

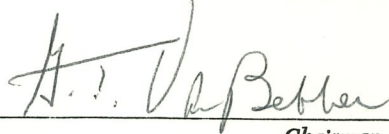
MINUTES OF THE House COMMITTEE ON Federal and State Affairs

Held in Room 519, at the Statehouse at 2:30 ~~am~~/p. m., on March 18, 1975.

All members were present ~~except~~

The next meeting of the Committee will be held at 2:45 ~~am~~/p. m., on March 19, 1975.

These minutes of the meeting held on March 12 and 13, 1975 were considered, ~~corrected~~ and approved.



Chairman

The conferees appearing before the Committee were:

The Federal and State Affairs Committee met jointly with the Assesment and Taxation Committee to discuss HB 2604. The meeting was called to order by Representative Van Bebber, who explained that the bill is a recommendation by the Governor; that it is an Assessment and Taxation matter but that the bill had been introduced by the Federal and State Affairs Committee after the deadline for other committees had passed. He stated that he and Representative Stark had discussed the matter and determined that the Assessment and Taxation Committee would render an advisory opinion on the bill and that Federal and State Affairs could then act.

Mr. VanBebber explained that the bill provides that where the leby limits within the tax lid are insufficient for a local unit of government to carry out a mandate which is required by state or federal law, the governing body can make application to the Board of Tax Appeals for authority to levy taxes outside the tax lid to fund the requirements.

Representative Graber stated that under this bill he sees no reason to go to the Board of Tax Appeals; that this is almost a mandate to the Board. Representative Morris expressed the opinion that it looks like a way to circumvent the lid; that it looks as if they could spend their money for other things and then go before the Board. Rep. Crowell stated he has similar sentiments; that it justifies practices which he believes are questionable; that it allows an increase in property tax; that it justifies the practice of not providing funds for mandated programs.

Representative Braden stated that he sees it that the only thing outside the aggregate tax levy would be a newly mandated program; that he sees the bill as allowing the increase outside the lid, but not the entire program outside. Representative Stark stated that is the way he understands it also. Representative Braden stated that he believes anytime the state mandates a program, they should fund it.

Representative Bob Whittaker stated that municipalities and townships are having difficulties too; that many times the responsibility for increased costs does not result from the Legislature but rather from administrative Rules and Regulations, such as from the Fire Marshall; that this makes it very difficult to hold the line. Rep. David Miller stated it would be simpler to repeal the tax lid.

Rep. Bob Frey inquired if it wouldn't be possible to compromise and allow the Board to authorize a limit for a specific period which would give the legislature an opportunity to react for alternative methods of financing.

Rep. Hohman stated they had heard testimony that units are having to meet mandates but that their property tax is about at the limit. Rep. VanBebber pointed out this is a policy question in the local units.

Mr. Arden Ensley of the Revisor's office explained that this bill is to provide an outlet for those programs which are required. He stated that the rationale is if there is an option insofar as home rule, it is up to them to decide which program is the most important.

Mr. Roy Johnson of the Research Department, explained that the same sort of thing has been done piece-meal in the past, and mentioned Workemen's Compensation for example. He mentioned that there were a dozen or so exemptions last session in similar categories.

Rep. Garrett stated he feels this places the Board of Tax Appeals in an untenable situation; that he feels the local units can easily convince the Board, especially when they will have so many appeals they won't have time to look at each situation adequately.

Rep. Crowell stated that he believed the tax lid serves the function of forcing the local units to establish priorities; that it is really interesting to look at the things which can be placed outside the tax lid; that if we are not going to live with it, it should be done away with. He stated he sees little reason to establish priorities if there are going to be mandates all the time.

Rep. Van Bebber agreed that the tax lid was designed to cause local units to establish priorities, but when the state mandates something, it is taking something away from the local units; that he thinks this bill takes the problem into consideration.

Rep. Powell expressed the opinion that this may be a good bill; that if mandates are given, it gives the Board of Tax Appeals a chance to look at it also. Rep. Garrett stated that consideration is being given to other methods of financing, such as revenue sharing; that he doesn't feel the local units are completely forgotten.

Rep. Feleciano stated that on page 2, line 5, he didn't feel that it referred to just mandated programs. Rep. VanBebber stated he believes "in addition thereto" implies cumulative effect, but that this may be a point. Mr. Feleciano pointed out that it mentions "or enhancing existing programs". Rep. Hayes stated it covers five situations as he understands it: business as usual; new programs, expansion of existing programs, mandates by court order, and mandates from the state and federal government. Mr. Feleciano stated he thinks this is very broad.

Mr. Bill Gough (Kansas Association of Commerce and Industry) stated he sees nothing different in this; that this option has been in the Tax Appeals for years; that the only thing he sees new is the emergency factor.

The Chairman asked the Revisor's staff if they had a bill which was being prepared at the request of Mr. Graber concerning a problem in some areas with party line telephone set-ups. It was not available at this time. Rep. Morris stated he is one of the sponsors of the bill; that there are some places where there are as many as 20 customers on a party line and the company refuses to do anything about it; that he feels they should lose the franchise if they refuse to act.

Rep. Buzzi asked to pass over his HB 2499. The Chairman stated that Mr. Glover's HB 2404 had been taken care of by the passage of Mr. Hoagland's bill which was broader in coverage; that the bill was amended in the Senate, with House concurrence, and the bill has gone to the Governor. It was moved by Mr. Cooper and seconded by Mr. J. Slattery that HB 2404 be reported adversely. Motion carried without dissent.

It was moved by Mr. Ward and seconded by Mr. Anderson that the minutes for March 12 be approved. Motion carried. It was moved by Mr. Hayes and seconded by Mr. Anderson that minutes for March 13 be approved. Motion carried.

The meeting was adjourned.