

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Paul "Bud" Burke at
Chairperson

11:00 a.m./p.m. on February 10, 1983 in room 526-S of the Capitol.

All members were present except: Senator Angell (Excused)

Committee staff present:
Wayne Morris, Research Dept.
Tom Severn, Research Dept.
Don Hayward, Revisor's Office

Conferees appearing before the committee:

Sylvia Hougland, Dept. of Aging
Leonore Rowe, Chairperson of Advisory Council to Dept. of Aging

The chairman recognized Senator Ehrlich, sponsor of SB 118, to explain to the committee this bill which was introduced to allow cities and counties to increase the tax levy for all service programs for the elderly. This bill authorizes cities and counties to levy up to 1.5 mills for these programs upon voter approval. The present authorization limit is 1.0 mill.

Appearing in support of SB 118:

Sylvia Hougland, Dept. of Aging, strongly supports this bill as a proponent for local units of government to better service the needs of Kansas' older community. She said the Kansas population is getting older. Between 1970 and 1980, the 75+ population in Kansas grew 46.7% with a 40% growth value for those 85+. These groups are most likely to require services to assist them in carrying out the activities of daily living, avoiding inappropriate institutionalization. Cities and counties are faced with the reduction of federal support for elderly service programs, and need to have increased latitude, based on voter approval, to generate additional aging service funds, especially those counties that are near or at their levy limit. (Attachment #1) She distributed a chart showing the assessed valuation, the mill levy for aging services, and the amount of money generated for a number of counties. (Attachment #2)

Ms. Hougland told the committee that Fred Allen, Kansas Association of Counties, wished to convey to the committee that KAC has no opposition to this bill and they do support local options.

Leonore Rowe, Chairperson of the Advisory Council to the Dept. of Aging, spoke in support of this legislation. She said she was concerned that the property tax levy may need to be increased. This provides for local options and since county commissioners are conservative she feels expenditures will not be made unless absolutely necessary. Even so, she said, there would still have to be a vote of the people.

The chairman adjourned the meeting at 11:35 a.m. The committee will meet again at 11:00 a.m. on February 11.

ASSESSMENT AND TAXATION

OBSERVERS
(PLEASE PRINT)

DATE	NAME	ADDRESS	REPRESENTING
Feb. 10	Dawn Adams	Topeka, KS	NAAEP
Feb 10	Dawn Adams	"	"
	Theodis A Lockhart	Leavenworth, K3	NAAEP
	John Galt	Topeka	F/T/S
	Cindy Amundson	Lawrence	aide to Sen Angell
	Chris Walker	Mayetta	NFO
	John Mendoza	Topeka	Ks Adv. Comm. - Mex. Amer Aff
	Jan Johnson	Topeka	Budget Division
	Leandre Rowe	Emporia	ADVISORY COUNCIL KDOA
	Sylvia Hougland		KDOA
	Ronald Musser	Topeka	State Fed Retired Fed Natl Ass Fed Fed EMPLOYEES
	Susan Drum	Topeka	EMPLOYEES
	Phil Martin	"	PUD

SB-118 TESTIMONY
KANSAS DEPARTMENT ON AGING

Bill Brief:

SB-118 authorizes cities and counties to levy up to 1.500 mill for elderly service programs. The present authorization limits is 1.000 mill for all cities and counties, with counties having population of more than 15,500 and less than 16,000 be allowed to levy up to 1.500 mill.

Bill Provision:

The bill provides for the following:

1. Raises allowable maximum aging mill levy from 1.000 to 1.500 mills upon voter approval.
2. Requires petition of 5% of registered voters for the election of the tax.
3. Annual county tax rate determined by the Board of County Commissioners or the governing body of any city.
4. Insures existing aging mill authority, if the increase is rejected, is retained.

SB-118 amends K.S.A. 12-1680 by:

1. Eliminates the provision of 1.500 mill levy for those counties having a population of more than 15,500 and less than 16,000; and
2. Establishes the tax levy of not more than 1.5 mill for all cities and counties, upon voter approval.

Testimony:

The Kansas Department on Aging strongly supports SB-118, "Elderly Service Mill Increase", as a proponent for local units of government to better service the needs of Kansas' older community. K.S.A. 12-1680 et seq., presently allows cities and counties to levy, upon voter approval, a tax levy up to 1.000 mill for elderly services. Local elected officials establish the rate. For those counties with population of more than 15,500 and less than 16,000, a tax levy up to 1.500 mill may be established. Of the 105 Kansas counties, 60 have such a property tax levy, for the creation or continuation of a service program for the elderly. The levies range from .210 in Ellsworth County to 1.000 in 13 counties. (See attachment.)

Of these sixty counties, who have voter approval to levy for such elderly services, twenty-one are levying at the rate of .800 or above to the maximum limit of 1.000 mill, reaching the maximum amount that can be authorized. With the present authorization limit at 1.000 mill, those cities and counties who do wish to raise additional funds for elderly services, are restricted due to the present statute limitation. Additionally, according to the 1980 Census, only two Kansas counties, would fall into the population provision, of 15,500 to 16,000 and be allowed to levy up to 1.500 mill.

The Kansas Department on Aging has no jurisdiction or authority over the distribution or enactment of tax levy funds. These funds are generated from the tax levy, as approved, by the registered voters, on taxable, tangible property in the city or county for either local municipalities or non-profit organizations to provide elderly service programs. The County Commissions or governing body of a city may levy, a specified rate, not to exceed the mill authority as approved upon by the voters. KDOA being an advocate for elderly persons, encourages local units of government to maximize its service benefits through local control. The Aging mill levy is one way to achieve it.

The services provided from the allocation of these funds incorporates a wide spectrum of aging service programs. Funds are locally appropriated for the program operation and maintenance of local senior centers, city and county transportation systems, and for non-federal matches for various federal grant programs. Counties who have such tax authority have the opportunity to provide direct program services to the elderly and respond to the local needs of such persons in carrying out the activities of daily living, enabling many Older Kansans to remain in their homes.

Local units of government and various non-profit organizations will be experiencing federal support cutbacks in numerous social service program areas. The 1984 Federal Budget proposes to reduce the federal budgets to ACTION volunteer programs, Social Service Block Grants, and proposes the elimination of Community Service Program funds, all effecting local program dollars, available to agencies in maintaining its elderly service programs. Additionally, other Social Service and Community Grants are being categorized together under fewer grant programs, making the supporting options for elderly programs difficult to ascertain.

The Kansas Department of Transportation has further speculated that local transportation programs, supported through the Section 18 and Section 16 B-2 programs will undergo major fiscal revisions. Local units of government can anticipate an increase in the amount of required, non-federal match, for purchase and operation of the vehicles, in the Section 16 B-2 program, from 20% to 25%, under the recently enacted Federal Highway Administration regulations.

Even in this era of nationwide fiscal disparity and resource uncertainty, Kansas voters have still recognized the need for additional program support for local elderly services. In November 1982, four new counties passed referendums for aging services with tax authority up to 1.000 mill. This again emphasizes the public support and awareness of the need for elderly services at the local level. This mill levy authority allows cities and counties more flexibility in responding to the needs of the elderly.

Local service providers in Kansas have a significant number of older persons to serve. According to the 1980 census, Kansas has the eighth highest proportion of elderly, persons 60 years and over, residents among the states. Of the total population 2,363,679 persons, 412,296 or 17.4% are age 60+, compared to 15.7% nationally. Of the 105 counties, 71 or 67.2% have 20.0% or more of its population being 60 years or more in age.

The Kansas population is also getting older. Between 1970 and 1980, the 75+ population in Kansas grew 46.7%, with a 40% growth value for those 85+. This high growth is significant, in that these groups, are most likely to require services to assist them in carrying out the activities of daily living, avoiding inappropriate institutionalization.

Aging service mill levies are expected to generate over \$3.56 million in FY 83-84 in Kansas. The fact remains that as cities and counties are faced with the reduction of federal support for elderly service programs, they need to have the increased latitude, based on voter approval, to generate additional aging service funds, especially for those counties who are near or presently at their levy limit. With the anticipation of reduced federal funds and a growing elderly population, there needs to be some provision in our system, for these governmental entities, at their choice, to effectively service the needs of Older Kansans.

KANSAS DEPARTMENT ON AGING
KANSAS COUNTIES WITH MILL LEVY FOR AGING SERVICES
FEBRUARY 1983

<u>COUNTY</u>	<u>ASSESSED VALUATION</u>	<u>MILL LEVY</u>	<u>AMOUNT GENERATED</u>
Allen	\$ 56,685,477	.500	\$ 28,342
Atchison	49,915,510	1.000	49,915
Bourbon	50,143,320	1.000	50,143
Brown	50,656,853	.880	44,578
Butler	207,039,253	.579	119,875
Chase	29,090,253	.490	14,254
Chautauqua	28,743,194	1.000	28,743
Cherokee	60,426,486	.330	19,940
Clay	43,949,094	.800	34,795
Cloud	54,983,868	1.000	54,983
Cowley	154,229,066	.710	109,502
Crawford	81,628,064	1.000	81,628
Dickinson	77,476,772	.660	51,134
Doniphan	32,008,765	1.000	32,008
Douglas	195,807,240	.927	181,513
Elk	24,509,038	1.000	24,509
Ellsworth	69,320,643	.210	14,557
Finney	261,960,670	.690	180,752
Franklin	67,927,381	.470	31,925
Geary	58,238,489	.500	29,119
Greeley	50,387,036	.501	20,233
Greenwood	53,597,914	.750	40,198
Hamilton	42,605,259	.330	14,059
Harper	72,506,259	.850	61,630
Harvey	120,927,215	.360	43,533

Atch. 2

<u>COUNTY</u>	<u>ASSESSED VALUATION</u>	<u>MILL LEVY</u>	<u>AMOUNT GENERATED</u>
Hodgeman	\$ 41,737,911	.370	\$ 15,443
Jackson	33,210,837	.870	28,893
Jefferson	43,248,158	.500	21,629
Kearny	160,099,947	.250	40,024
Kingman	102,071,211	1.000 (1)	n/a
Leavenworth	103,842,025	.497	51,690
Marion	67,358,405	.590	39,741
Marshall	57,452,010	.600	34,471
McPherson	170,020,702	.910	154,718
Miami	73,949,443	.700	51,764
Mitchell	41,238,748	.500	20,619
Montgomery	129,334,528	.486	62,856
Morris	36,052,890	.500	18,026
Morton	122,451,612	.420	51,429
Neosho	66,906,841	.500	33,453
Ness	78,100,021	1.000 (1)	n/a
Norton	33,385,817	.500	16,692
Osage	50,415,117	.910	45,877
Ottawa	40,843,106	.870	35,533
Rawlins	36,696,512	.250	9,174
Reno	245,061,228	1.000	245,061
Rice	105,637,199	.570	60,213
Riley	114,642,939	1.000	114,542
Saline	162,765,530	.807	131,351
Shawnee	437,096,467	.650	284,112
Sedgwick	1,297,592,690	1.000 (1)	n/a
Sherman	46,219,471	1.000 (1)	n/a
Sumner	111,887,374	.690	77,202

<u>COUNTY</u>	<u>ASSESSED VALUATION</u>	<u>MILL LEVY</u>	<u>AMOUNT GENERATED</u>
Thomas	\$ 61,315,057	.790	\$ 42,920
Waubunsee	32,894,188	.920	30,262
Wallace	24,078,296	.750	18,058
Wichita	36,467,997	.480	17,504
Wilson	47,379,268	.500	23,689
Woodson	37,193,302	.900	33,473
Wyandotte	382,143,758	1.000	382,143

Explanations:

- (1) Mill levy authorization passed in November, 1982. Annual tax levy has yet to be set by the County Commission.
- (2) Mill levy authorization passed in November, 1982. Will not become effective until April, 1984. Annual tax levy has yet to be set by the County Commission.