. Ms. Fawcett said the progress they have made would not have been possible without money from the Heritage Trust Fund. She advised that her group was able to raise an additional \$140,000 in private funds due to the help it received from the Trust Fund. She told the committee an additional one cent would double the effectiveness of the Fund.

Mr. Sean Clopp read into the record written testimony from John E. Heckman, Independence, supporting SB 367 (Attachment #9). Mr. Heckman has been involved as a preservation architect on four historic properties in southeast Kansas that benefitted from Heritage Trust Fund grants. His testimony pointed out that Heritage Trust Fund Grants allow the owner to hire professional consultants to provide assistance in the planning and execution of a historic preservation project, and that the most important thing the grants do is save buildings.

Mr. Bob Marsh, Ottawa, President of the Kansas Preservation Alliance, a statewide not-for profit organization advocating historic preservation, told the committee his organization is a strong supporter of the bill (Attachment #10). Mr. Marsh addressed the economics of historic preservation and real estate development and how they relate to historic restoration projects in terms of cost.

Mr. Chuck Stones, Director of Research, Kansas Bankers Association, Topeka, told the committee the Association was not opposed to the Heritage Trust Fund or the work it does but it is opposed to the method in which it is funded (Attachment #11). The Association objects to a tax on a specific group of people who probably know nothing of the Heritage Trust Fund nor derive any direct benefit from it. He advised that the mortgage registration tax is particularly objectionable because one of the banking industry's largest competitors is exempt from this tax because of its federal status; thus an increase in the mortgage registration tax increases the competitive disadvantage for the banking industry. It was the recommendation of the Bankers Association that the legislature consider funding the Heritage Trust Fund out of the General Fund and discontinue the current funding method that singles out one specific group.

#### **CONTINUATION SHEET**

MINUTES OF THE SENATE FEDERAL & STATE AFFAIRS COMMITTEE, Room 254-E- of the Capitol, at 11:00 a.m. on February 25, 1997.

Mr. Tom Groneman, Register of Deeds for Wyandotte County and a legislative committee member of the Kansas Register of Deeds Association appeared as neither a proponent nor opponent of SB 367 (Attachment #12). Mr. Groneman cited a recent Supreme Court decision which he said could have a major effect on mortgage registration fees collected by various counties. He said that, although it is too early to determine the fiscal implications of the ruling, the Association planned to do an in depth study of mortgage registration fees and the need, if any, for a replacement fee for revenue lost. He indicated the study group would convene shortly after the legislature adjourns and is expected to conclude prior to the 1998 Session. At that time, he said they planned to submit specific recommendations for legislation, if needed, and he asked the committee to delay action on SB 367 until the study is completed.

Courtney B. Swann, Kansas State Historical Society, Topeka, provided information on the Heritage Trust Fund (Attachment #13) and said it was the only state financial incentive program for historic preservation. He explained the purpose of the grant program and what constitutes eligibility for the funds. Mr. Swann told the committee that, by law, the Historical Society requires that the transfer of grant monies is contingent upon an agreement whereby those who benefit directly from these grants agree to maintain the property for a time, minimally five years, and thus ensure that all Kansans receive benefit from the preservation of these properties. He discussed the current status of the Heritage Trust Fund and the fiscal impact of SB 367. Mr. Swann estimated that, if the bill passes, it would increase the Heritage Trust Fund by approximately \$400,000 which would be collected in all counties and allow for funding eight to ten additional projects.

Mr. Matthew Goddard, Vice President of Heartland Community Bankers Association, Topeka, told the committee HCBA does not have a position on SB 367 (Attachment #14). Instead, he said he wanted to share with the committee the role mortgage registration fees play in his industry. He explained that, under current law, .26 per cent of the principal debt of a mortgage is payable to the register of deeds in the county where the property is located. He said the financial institution pays the mortgage registration fee and passes the cost on to the borrower. Mr. Goddard pointed out that SB 367 would increase the mortgage fee and the increase would be passed on to the borrower by the financial institution. He asked the committee to consider this when deliberating the bill.

Prior to closing the hearings on SB 367, Senator Oleen acknowledged the following additional written testimony in support of the bill that would be entered into the record:

Carol Francis, President, Lawrence Preservation Alliance, Lawrence (Attachment #15) Marilyn Jones, President, Peabody Historical Society, Peabody (Attachment #16)

The hearings were closed on SB 367.

<u>Senator Vidricksen moved for approval of the minutes of the February 6 and February 7 meetings. Senator Jones seconded the motion, and the minutes were approved.</u>

The meeting adjourned at 12:00 noon. The next meeting is scheduled for February 26, 1997.

# SENATE FEDERAL & STATE AFFAIRS COMMITTEE GUEST LIST

DATE: 2-25-97

NAME	REPRESENTING	
Courtney B. Swann	Kansas State Historical Society	
SEAM A CLAPP	HECKMAN & ASSOC.	
Barbara G. Anders on	Kausas Preservation Alliance	
Bob Karar	12 (1	
Hilda Fawcell	The Brown Hotel - Neoderha	
J. Lean Fawcett	// 2/ 11 1)	
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ElmER PONNEBAUM	St. Manys Church	
CAROL L. SPRAGUE	STATE TREASURER'S OFFICE	
JOHN G ROTHROCK	AMERICAN FOLK DANCE SB168	
BEVERLY HOFFSETT	AMERICAN FOLK DANCE SB168	
Donald Norton	Palks Enlk Durcu SB168	
TOM YOUNG	K5DA	
Mass Goddard	Heartland Community Bunkers Assoc	
Kather Taylor	ICBA-	
Chuck Stones	'(	
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Dusie Parmer	Register of Deeds Leevelo	
Greigh anne Horton	Division of Budget	

# SENATE FEDERAL & STATE AFFAIRS COMMITTEE GUEST LIST

DATE: 2-25-97

NAME	REPRESENTING	
Susan Dyly	Historical Society	
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Tom Greneman	Wy Co Reg. of Deeds	
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SENATOR OLEEN AND LADIES AND GENTLEMEN OF THE COMMITTEE.

I WILL BE SPEAKING BEFORE YOU ABOUT THE POLKA DANCE PORTION OF SENATE BILL 168.

WHILE AN EXACT DATE IS NOT KNOWN, THE POLKA DANCE ORIGINATED IN THE BOHEMIA SECTION OF CZECHOSLOVAKIA BETWEEN 1500 AND 1600. BOTH THE MUSIC AND DANCE, WITH ONLY SLIGHT VARIATIONS IN TEMPO AND SOUND, ARE PRACTICED AND ENJOYED IN ALMOST EVERY COUNTRY IN EUROPE AS WELL AS IN NORTH AND SOUTH AMERICA.

WE DO NOT KNOW EXACTLY HOW MANY POLKA DANCERS THERE ARE IN THE STATE OF KANSAS BECAUSE THEY DON'T ALL BELONG TO FORMALLY ORGANIZED CLUBS. OUR BEST ESTIMATE OF THOSE IN FORMALLY ORGANIZED CLUBS IS BETWEEN FIVE AND SIX THOUSAND.

ABOUT 100 YEARS BEFORE THE POLKA WAS INTRODUCED TO AMERICA AND TO KANSAS, MANY THOUSANDS OF MEN, WOMEN AND CHILDREN FROM GERMANY, AT THE INVITATION OF CATHERINE THE GREAT - TSARINA OF RUSSIA - IMMIGRATED TO THE VOLGA RIVER REGION OF RUSSIA, IN SEARCH OF A LIFE FREE FROM OPPRESSION. THIS EXPERIMENT EVENTUALLY FAILED BECAUSE OF CHANGES IN THE POLITICAL CLIMATE IN RUSSIA, AND THE SHORES OF AMERICA WERE TESTED AS A NEW SETTLEMENT SITE FOR THESE GERMAN AMERICAN FAMILIES.

THE LARGEST CONTINGENTS OF "GERMANS FROM RUSSIA" OR "THE VOLGA DEUTSCH" ARRIVED IN KANSAS IN THE MID 1870s. THEY BROUGHT WITH THEM ALL OF THEIR FARMING AND TRADE SKILLS, THE FAMOUS HARD WINTER RED WHEAT, AND ALL OF THE TRADITIONS THEY HAD TAKEN WITH THEM TO RUSSIA.

Sen. Federal & State Affairs Comm. Date: 2-25-97

THIS IS HOW AND WHEN THE POLKA CAME TO KANSAS.
SINCE THAT TIME, OVER 120 YEARS AGO, IT HAS BECOME ONE
OF THE MOST BELOVED AND RECOGNIZABLY UNIQUE MUSIC AND
DANCE FORMS IN KANSAS, AND IN AMERICA. IT IS AS MUCH
KANSAS AS DOROTHY, MATT DILLON, COWBOYS AND HARD RED
WINTER WHEAT.

LIKE THE HARDY IMMIGRANTS WHO BROUGHT THE POLKA TO KANSAS, IT HAS ENJOYED GOOD TIMES, SURVIVED BAD TIMES OF WEATHER AND WARS, AND IT IS STILL AS BELOVED AND ROBUST AS EVER. THE DISTINCTIVE SOUND AND UPBEAT TEMPO OF POLKA MUSIC LEAVE NO DOUBT ABOUT WHAT KIND OF MUSIC IT IS OR WHAT KIND OF DANCE ONE DOES TO IT. EVERY MONTH, THOUSANDS OF KANSAS GET THEIR PHYSICAL AND MENTAL SPIRITS RENEWED BY THE UNIQUE SOUNDS OF A POLKA BAND.

YEARLY, THOUSANDS OF KANSANS MIGRATE BACK AND FORTH ACROSS OUR GREAT STATE TO ATTEND POLKAFESTS, MAIFESTS, MARDI GRAS, OKTOBERFESTS AND ANY OTHER FESTS ANYONE CAN THINK OF. THESE SOCIAL EVENTS, SOME LARGER THAN OTHERS, ATTRACT AUTO AND BUSLOADS OF POLKA ENTHUSIASTS FROM OTHER STATES AND CITIES ACROSS THE COUNTRY.

THE POLKA HAS INDEED MADE A SIGNIFICANT CONTRIBUTION TO THE POSITIVE REPUTATION OF OUR STATE AND THE ECONOMIC WELL BEING OF OUR KANSAS ECONOMY. IT HAS STOOD THE TEST OF TIME AND DESERVES THE DESIGNATION "OFFICIAL ETHNIC FOLK DANCE OF KANSAS".

THANK YOU.

#### Good afternoon

Chairman Oleen, Ladies and Gentlemen of the committee

I'll try not to be redundant -- Polka's history and its place in our own Kansas history is well documented.

However what is less known is the German American and Polka Clubs of Kansas impact on the Kansas economy. The fortunes of Polka has been cyclical like most everything in life. The financial figures shown below are for 1996, a below average year and include only five of the larger clubs in Kansas. Many smaller Polka and German American Clubs and smaller events would increase these results by an estimated 35% to 45%.

Dance Facilities		\$19,000
Rooms (Attendance times two of three days)		\$127,800
*Food: 6,800 attendees times two of three days Breakfast \$5.00 Lunch \$7.00 Dinner \$15.00		
Per person per day \$27.00		\$367,200
Other clubs and events = 40% increase		\$179,900
	Total	\$693,900

<sup>\*</sup>Estimated for costs Topeka Convention and Visitors Bureau

These figures do not include gasoline and diesel fuel for the many cars and buses that buy their fuel right here in Kansas. Neither do they reflect the money spent on alcoholic and soft beverages and taxes that inure to the benefit of the state or the many Kansas domiciled bands that are hired virtually every month of the year. These activities would boost the above total to well over \$1,000,000.

A considerable amount of money is donated to charity for those less fortunate. As an example, the Hays, Kansas Polkafest is held for the exclusive benefit of cancer patients and research.

Polka dancers react with the same excitement when the band leader steps to the microphone and says, "It's Polka time" as race drivers and fans do when the announcer says "Gentlemen start your engines".

Polka is truly a story about the little immigrant that made good. And it is now after 120 years we ask that this beloved part of our Kansas history be recognized as the official ethnic folk dance of Kansas.

Ladies and gentlemen, thank you very much for your attentiveness.

Sen. Federal & State Affairs Comm. Date: 2 - 25 - 97

#### Sources of financial information:

Barbara Wills President Germania Club of Kansas City Overland Park, Kansas

Ellie Keenan Event Organizer German American Citizens Association Kansas City

Eddie Basgall and Harold Dorzweiler Hays Polkafest Hays, Kansas

Ralph Richmond President Midwest Polka Club Marion, Kansas

Bob Kaiser President Polka Lovers of American (Kansas Chapter) Wichita, Kansas

Wayne Bennett Topeka Convention and Visitors Bureau Topeka, Kansas

Human Resource Data:

There are eleven Polka and German American Clubs in Kansas.

There are fifteen Polka bands all residing in Kansas.

SQUARE DANCING WAS FIRST RECORDED IN THIS COUNTRY IN 1651 AND CAN BE DESCRIBED AS A CHOREOGRAPHIC MELTING POT. IT CONTAINING ELEMENTS OF THE MORRIS AND MAYPOLE DANCES OF ENGLAND, AS WELL AS THE FRENCH BALLROOM DANCES AND CHURCH DANCES OF SPAIN. AS LATER IMMIGRANTS ARRIVED ON OUR SHORES, SQUARE DANCING EVOLVED TO INCLUDE THE FOLK DANCE TRADITIONS OF NATIONS SUCH AS IRELAND, GERMANY, ITALY, POLAND, AUSTRIA, RUSSIA AND MEXICO.

SQUARE DANCING WAS BROUGHT TO KANSAS BY OUR PIONEER FOREBEARS, AND QUICKLY PROVED TO BE A POPULAR DIVERSION FROM THE HARDSHIPS FACED BY THE EARLY SETTLERS. IF THERE WAS A BARN BEING BUILT OR A NEW CABIN GOING UP UPON ITS COMPLETION A SQUARE DANCE WAS OFTEN HELD AND THE FAMILIES WHO HAD GATHERED TO HELP WITH THE BUILDING JOINED IN THE FUN OF A SQUARE DANCE.

SQUARE DANCING IS STILL ENJOYED BY GROUP OR CLUBS IN THE STATE OF KANSAS AND ITS MEMBERS STILL PORTRAY THE SPIRIT OF THE EARLY SETTLERS OF HELPING EACH OTHER. MANY FRIENDSHIP DEVELOPE THROUGH THE RECREATION OF SQUARE DANCING. THE SPIRIT OF GIVING OR HELPING OTHERS IS PORTRAIED BY THE MANY DANCES WHICH ARE HELD TO HELP THE CAPPERS FOUNDATION, SPECIAL OLYMPICS "JERRY'S KIDS, MUSICULARY DYSTERPHERY AND MANY OTHER GOOD CAUSES IN KANSAS.

KANSAS HAS ABOUT 200 SQUARE DANCE CLUBS REPRESENTING THE KANSAS SQUARE DANCE ASSOCIATION COVERING ALL OF KANSAS, THE HEART OF AMERICA FEDERATION OF KANSAS CITY, KANSAS, THE LEAGUE OF SQUARE AND ROUND DANCE CLUBS OF SOUTH CENTRAL KANSAS IN THE WICHITA AREA AND THE HEART OF AMERICA SINGLES SQUARE DANCE ASSOCIATION.

THE KANSAS SQUARE DANCE ASSOCIATION HAS ITS ANNUAL MEETING AND FESTIVAL IN SALINA THE FIRST WEEK END IN JUNE. IT BRINGS OVER \$500,000 IN TOURIST MONEY INTO SALINA THAT ONE WEEKEND. THE FEDERATION DOES THE SAME FOR KANSAS CITY, THE LEAGUE HAS TWO FESTIVALS EACH YEAR AGAIN BRINGING MONEY INTO WICHITA, HASSDA HAS AN ANNUAL CONVENTION IN THE AREA ALSO BRINGING MONEY INTO THOSE CITIES.

SQUARE DANCING IS A WHOLESOME FORM OF FAMILY RECREATION BRINGING TOGETHER PEOPLE OF ALL BACKGROUNDS AND PROFESSIONS FOR AN EVENING OF OF FUN AND ENJOYMENT. IT ALSO PROVIDES THE EXERCISE TO KEEP THE BODY IN GOOD SHAPE. AN EVENING OF DANCING IS THE EQUIVELANT OF ABOUT A 5 MILE WALK.

WE WOULD ENCOURAGE YOU TO PASS SB 168 MAKING THE SQUARE DANCE THE FOLK DANCE OF KANSAS AND THE POLKA THE ETHNIC DANCE OF KANSAS.

February 25, 1997

Senator Oleen Members of the Committee

Square Dancing was first recorded in this country in 1651 and can be described as choreographic melting pots, containing elements of the Morris and Maypole dances of England, as well as the French ballroom dances and church dances of Spain; as later immigrants arrived on our shores, square dancing evolved to include the folk dance traditions of nations such as Ireland, Germany, Italy, Poland, Austria, Russia and Mexico.

Square dancing was brought to Kansas by our pioneer forebears, and quickly proved to be a popular diversion from the hardships faced by many settlers and brought together early-day Kansas neighbors, in weathered barns or under starry skies, to enjoy the toe-tapping rhythms of these dances, strengthening and affirming the bonds of community. You will still find a strong bond between square dancers everywhere.

Square dancing continues to be enjoyed by countless individuals of all ages and backgrounds and, although still known as square dancing, the term has expanded to include round, contra, clogging, line and heritage dancing within its scope. This dance is enjoyed all across the United States and in over 50 countries.

The element that makes the American Folk Dance different from the folk dances of other countries is - square dancers depend on a *caller* to tell dancers what to do, whether in squares, circles or lines. *All calling is done in English*. People in different countries may not be able to speak or understand English, but they can square dance to English speaking callers.

Square dance clubs are non-profit and not supported by any public funding. Many clubs hold benefit dances for various organizations. In Topeka, we have dances for TARC, Cappers, Chargers Special Olympics and Jerry's kids, just to mention some of them. Other areas do many benefit dances too.

There are approximately 100 clubs belonging to the KANSAS SQUARE DANCE ASSOCIATION (*KSDA*), and 40 clubs belonging to **HEART OF AMERICA FEDERATION** in the Kansas City, KS area, and 25 clubs belonging to the **LEAGUE OF SQUARE DANCE AND ROUND DANCE CLUB** in the South Central Kansas District, plus there is a singles organization called **HEART OF AMERICA SINGLES SQUARE DANCE ASSOCIATION** (*HASSDA*). About 6,000 dancers belong to these clubs.

**KSDA** has an annual convention in Salina drawing about 2,000 dancers - the **Federation** has an annual convention in Kansas City drawing about 1,000 dancers - the **League** has several well attended festivals - **HASSDA** has an annual convention drawing about 600 dancers.

The majority of Kansas clubs dance 2 times a month on a regular schedule. **KSDA**, the **Federation** and the **League** all publish magazines listing all the clubs belonging to their organizations and the nights they dance, including their dance locations. Square dancers do not just dance with their own club, they visit other clubs all over the state and dance with them.

Square dancing is a wholesome form of family recreation. Where else can you go to dance and take your children with you and even dance with them. People of all ages, races, backgrounds and professions can and do participate, including handicapped persons. There is no alcohol or smoking at our dances - Doctors even support square dance as a very good form of aerobics and it is equivalent to 5 miles of walking during a 3 hour dance.

We cannot think of a better way to recognize and be proud of our heritage, than to name the square dance as the official Folk Dance of Kansas.

RICHARD & BEVERLY HOFFSETT TOM YOUNG Square Dancers, Topeka, KS

Sen. Federal & State Affairs Comm

Date: 2-25-97 Attachment: #4

#### MADAM CHAIRMAN AND LADIES AND GENTLEMEN OF THE COMMITTEE

The definition of FOLK DANCE is inherent in its very name. It is, then, the traditional dance of a specific folk, native to them and evolved by them instinctively and spontaneously.

The repertory of folk dance is inexhaustible. In America we have folk dances which range from a Kentucky Running set to Hull's Victory, Paw Paw Patch, and the Square Dance forms which were developed in America. And as stated earlier the Square Dance came to Kansas by the way of the early pioneers heading West in wagon trains.

The SQUARE DANCE is a true folk dance by definition that evolved by specific folk those pioneers moving west and danced by the early settlers of Kansas and is deserving of being declared the official state FOLK dance of the state of Kansas.

The POLKA, originally a Czech dance in quick duble time was said to have been danced for the first time around 1830 by a Czech peasant girl. Corresponding to the Czech language, which has no articles, few vowels, and a falling rhythm, the polka usually begins on the downbeat and its rhythm is characterized by a strong staccato quality. It quickly spread from Bohemia throughtout Europe and made its triumphal entrance into the ballrooms of New York and spread throughout the United States.

The Polka is a folk dance by definition, the traditional dance of specific folk, its truly an ethnic dance and deserves to be designated as the official state ethnic dance of Kansas.

Submitted by:

John G. Rothrock 3206 SW 33rd Court Topeka, Kansas 66614 (913) 272-4332

#### BARBARA G. ANDERSON, LLC

Testimony of Barbara G. Anderson for SB 367 Senate Federal and State Affairs Committee February 25, 1997

Thank you for this opportunity to present testimony for SB 367. I am a part-time Assistant Professor at Kansas State University and I provide consulting services in the field of historic preservation. In the last few days I've spoken with people throughout the state who are pleased to hear that the Heritage Trust Fund may be increased this legislative session. I spoke with several people from the western part of our state who would have been here today to testify for SB 367, if it was not such a long drive.

I support an increase in the Heritage Trust Fund for many reasons. The fund is the only state financial incentive program for the preservation of listed historic properties in Kansas and at its current funding level fewer than 3 in 10 of the qualified requests for funds are met. The impact of Heritage Trust Fund grants is more than the preservation of buildings. The Heritage Trust Fund architect makes site visits and provides technical assistance to more than 80 property owners each year. Through this technical assistance, owners, architects, and contractors are learning about appropriate preservation techniques. Most importantly, through increasing historic preservation activities in Kansas we are strengthening neighborhoods, downtowns, and communities across the state. A few of the ways historic preservation strengthens our communities and our state are

- preserving buildings that contribute to the unique physical character of our state,
- increasing personal attachment to Kansas communities, thus influencing citizen involvement and investment in our communities,
- improving the quality of life of our citizens,
- conserving natural resources,
- providing opportunities for heritage tourism, and
- improving the local economy.

The Heritage Trust Fund grants are often the deciding factor in local efforts to go forward with a preservation project for a historically significant building within a community. Because there is limited time to tell you about the 63 projects that have received Heritage Trust Fund monies since 1990, I will quickly show you slides of a few properties that have been preserved with the assistance of the Kansas Heritage Trust Fund.

Again, thank you for the opportunity to testify for a penny increase in the Mortgage Registration fee to go to the Heritage Trust Fund. This penny will have a tremendously positive impact on our communities and our state.

Sen. Federal & State Affairs Comm. Date: 2-25-97

# COMMENTS ON SENATE BILL No. 367 BEFORE THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS February 25, 1997

Chairperson Oleen and Members of the Committee:

Thank you for the opportunity to present comments on Senate Bill 367. I am Elmer Ronnebaum, R 1, Bailevyille, KS in Nemaha County. I am here to express support for this legislation which would provide increased funding for the Heritage Trust Fund program.

I have been a life-long member of St. Mary's Church at St. Benedict, located about 4 miles northwest of Seneca. Our community applied for an was fortunate to receive financial assistance to restore leaded glass windows and do resurface limestone masonry of the church. St. Mary's Church is widely known for its interior wall stenciling and ornate decoration. Constructed in 1889 to 1893, the building is rather imposing with a 172 foot-tall bell tower and steeple. The building measures  $120 \times 60$  feet.

Our Parish consists of 90 rural families, some single households. Since 1977, the Parish has worked to complete various aspects of restoring the church including insulating the attic, completely restoring the interior wall decorations and large canvass oil murals, the pipe organ and over \$105,000 in repairs to leaded glass windows and the steeple. The community raised approximately \$260,000 towards various restoration projects from 1977 to 1993 with a major portion during the lean years in the '80's in agriculture.

In 1993, the Parish was awarded a Heritage Trust Fund grant of \$96,500 to complete the restoration of remaining large stained glass windows and to repair or replace badly deteriorating stone window sills and to remortar the upper and mid-levels of the tower. Our Parish is very cognizant of the award that it received through the Heritage Trust Fund. Without this financial help, we would not have been able to complete these projects.

Aside from the grant award, our community also is indebted to the technical assistance that we have received from the Kansas Historic Preservation Office. The on-site evaluation and continued consultation that the office provided has been invaluable to ensuring that our project met standards for long-lasting results. It's difficult for local people to be experts in all fields. Having access to professional assistance through the Kansas Historic Preservation Office has been of immeasurable benefit to our community. I hope that whatever resources are needed by that agency can be provided.

During our 1980 - 1983 restoration of the interior of the church, artist Joe Oswalt, who was a native of Wamego, hung a sign from the scaffolding. It read: "To preserve this that your fathers built in their great faith in your future." I cannot think of a better motto to describe the sentiments of our community and others who have benefited from this program. Historic restoration results in something more than just fixing a building; it ties people to their communities and provides intangible benefits that go far beyond each project that has been touched by this program. I encourage you to give favorable consideration to this bill which will enhance the ability of local owners to retain and pass on to future generations the heritage that every community should nurture.

Respectfully submitted,

Elmer Ronnebaum St. Mary's Parish

St. Benedict, KS

Sen. Federal & State Affairs Comm. Date: 2-25-97

## The Brown Hotel 523 Main Neodesha, Kansas 66757

I am Hilda Fawcett from Neodesha and Treasurer of "Friends of the Brown Hotel". This group is dedicated to restoring our 100 year old hotel for the same purpose that it was originally built--a restaurant and bed and breakfast. The Kansas Main Street Program urged our community to apply for Historic Trust Funds and save the structure as part of our downtown revitalization plan.

The Hotel has a fascinating history having been built and operated by an early female entrepreneur. A biography and a novel are being written about this determined lady.

The progress we have made on the hotel so far would have been impossible without Historic Trust Fund Money. Their \$16,000 Grant made it possible for us to get started with a planning grant. A second Grant gave us funds to help restore and stabilize the exterior of the Hotel. In addition to money, the HTF staff have been very helpful and served as our cheerleaders. Their guidance has saved many groups (including ours) from making costly mistakes.

We have found HTFunds have been very helpful in helping us raise money. We have raised an additional \$140,000 in private funds to date which is enough to completely restore the exterior.

Often Historic Trust Funds are used for basic items such as planning grants, structural engineering services, stabilization of floors and roofs, and waterproofing. It is extremely difficult if not impossible to raise money for these non-glamorous but essential parts of restorations.

Currently, only a small percentage of significant projects can be funded. It is important for HTF to have more money to work with. An additional one cent will double the effectiveness of the Historic Trust Fund. We feel saving our historic structures needs to be done before it's too late. Restoration is good business.

Hilda Fawcett Box 342 Neodesha, Kansas 66757 316 325 3239

Sen. Federal & State Affairs Comm. Date: 2-25-47

#### Heritage Trust Fund Grants SB 367

John E. Heckman, AIA 25 February, 1997

I am an architect with a two person office in Independence, Kansas. I have been involved as a preservation architect on four separate historic properties in southeast Kansas that have benefited from Heritage Trust Fund Grants. I would like to give you my perspective of the importance of this program, both as an architect and as a resident in a small rural community.

Every community, be it large or small, has a historic building. I'm sure that if each of you will think back to your own hometown, or the neighborhood where you grew up, you can remember a building or a place that was significant. An image that sticks in your mind. A building that helped to make your town or neighborhood unique. For many, it might be one of the large multi-storied hotels that were so often found downtown. For others, it might be an architecturally unique or ornate bank building. And for some of you, it might simply be a small downtown retail store where you stopped in to see friends at the soda fountain or bought candy. All of these buildings, from the smallest to the largest, are part of your memory because they were all an integral part of what made up the architectural fabric of your hometown. These are the type of properties that I have seen the Heritage Trust Fund Grants benefit. Significant buildings that have often times found themselves vacant and suffering from neglect.

The individuals and organizations that accept the responsibility for the preservation of these buildings are usually local people who have a great amounts of love and desire to preserve the buildings; but very little experience at historic preservation and an even smaller amount of necessary funds. Heritage Trust Fund Grants directly help these projects in two very important ways.

The first, is allowing the owner to hire professional consultants to provide assistance in the planning and execution of the project. The preservation professional will help in the proper evaluation of the existing condition of the building and in the selection of appropriate preservation techniques and approaches. They will then prepare construction documents and provide on-site observation during the restoration work. The value of professional assistance to the success of a project in not usually understood by a preservation group and due to limited funds would often be the first item eliminated.

The second way that Heritage Trust Fund Grants are beneficial is in the funding of the "big ticket" items that are essential to the preservation of a building. These include the stabilization of the building envelope and the necessary repair and preservation of architectural materials and features that are important in defining the historic character of the building. By completing this work, the detrimental effects of inclement weather are halted, allowing the local preservation group time to raise additional funding. In addition, local community awareness of the building is heightened as they are able to see tangible results of the preservation work. This, in turn, increases local interest and participation in funding for the project.

In conclusion, it is my opinion that the most important thing the Heritage Trust Fund Grants program does is save buildings. It is truly one of those programs that helps people to help themselves. Without Heritage Fund Grants, I personally know of four historic properties in southeast Kansas that would not have had a chance to be preserved. The only problem I see with the program is that the majority of applicants are not funded. I hope that you will help to change that.

#### **SENATE BILL NO. 367**

FEDERAL & STATE AFFAIRS COMMITTEE, FEB. 25, 1997 HEARING TESTIMONY by BOB MARSH, THE ECONOMICS OF HISTORIC PRESERVATION

Madam Chair & Members of the Committee:

I am Bob Marsh, of Ottawa, Kansas. I am the 1997 President of the Kansas Preservation Alliance, Inc. a statewide not-for-profit organization advocating historic preservation. The Alliance is a strong supporter of this bill.

I would like to make a few brief comments about the Economics of Historic Preservation and Real Estate Development and how they relate to historic restoration projects in terms of <u>COST</u>, <u>ECONOMIC VALUE</u> and <u>OTHER VALUES</u>.

<u>COST</u> is the sum of dollars spent from the beginning idea of a project until it is completed and occupied. It can be divided into five general categories:

Acquisition: Obtaining the property. The Heritage Trust Fund does not apply.

<u>Stabilization:</u> That work needed to prevent further damage. Roof repair, foundation repair, structural bracing or repair, etc. <u>This is often the very best use of the Heritage Trust Fund.</u>

Rehabilitation: The process of restoring a building or remodeling it for a new use. The Heritage Trust Fund can help meet the extra cost of complying with the Secretary of Interior Standards. If you are not familiar with the Standards, they are those required to qualify for Federal Historic Preservation Tax Credits.

<u>Code Compliance</u>: The work needed to comply with modern building codes and accessibility standards. The Heritage Trust Fund can help meet those requirements in a way appropriate to the character of the historic place.

Start-up: Beginning operation and use. The Heritage Trust Fund does not apply.

ECONOMIC VALUE of a preservation project can be estimated by considering certain investment standards. What is the projected income? Is the projected income dependable? When will the return be received? Will the value increase during ownership? Will the value decline or disappear during ownership? Is the tax treatment favorable? Can money be borrowed with favorable rate, term and conditions? How much management is required to maintain the asset? How quickly and easily can the asset be converted to cash?

Before committing money to a project, the typical sources of capital, whether they are developers, banks, savings and loans or individuals, estimate a project's <u>economic value</u>. For an historic preservation project it is not unusual for the <u>economic value</u> to be 50 percent or less of the <u>cost</u> of the project. That helps explain why the project has not already been done by a private developer.

How do you close that gap between <u>cost</u> and <u>economic value</u>? Perhaps more equity? Perhaps gifts or donated services? If the project is important to the community, perhaps <u>public participation?</u>

For the last six years in Kansas, The Heritage Trust Fund has been a method of <u>public</u> <u>participation</u> in the restoration of our historic places. It has made an important contribution to many communities and Kansas as a whole.

<u>OTHER VALUE</u>: To justify <u>public participation</u>, we need to consider other elements of value, real and important to a community, but not easily estimated as an <u>economic value</u>. It is this type of <u>other value</u> that the Heritage Trust Fund supports.

#### Bob Marsh, THE ECONOMICS OF HISTORIC PRESERVATION, Continued, Page 2 of 2

You received a pamphlet "Virginia's Economy and Historic Preservation", a 1995 publication based upon a study of preservation's impact on the local economies of Virginia. Although Kansas doesn't have the early colonies and the civil war battlefields of Virginia, we do have our special unique history and we are similar in that we both have many small towns. The study focused on four areas applicable to Kansas:

<u>The Main Street Program:</u> Kansas Main Street has a number of successful examples of communities are making real progress using this program. It is a good redevelopment strategy for strengthening downtown as the historic center of a community. A healthy downtown is vital for a community's economic well-being and it enables cities to compete with suburban sprawl and small cities to compete with large cities.

<u>Job Creation</u>: Preservation construction tends to be more labor intensive than new construction therefore creating more jobs. Historic preservation is an incremental redevelopment strategy that takes a number of years, often helping to stabilize the local economy. It is a strategy for attracting and retaining small businesses and it is effective for both small towns and rural areas.

<u>Tourism:</u> In Virginia they found that the Historic Preservation Visitor stayed longer, visited twice as many places and spent over two-and half times more money that other visitors. For first time visitors, visits to historic sites was far and away the most popular activity. The historic character of a community attracts visitors to both large cities and small towns. The Rhode Island Director of tourism estimates that half of the state's \$1.2 billion annual tourist industry is from visitors seeking cultural and historic attractions. Tourism generates Local and State revenue from gasoline tax, sales tax, airport fees, room tax, park fees, liquor and cigarette taxes, food and beverage taxes, amusement taxes and others. Depending on the state and number of taxes, it is likely that from 10 to 20 percent of every dollar spent by visitors goes to state or local government.

<u>Property Values</u>: Historic Preservation helps increase property values. Virginia found that on an average, properties within historic districts increased more than those outside. Historic Preservation stabilizes neighborhoods and helps bond citizens to their community. Historic design standards and guidelines result in higher quality renovations.

#### Other categories to consider include:

<u>Housing:</u> Historic Neighborhoods provide housing for entry level and minimum wage workers. Most moderate and low income people cannot afford new housing. Replacing housing is far more expensive than renovating. An Army study of their historic housing showed that on the average, replacement cost was more than 10 times the original investment, and the cost to rehabilitate to current use and energy standards was one-third to one-quarter the replacement costs. The Virginia pamphlet has some interesting statements on the cost of replacing their older housing.

<u>Demonstration Projects:</u> Heritage Trust Fund projects demonstrate the advantages and possibilities of historic preservation to a community. It introduces the concept of quality historic preservation by using the Secretary of Interior Standards and guidelines.

Quality of Life: Whether it is cultural, architectural, social, environmental, aesthetic or sentimental, Historic Preservation is an important strategy for improving the quality of life in our communities.

From 1991 through 1996 The Heritage Trust Fund has awarded nearly \$3 million in 65 individual grants. During the last four years an average of 12 individual grants totaling over \$600 thousand was awarded each year. In those same last four years an average of 50 applications were received each year requesting a total of \$3 million. In other words, during the last four years, an average of 24% of the applicants were successful and 20% of the total funds requested was awarded.

We think another penny could be wisely spent! Thank you very much!

## Kansas Bankers Association

800 SW Jackson, Suite 1500 Topeka, KS 66612

913-232-3444 Fax - 913-232-3484 e-mail - kbacs@ink.org

2-25-97

TO: Senate Federal and State Affairs Committee FROM: Chuck Stones, Director of Research

RE: SB 367

Madam Chair and Members of the Committee:

Thank you for the opportunity to appear before you regarding SB 367. Let me make it very clear at the outset, we are not opposed to the Heritage Trust Fund or the work it does. We are opposed to the method in which it is funded. The Heritage Trust Fund is funded by a tax on a very specific group of people. Those that borrow money to purchase real property. The people paying this tax probably know nothing of the Heritage Trust Fund nor derive any direct benefit from it.

The mortgage registration tax is particularly objectionable because one of the banking industry's biggest competitors, the Farm Credit System, is exempt from this tax because of its federal government status. Therefore, anytime the mortgage registration tax is increased it increases the competitive disadvantage for the banking industry.

If the Heritage Trust Fund is considered a valuable service to the State of Kansas we would respectfully request that the Legislature consider funding it in a open manner and place the funding in the General Fund and discontinue the current funding method that singles out one specific group of Kansans.

Thank you for your time. We respectfully request you vote NO on SB 367.

### TESTIMONY SB 367

by Tom Groneman Kansas Register of Deeds Association February 25, 1997

I am Tom Groneman, Register of Deeds for Wyandotte County and a member of the Kansas Register of Deeds Association legislative committee. Thank you for allowing me to appear today on SB 367. I am neither a proponent or opponent of the bill. However, I would like to add some information for your consideration in regards to the bill. Recently the Supreme Court, on a 4 - 3 vote, made a ruling which could have a major effect on mortgage registration fees collected by the various counties. It is too early to ascertain the fiscal implications of this Supreme Court ruling. However, in light of this decision, the Kansas Association of Counties and the Register of Deeds Association are planning to do an indepth study of the mortgage registration fee and the need for, if any, a replacement fee for revenue lost. We plan to convene a study group shortly after the legislature adjourns and conclude the study by the 1998 legislative session with specific recommendations for legislation if needed. We would ask that this bill be held over until next session and that this issue be included within the study.

I would be glad to try and answer any questions you might have.



KANSAS

STATE

HISTORICAL

SOCIETY

Cultural Resources Historic Preservation Office (ext. 240)

6425 S.W. 6th Avenue
Topeka, Kansas
66615-1099
PHONE#(913)272-8681
FAX#(913)272-8682
TTY#(913)272-8683

#### KANSAS HISTORY CENTER

Administration
Center for Historical Research
Cultural Resources
Education / Outreach
Historic Sites
Kansas Museum of History
Library & Archives

#### HISTORIC SITES

Adair Cabin
Constitution Hall
Cottonwood Ranch
First Territorial Capitol
Fort Hays
Goodnow House
Grinter Place
Hollenberg Station
Kaw Mission
Marais des Cygnes Massacre
Mine Creek Battlefield
Native American Heritage Museum
Pawnee Indian Village
Pawnee Rock
Shawnee Mission

#### **MEMORANDUM**

TO:

Sen. Lana Oleen, Chairman Federal and State Affairs Committee

FROM:

Courtney B. Swann, Kansas State Historical Society

REF:

SB367

DATE:

February 25, 1997

#### Background

The Heritage Trust Fund was created by the 1990 State Legislature to provide assistance to individuals and organizations responsible for the preservation of historic properties in Kansas. This fund is the only state financial incentive program for historic preservation. The result has been a greater awareness of our cultural heritage and greater interest in its preservation.

The purpose of this grant program is to assist in the preservation of significant historic properties. Approximately \$500,000 per year is available for grant awards. To be eligible for the funds properties must be listed on the Register of Historic Kansas Places or the National Register of Historic Places and can not be owned by the state or federal government. A property that is part of a National or State Registered district must be identified as a "contributing property" within the district to be eligible for grant funds.

Eligible project activities include professional services to plan the preservation project, temporary stabilization, rehabilitation, and restoration. For-profit corporations must provide a dollar-for-dollar match and other grant recipients provide 20 percent of the cost of eligible project activities. In-kind services and indirect costs are not accepted as a matching share. Most grant awards fall between \$5,000 and \$75,000.

The law that created the fund specifies eleven factors that shall be used to evaluate applications: the level of historical significance of the property, the condition of the property, the urgency of the preservation work proposed, whether or not the property is endangered, the type of work proposed, a geographical distribution of assisted properties, the administrative ability of the applicant, the potential benefit of the proposed project to the community and the state, community support for the project, ineligibility of the project for other funds, and an assessment of the need of the owner for the grant assistance to do the project. For profit corporations may receive funds only if a property's continued existence is threatened or its rehabilitation is not economically feasible without grant assistance.

The law also requires that at least fifty percent of the amount awarded each year in grants must be used for the preservation of eligible properties owned by county and local governments, county and local historical societies, and private non-profit organizations. The rest of the grants can be awarded to homeowners, businessmen, farmers, ranchers, and any others who own eligible historic properties.

As provided by the law, the Historical Society requires that the transfer of these grant funds is contingent upon an agreement whereby those who benefit directly from these grants agree to maintain the property for a time, minimally five years, and thus ensure that all the people of Kansas receive benefit from the preservation of these properties.

Sen. Lana Oleen SB367 Testimony February 25, 1997 page two

#### Background cont.

Due to the competitive nature of this program, the quantity of applications and funds requested typically exceeds the amount of funds available. As an example, in 1996 fifty two (52) applications were received, requesting approximately \$ 2.4 million dollars. Available funds (\$ 635,600) allowed funding for thirteen (13) projects.

#### **Current Status**

Each year the Heritage Trust Fund staff hold workshops around the state for potential applicants. This past year the workshops were held in Concordia, Fort Scott, Garden City, McPherson, and Topeka.

Since the inception of the Heritage Trust Fund program, sixty three (63) grants have been awarded, between 1991 and 1996, with over \$2.8 million in funds utilized for the preservation of historic properties in Kansas. The funded projects are located around the state. Please see the attached map for locations of projects. To date forty (40) projects have been completed. It is anticipated that at least thirteen (13) of the remaining projects will be completed during the summer of 1997.

The Heritage Trust Fund was set up to be self-supporting. All operating expenses are drawn from the fund and no state general fund monies are utilized for this program. Grants are awarded annually, based upon funds available. This program has not practiced deficit financing by awarding funds based upon estimated income. Once the grants are awarded the funds for each project are encumbered. The funds are dispensed to the project administrators incrementally or upon completion of the project, as determined by the grant recipient. It is anticipated that approximately \$ 500,000 in grants will be awarded for project applications submitted by the upcoming February 28th deadline.

The Heritage Trust Fund program has continued to evolve to meet the needs of the public. To provide a faster initiation of construction projects the application deadline is being modified to late summer or early fall. The change in application deadlines will allow planning activities to occur during the winter when construction activities are less. Consequently, two rounds of grants will be awarded during the 1997 calendar year as we convert to the new schedule.

The Heritage Trust Fund is providing an opportunity for the historic properties of Kansas to be preserved for future generations. Many of the project representatives have continued to contact Historical Society staff, after the completion of their projects for additional technical assistance. Through the projects funded by this program, an informed network of individuals and organizations is forming to preserve the cultural resources of Kansas.

#### Fiscal Impact SB367

Should SB367 be passed it is our estimation that funds forwarded to the Heritage Trust Fund would increase by approximately \$400,000. The increase would be collected by all counties. The increase in funds would be forwarded to the Heritage Trust Fund by all counties except Johnson and Sedgwick, since they are currently contributing up to the existing cap of \$100,000 per county. The additional funds would allow for funding of eight to ten additional projects. The additional projects would necessitate a part-time clerical position estimated at \$10,000 to be paid from the Heritage Trust Fund.

Heritage Trust Fund Awards IMETERNE WASHINGTON HANLINS PHILLIPS THOMAS GRAHAM OSBORNE ROOKS LOGAN RUSSELL TRANKLIK | WILLI GELLLEY WICHITA SCOTT BARTON RICE ANDERSON LINN PAWNEE MANILTON KEARNY STAFFORD MOODSON ALLEN EDWARDS PRATT STANTON GRANT COWLEY WONTEON. WELTTE HORTON STEVENS CHEROKEL SEWARD CHAUTAUQUA

> 3 CALC - STATUTE WILES 0 10 20 30 LO 50





700 S. Kansas Ave., Suite 512 Topeka, Kansas 66603 (913) 232-8215

To: Senate Committee on Federal and State Affairs

From: Matthew Goddard

Heartland Community Bankers Association

Date: February 25, 1997

Re: Senate Bill 367

The Heartland Community Bankers Association appreciates the opportunity to appear before the Senate Committee on Federal and State Affairs in regards to SB 367.

HCBA does not have a position on SB 367. However, we would like to share with the committee the role mortgage registration fees play in our industry. Under current law, .26 percent of the principal debt of a mortgage is payable to the register of deeds in the county where the property is located. For a \$50,000 mortgage loan, the registration fee would be \$130. One cent of every \$.26 is credited to the Heritage Trust Fund. The financial institution pays the mortgage registration fee and that cost is directly passed on to the borrower. The fee is in essence a tax, a sentiment echoed by the courts.

Senate Bill 367 would increase the mortgage registration fee to .27 percent of the principal debt of a mortgage. For that same \$50,000 loan, the fee would then be \$135 and \$.02 of every \$.27 would be credited to the Heritage Trust Fund. Again, the fee would be passed on to the borrower by the financial institution.

While an additional \$5 may not be significant when getting a \$50,000 loan, the end effect is that the price of home ownership has become more expensive because of a tax increase. We would hope the committee would consider this when deliberating on SB 367.

Thank you.

Sen. Federal & State Affairs Comm.

Date: 2-25-97 Attachment: # 14 February 21, 1997

Lana O'Leen Room 136-N State Capitol Topeka, KS 66612

RE: Senate Bill 367, Amendment to Heritage Trust Fund

I am writing this letter as the president who is representing the Lawrence Preservation Alliance, which supports Senate Bill 367. This bill concerns a possible one-cent increase on mortgage registration fees.

Currently the Heritage Trust Fund grant money exceeds the demand by as much as a 6:1 ratio. Even by raising this mortgage registration fee by only one cent, that fee amounts to about \$16 on an eighty thousand dollar house.

I own a 140-year-old building. It's not on the National Historic Register, but I know how much my own efforts at preservation costs.

And two cents. What a small price to pay for preserving our past for the future.

It pays to pay for preservation matters because ... preservation matters.

Carol Francis, President

Lawrence Preservation Alliance

(7291/2 Massachusetts Street, Lawrence, KS 66044; 913/842-1139)

P O Box 1073

Lawrence, KS 66044

cc: Sen. Sandy Praeger

Date: 2-25-97 Attachment: #15 Jan House 1881 212 N, Walnut Peabody

## Peabody Historical Society

Peabody, Kansas 66866

Feb. 20, 1997

Hist Museum 1874 106 E.

!06 E. Division

Peabody A

Ms. Lana Oleen, Chairman Federal and State Affairs Committee State Capitol Topeka, KS 66612

Dear Ms. Oleen:

It is lambing time here on the farm or I would appear in person to testify to the worth of the Kansas Heritage Trust Fund and to urge you to increase the funding by the passage of Senate Bill 367.

Our little town of 1410 people received considerable inpact from the Heritage Trust Fund several years ago as we received about \$66,000.00 which enabled us to rescue the old 1881 home of Peabody's first newspaper editor. The old house was scheduled for demolition which would have left a sizable hole on our main street and destroyed a part of our history. We could never have raised enough money to complete the project without the fund. Now the property looks great, is Tisted on both the State and National Historic Registers and is a tourist attraction in our community. The merchants love it when we have visitors come to town as they usually spend MONEY!

The Historical Society is currently working toward designation of our entire downtown (all two blocks of it) as an Historic District. The research is complete and we are assembling the information in the necessary format. It is my understanding that such a listing would make the owners of properties in the downtown eligible for Heritage Trust funding and 3 of the buildings badly need work. Increasing the funds available would help all Kansas properties in need of help.

I urge you to vote for Senate Bill 367. Thank you.

We would welcome your visit to our community.

Sincerely

Marilyn Jones, President
RR 2 Box 182
Peabody, KS 66866

My phone is 316-983-2815 although I am difficult to reach.

Sen. Federal & State Affairs Comm. Date: 2-25-97