

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by CHAIRMAN PAUL "BUD" BURKE at
Chairperson

11:00 a.m./~~p.m.~~ on MARCH 25, 1983 in room 526-S of the Capitol.

All members were present ~~except~~

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

Conferees appearing before the committee:

Al Alderson, Dept. of Revenue
Ron Gaches, KACI
Bill Rowland, local businessman
Ernie Mosher, League of Kansas Municipalities
Viola Dodge, United Farm Wives
Representative Jessie Branson
Senator Wint Winter
Mitch Cooper, Topeka Resource Center for Handicapped
David Lykens, Whole Person, Kansas City
Anita Siler, Independents, Inc.
Richard Charlton, Kansas Rehabilitation Association
Howard Moses, private citizen
Sharon Cook, Kansas Commission for the Hearing Impaired
Michael Byington, Kansas Ass'n of the Blind and Visually Impaired
Sharraine Rice, Kansas Council of Disabled Persons
Bill Reyer, Disabled American Veterans, Chapter III

The committee held a hearing on HB 2154 which authorizes cities and counties to impose a sales tax upon services rendered outside the boundaries of the taxing jurisdiction by retailers having a place of business located within such taxing jurisdiction.

Al Alderson, Dept. of Revenue, testified that the intent of this bill is to reverse the recent decision of the Kansas Supreme Court which held that sales taxes on services were to be determined by the place where the service was delivered.

The following appeared in support of HB 2154:

Ron Gaches, KACI, distributed copies of the sales tax form which retailers are required to complete. (Attachment #1) He stated they could have sent an endless stream of retailers to speak in support of this bill. He said many states do not want a local or state sales tax on services, but Kansas has elected to do this. The problems caused by the complexity of this form are substantial. Retailers serving a multiple area are required to report separately and distinguish between sales tax on labor services and sales tax on parts. Charges have to be itemized for each local taxing jurisdiction, but broken down, and a different local sales tax applies on services than what applies on service parts. Many have said they will not comply and KACI doesn't endorse that, but they do support and endorse HB 2154.

Bill Rowland, a local businessman, urged support of this bill. He said he is a small businessman forced to become a tax collector and the problems are enormous as he works in 31 cities and had to fill out one report and divide in categories. He said small businessmen cannot afford to buy a computer and an operator to run it. He said it would cost more to add a person just to collect taxes and to administer them, and would be a nightmare to try and take care of this.

Ernie Mosher, League of Kansas Municipalities, said he is asking for administrative simplicity in supporting this bill. In response to a question as to whether he would support a 1¢ statewide sales tax and then do away with this whole problem, he responded then you would need to talk about distribution.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION,

room 526-S, Statehouse, at 11:00 a.m./p.m. on MARCH 25, 1983.

Viola Dodge, UFW and also CFO, spoke in opposition to HB 2154 because of the adverse effects it would have on rural areas outside the taxing benefit districts. She said there is no way to make this tax equitable over the state and questioned whether it would be constitutional for one taxing district to benefit from the imposing of taxes on another.

(Attachment #2)

The committee held a hearing on HB 2207 which allows the board of county commissioners of any county to levy up to 1/2 mill for the purpose of assisting in the provision and/or the coordination of services for persons with physically handicapping conditions.

Representative Jessie Branson, the main sponsor of the bill, told the committee the bill was initiated because of the loss of federal funds and an attempt to assume some means of support. She said the bill was originally requested by the Centers for Independent Living. (Attachment #3)

Appearing in support of HB 2207 were the following:

Mitch Cooper, Topeka Resource Center for the Handicapped (Attachment #4)

Senator Wint Winter appeared to urge the committee to enact this bill which will give more help to the counties, particularly Douglas county, where an independent living center is located.

David Lykens, an independent living specialist and resident of Johnson and Wyandotte Counties, stated these services are to assist physically displaced people with an independent living life style. (Attachment #5)

Anita Siler, Independents, Inc., Lawrence, said they were the pilot project for independent living centers in Kansas and now serve about 150 persons. This bill will help them to live as independently as possible. If their center were to close its doors today, at least 69 persons in Douglas County would have to return to institutional settings, at tremendous cost to the taxpayer. (Attachment #6)

Howard Moses, District Aide to Congressman Jim Slattery, assisted in developing independent living services in the state and stated the centers have provided non-medical, community-based services necessary for full independence of severely disabled individuals. (Attachment #7)

Sharon Cook, Kansas Commission for the Hearing Impaired, urged that the funding generated by this tax be used to provide accessibility to services of existing agencies. (Attachment #8)

Michael Byington, Kansas Association for the Blind and Visually Impaired, stated this bill simply gives the local governments the right to tax and thereby spend money to assist the physically handicapped if it is the desire of local citizens for this to occur. He said the state can no longer afford to waste human potential by allowing a large segment of its physically handicapped to be custodially warehoused at great expense. (Attachment #9)

Sharraine Rice, Kansas Council of Disabled Persons, spoke in support of this bill because of the severe budget cuts made in the federal budget which has affected the Centers for Independent Living in Kansas. She said this would make it possible for more disabled citizens to partake in the mainstream of activities in our state. (Attachment #10)

Bill Reyer, Disabled American Veterans, said for many persons the services offered by the organizations that provide help for disabled individuals are necessary for survival and for others, these services mean a more independent life. (Attachment #11)

Richard Charlton, Kansas Rehabilitation Association, said that in the past the only recourse for the severely disabled has been to live in an institution or nursing home. The cost of keeping the severely disabled as an independent person in the community is more cost effective. (Attachment #12)

The chairman adjourned the meeting at 12 noon.

11 am

ASSESSMENT AND TAXATION

OBSERVERS
(PLEASE PRINT)

DATE	NAME	ADDRESS	REPRESENTING
MARCH 25	Hector Dodge	Olsburg Kans	United Farm Bureau
	Bobby Crenshaw	Topeka	Comm of Co. Farm Bureau
	Billie Ann	Topeka	League of Women Voters
	Robert West	Topeka	Nat'l Elec. Contr. Assn.
	DAN MORGAN	Topeka	AGC of KS.
	Ron Gaches	TOPEKA	KACI
	Bill Rowland	Topeka	Individual
	MARK AUSAU	Overland Park	CITY OF O.P
	Lillian M. Jackson	1352 Jensen	Lawrence
	Richard D. Charlton	207 W. Main, KS	KRA-KPG-ADAPT
	Sandy Beighton	Lawrence, KS	Self
	Lued N. Niedzwiedzki	Lawrence KS	Self
	Jane Nichol	Lawrence KS	Independence, Inc
	Janet Stubbs	Topeka	NBAK
	Sheri L. Clinty	Topeka	Dept. of Admin
	Howard Moses	Topeka	
	Robin O'Dell	Topeka	Rehab. Programs
	JERRY VOJEL	Lawrence KS	Independence, Inc
	Bill REYER	553 4th St Ferris Carbondale	DAV
	MIKE LEHNERT	1430 S. TOPEKA	KALEH
	Tom Whitaker	Topeka	KS Motor Carriers Assn
	David B. Hall	Topeka	Legislative Intern

SCHEDULE B—LOCAL SALES TAX DUE FROM SALES MADE IN VARIOUS CITY TAXING JURISDICTIONS

CITY LOCAL TAXING JURISDICTIONS	1	2	3	4	5	6
	LOCAL CODE	GROSS SALES PLUS MERCH. CONSUMED BY YOU	DEDUCTIONS	NET SALES (COL. 2 LESS COL. 3)	TAX RATE	TAX DUE (COL. 4 × COL. 5)
Arkansas City	8	T-108			1/2%	
Arma	4	T-161			1/2%	
Atchison	15	T-109			1/2%	
Baldwin	16	T-136			1/2%	
Basehor	7	T-158			1/2%	
*Baxter Springs	10	T-150			1/2%	
*Bonner Springs	1	T-143			1/2%	
Caldwell	12	T-122			1%	
Caney	5	T-123			1%	
*Chanute	22	T-117			1/2%	
Cherryvale	5	T-133			1%	
*Clay Center	41	T-124			1/2%	
Coffeyville	5	T-125			1/2%	
*Columbus	10	T-151			1/2%	
Concordia	36	T-142			1%	
*DeSoto	19	T-152			1/2%	
*Dodge City	35	T-148			1/2%	
*Edgerton	19	T-153			1/2%	
Elkhart	94	T-147			1/2%	
*Erie	22	T-162			1/2%	
Eudora	16	T-163			1/2%	
Frontenac	4	T-164			1/2%	
*Galena	10	T-050			1/2%	
*Garden City	71	T-177			1/2%	
*Gardner	19	T-165			1/2%	
Girard	4	T-166			1/2%	
Hays	38	T-167			1/2%	
Herington	18	T-119			1/2%	
*Hiawatha	25	T-126			1/2%	
*Horton	25	T-127			1/2%	
Hugoton	92	T-128			1/2%	
*Humboldt	24	T-149			1/2%	
Independence	5	T-134			1/2%	
*Iola	24	T-144			1/2%	
*Junction City	47	T-168			1%	
*Kansas City	1	T-129			1/2%	
Lansing	7	T-154			1/2%	
Lawrence	16	T-160			1/2%	
Leavenworth	7	T-051			1/2%	
*Leawood	19	T-111			1/2%	
*Lenexa	19	T-118			1/2%	
Louisburg	31	T-155			1/2%	
*Manhattan	30	T-300			1%	
Mayfield	12	T-169			1/2%	
*Merriam	19	T-116			1/2%	
*Mission	19	T-115			1/2%	
Neodesha	27	T-130			1%	
*Ogden	30	T-107			1%	
*Olathe	19	T-120			1/2%	
Onaga	39	T-170			1%	
Osawatomie	31	T-137			1/2%	
*Oskaloosa	46	T-171			1%	
Ottawa	21	T-114			1/2%	
*Overland Park	19	T-106			1/2%	
Paola	31	T-138			1/2%	
*Perry	46	T-139			1/2%	
Pittsburg	4	T-135			1/2%	
Pomona	21	T-140			1/2%	
*Prairie Village	19	T-110			1/2%	
*Roeland Park	19	T-159			1/2%	
St. Marys	39	T-172			1/2%	
*Sedan	63	T-146			1/2%	
*Shawnee	19	T-131			1/2%	
Splvey	57	T-112			1/2%	
*Spring Hill	19	T-156			1/2%	
*Sublette	101	T-173			1/2%	
Topeka	3	T-030			1%	
Toronto	72	T-174			1/2%	
WaKeeney	83	T-178			1%	
*Wakefield	41	T-132			1%	

*Also subject to county local tax.
City Listing Continued on Page 3

SCHEDULE B—LOCAL SALES TAX DUE FROM SALES MADE IN VARIOUS CITY TAXING JURISDICTIONS

CITY LOCAL TAXING JURISDICTIONS	1		2		3		4		5		6	
		LOCAL CODE	GROSS SALES PLUS MERCH. CONSUMED BY YOU		DEDUCTIONS		NET SALES (COL. 2 LESS COL. 3)		TAX RATE		TAX DUE (COL. 4 × COL. 5)	
Wamego	39	T-175								1/2%		
Wellington	12	T-113								1/2%		
Westmoreland	39	T-179								1/2%		
*Westwood	19	T-141								1/2%		
*Westwood Hills	19	T-121								1/2%		
*Williamsburg	21	T-157								1/2%		
Winfield	8	T-145								1/2%		
Yates Center	72	T-176								1/2%		
TOTALS TO BE ENTERED ON SALES TAX RETURN FORM STD 16					\$		\$					\$
			Enter on Lines 1 & 3 of City Tax Column on STD 16		Enter on Line 4 of City Tax Column on STD 16		Enter on Line 5 of City Tax Column on STD 16				Enter on Line 6 of City Tax Column on STD 16	

*Also subject to county local tax.

ENTER COMBINED TOTALS FOR SALES MADE FROM ALL LOCATIONS WITHIN EACH CITY.

SCHEDULE C—STATE SALES TAX DUE FROM SALES MADE IN VARIOUS COUNTIES

COUNTY	2		3		4		5	
		GROSS SALES PLUS MERCH. CONSUMED BY YOU	DEDUCTIONS		NET SALES (COL. 2 LESS COL. 3)		TAX DUE (COL. 4 × 3%)	
Allen	24							
Anderson	52							
Atchison	15							
Barber	67							
Barton	33							
Bourbon	17							
Brown	25							
Butler	9							
Chase	81							
Chautauqua	63							
Cherokee	10							
Cheyenne	82							
Clark	91							
Clay	41							
Cloud	36							
Coffey	44							
Comanche	90							
Cowley	8							
Crawford	4							
Decatur	74							
Dickinson	18							
Doniphan	45							
Douglas	16							
Edwards	79							
Elk	68							
Ellis	38							
Ellsworth	64							
Finney	71							
Ford	35							
Franklin	21							
Geary	47							
Gove	88							
Graham	76							
Grant	103							
Gray	89							
Greeley	105							
Greenwood	32							
Hamilton	100							
Harper	51							
Harvey	28							
Haskell	101							
Hodgeman	93							

SCHEDULE C—STATE SALES TAX DUE FROM SALES MADE IN VARIOUS COUNTIES

COUNTY	2	3	4	5
	GROSS SALES PLUS MERCH. CONSUMED BY YOU	DEDUCTIONS	NET SALES (COL. 2 LESS COL. 3)	TAX DUE (COL. 4 × 3%)
Jackson	42			
Jefferson	46			
Jewell	43			
Johnson	19			
Kearny	98			
Kingman	57			
Kiowa	85			
Labette	11			
Lane	97			
Leavenworth	7			
Lincoln	66			
Linn	49			
Logan	95			
Lyon	13			
Marion	23			
Marshall	20			
McPherson	26			
Meade	86			
Miami	31			
Mitchell	55			
Montgomery	5			
Morris	54			
Morton	94			
Nemaha	34			
Neosho	22			
Ness	75			
Norton	61			
Osage	29			
Osborne	56			
Ottawa	65			
Pawnee	69			
Phillips	58			
Pottawatomie	39			
Pratt	53			
Rawlins	77			
Reno	6			
Republic	40			
Rice	48			
Riley	30			
Rooks	70			
Rush	73			
Russell	60			
Saline	14			
Scott	96			
Sedgwick	2			
Seward	84			
Shawnee	3			
Sheridan	87			
Sherman	80			
Smith	50			
Stafford	59			
Stanton	104			
Stevens	92			
Sumner	12			
Thomas	78			
Trego	83			
Wabaunsee	62			
Wallace	99			
Washington	37			
Wichita	102			
Wilson	27			
Woodson	72			
Wyandotte	1			
TOTALS TO BE ENTERED ON SALES TAX RETURN FORM STD 16	\$	\$	\$	\$
	Enter on Line 1 & Line 3 of State Tax Column on STD 16	Enter on Line 4 of State Tax Column on STD 16	Enter on Line 5 of State Tax Column on STD 16	Enter on Line 6 of State Tax Column on STD 16

TOTALS TO BE ENTERED ON SALES TAX RETURN FORM STD 16

Chairman and Members of the Committee:

I am Viola Dodge, Olsburg, Kansas and I am here representing the United Farm wives of Kansas. I appreciate this opportunity to express to you our concerns of Hb 2154.

we oppose this bill because of the adverse effects it will have on those of us living in the rural areas outside these taxing benefit districts.

Because of the very nature of a business in agriculture we do require the services of businesses in cities and counties over a wide area of Kansas. It is not uncommon for us to drive 200 miles on a given day to a city to purchase parts, supplies or equipment and while there we do pay their city sales taxes. What this bill does is to allow that business to go out anywhere in the state and impose their sales taxes.

I want to illustrate how this bill would effect our business of farming.

we live in the rural area of Pottawatomie County 15 miles from the cities of westmoreland and Manhattan, Kansas both of which have a city sales tax levy. We have a township form of government and we support it through a property tax and by intangibles taxes. We do not have many of the services that cities have, paved roads, public lighting, we have a volunteer fire protection and only county police protection. Never the less we have never ask for a tax from people outside our township to help us pay for it, or to reduce our taxes.

when the local option sales tax bill was before this committee last year about a dozen mayors and city managers testified that the sales tax was needed to offset the loss of revenue from the intangibles tax exemption or to reduce their property tax. In opposing that bill I said that if you passed it we would have a hodge podge of sales tax rates over the state. That is exactly what we have today.

I can see the administrative problems that cities have but the problems will be even greater if this bill is passed.

Last summer we had a hay barn blow down in a wind storm and if we hire a carpenter from Manhattan to come out and put it back up, with this bill, we will be forced to pay a sales tax to that city as well as a county sales tax to another county. We would then be paying a tax that we were not allowed to vote for or against. We had no representation that could vote on the issue. And we do not live in the benefit district. This is exactly what the Boston Tea Party was all about. Now I know how the pilgrims felt. This is taxation without representation.

Recently we had our propane tank filled by our local co-op and we paid \$2.14 to the city of westmoreland in city sales taxes. Had we purchased it from the parent co-op in Manhattan, we would have paid them \$4.28 plus \$2.14 to Riley county in sales taxes. I have since received a letter from the Attorney Generals office that this sale was considered to have been consummated at the situs and should not have had a sales tax charge. Now, if you pass this bill will a sales tax be charged on heating fuels from these cities going into the rural areas?

On the same day, and from the same truck, our son-in-law purchased propane for his hog farrowing house and it was exempt from sales taxes. According to the opinion of the Dept of Revenue propane purchased for our dairy barn to keep the water pipes from freezing would not be exempt.

The Dept of Revenue also say that if we purchase baling twine or wire to bale hay for sell there would be no sales tax charge but if purchased for one's own

e 2 Viola Dodge

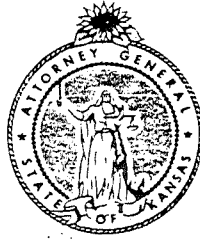
use it would not be exempt.

Business is a two way street and when we go into those cities which have a city sales tax we pay it because we are doing business with them. When a representative comes to our farm, our place of business, and they sit at my kitchen table they are doing business with me and our tax levy should apply.

The bottom line is that there are many many problems with the local option sales taxes. There is no bill that you can pass and no amendment that you can make that will make this tax equitable over the state. To pass HB 2154, which would allow businesses to tax without the boundaries of their taxing subdivision, is not the answer.

I question that it would be constitutional for one taxing district to benefit from the imposing of taxes on another.

The only way to make this tax equitable is if you are willing to take the bull by the horns and do away with these local sales taxes and go to a state wide tax which would then be distributed back to the cities, counties and townships. I could suggest a way to do this.



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612

ROBERT T. STEPHAN
ATTORNEY GENERAL

March 15, 1983

MAIN PHONE: (913) 296-2215
CONSUMER PROTECTION: 296-3751

Viola Dodge
United Farm Wives of America, Inc.
Route #1
Olsburg, Kansas 66520

Dear Ms. Dodge:

Attorney General has requested that I respond to your letter of February 25, 1983, wherein you raise certain questions concerning the imposition of city retailers' sales tax upon sales of propane gas.

I have enclosed a copy of K.S.A. 12-191 for your review. Please note that the underscored portion of the statute provides that retail sales involving the furnishing of gas are considered to have been consummated at the situs of the user or recipient thereof. I am informed that the Department of Revenue takes the position that this situs rule also applies to sales of propane gas, so a retailer should not charge city sales tax where propane gas is delivered to a farm located outside the territorial limits of a city.

I hope the enclosed information is helpful, and if I may be of further assistance, please feel free to contact me.

Very truly yours,

OFFICE OF THE ATTORNEY GENERAL
ROBERT T. STEPHAN

A handwritten signature in cursive script, reading "Terrence R. Hearshman".

Terrence R. Hearshman
Assistant Attorney General

TRH:jm
Enclosure

turing and that the farm machinery or manufacturing machinery and equipment will be used only in farming or ranching or manufacturing as the case may be.

History: L. 1978, ch. 56, § 4; July 1, 1978.

Source or prior law:
12-176a.

12-191. Same; situs of taxable transactions; rules and regulations; effective date for collection of taxes; revenue in excess of budget, disposition. All retail transactions consummated within a county or city having a retail sales tax, which transactions are subject to the Kansas retailers' sales tax, shall also be subject to such county or city retail sales tax, except as otherwise expressly provided in K.S.A. 12-190. All retail sales, for the purpose of this act, shall be considered to have been consummated at the place of business of the retailer. In the event the place of business of a retailer is doubtful the place or places at which the retail sales are consummated for the purposes of this act shall be determined under rules and regulations adopted by the secretary of revenue which rules and regulations shall be considered with state and federal law insofar as applicable. Retail sales involving the use, consumption, or furnishing of gas, water, electricity and heat, for the purposes of this act, shall be considered to have been consummated at the situs of the user or recipient thereof, and retail sales involving the use or furnishing of telephone service, shall be considered to have been consummated at the situs of the subscriber billed therefor. The director of taxation is hereby authorized to request and receive from any retailer or from any city or county levying the tax such information as may be reasonably necessary to determine the liability of retailers for any county or city sales tax. In all cases the collection of any county sales tax or sales tax levied by a class B city shall commence on the first day of the month, except in no case shall collection thereof begin prior to the first day of the month next following the sixtieth day after the date of the election authorizing the levy of such tax.

Whenever any sales tax, imposed by any class B city or county under the provisions of this act, shall become effective, at any time prior to the time that revenue derived therefrom may be budgeted for expenditure

in such year, such revenue shall be credited to the funds of the taxing subdivision or subdivisions and shall be carried forward to the credit of such funds for the ensuing budget year in the manner provided for carrying forward balances remaining in such funds at the end of a budget year.

History: L. 1978, ch. 56, § 5; July 1, 1978.

Source or prior law:
12-176.

12-192. Same; apportionment of revenue from countywide retailers' sales tax; notification of state sales tax collected in county for preceding year. (a) All revenue received by any county treasurer from a countywide retailers' sales tax shall be apportioned among the county and each city located in such county in the following manner: (1) One-half of all revenue received by the county treasurer shall be apportioned among the county and each city located in such county in the proportion that the total tangible property tax levies made in such county in the preceding year for all funds of each such governmental unit bear to the total of all such levies made in the preceding year and (2) except as provided by paragraph (3), one-half of all revenue received by the county treasurer from such countywide retailers' sales tax shall be apportioned among the county and each city located in such county, first to the county that portion of the revenue equal to the proportion that the population of the county residing in the unincorporated area of the county bears to the total population of the county, and second to the cities in the proportion that the population of each city bears to the total population of the county or (3) one-half of all revenue received by the county treasurer of Geary county from countywide retailers' sales taxes levied in any year shall be apportioned among the county and each city located in such county, first to the county that portion of the revenue equal to the proportion that the population of the county residing in the unincorporated area of the county less the population residing on a military reservation bears to the total population of the county less the population residing on a military reservation, and second to the cities in the proportion that the population of each city bears to the total population of the county less the population resid-

JESSIE M. BRANSON
REPRESENTATIVE, FORTY FOURTH DISTRICT
800 BROADVIEW DRIVE
LAWRENCE, KANSAS 66044



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER COMMUNICATION, COMPUTERS AND
TECHNOLOGY
PENSIONS, INVESTMENTS AND BENEFITS
PUBLIC HEALTH AND WELFARE

March 25, 1983

TO: Chairman Bud Burke and Members
Senate Committee on Assessment and Taxation

FROM: Representative Jessie Branson

Re: House Bill 2207

It is a pleasure to appear before you as one of the
sponsors of H.B. 2207.

Basically, the bill provides the following:

Sec 1. (a) would allow the board of county commissioners
of any county within the state to levy up to 1/2 mill for
the purpose of assisting in the provision and/or the
coordination of services for persons with physically
handicapping conditions.

Lines 0026-28 of the bill state that such a tax
cannot be used for purposes for which a tax is already
authorized for mental retardation/mental health services
and centers, or for services for aging (K.S.A. 12-1680, etc.).

Lines 31-35 provide for a protest provision by 5% of the qualified voters. Upon filing of such protest provision, the proposition would be put on the ballot and voted on by the people.

Sub (b) is an amendment, put on by the House Committee on Taxation, which provides that a petition signed by 5% of the county's qualified voters would require that the commissioners put the question on the ballot for a vote by the people.

Sub (c) line 0036 would exempt the mill levy from the tax lid limit.

Sub (d) defines physically handicapping conditions, ensuring that the funds would be used on services for persons whose handicaps are primarily physical disabilities.

Sec. 2 states that the effective date of this act will be after publication in the statute book.

CLOSING:

Due to the real and anticipated loss of federal funds, community-based independent living centers would like to have the option of obtaining support from a small local mill levy. The Legislature has made the local option possible for mental retardation/mental health services and for services for aging, and I have certainly supported and worked for these measures. However, I would submit to you that we are long overdue in closing the gap to help persons with physical handicaps in achieving the same opportunity.

NOTE:

The House Committee considered three amendments which would have

- 1) defined the services which could be included
- 2) given SRS the authority to approve all local services funded with the mill levy and
- 3) prohibited use of these monies for removal of architectural barriers at public buildings.

However, the Committee rejected all three proposals, and stated they felt that this program should be left flexible and entirely under local option and local control.

TESTIMONY
to
SENATE COMMITTEE on ASSESSMENT & TAXATION

March 22, 1983

By: Mitch Cooper
Representing: Topeka Resource Center for the Handicapped
Re: HB 2207

HB 2207 represents an effort to enhance county participation in the support of services designed to provide options for persons with physically handicapping conditions to live as independently as possible.

In the four years since the initiation of the first Center for Independent Living, residents of at least thirteen (13) Kansas counties have benefitted from the valuable services that these programs have had to offer. In addition, families residing in neighboring counties have experienced the positive residual effects.

In addition to private donations from citizens, several of the local governments have demonstrated their support via the allocation of a limited precious resource; that is, some of the funds derived from the General Revenue Sharing program.

It has been troubling that requests from other areas around the state cannot be dealt with adequately. The nature and intensity of independent living services as community based resources dictates that active programs be closely available in terms of their geographic location.

HB 2207, if passed, would assist in furthering that goal.

(Note: Attached please find some information relating to the estimated cost effectiveness of one center located in Shawnee County.)

Attachment to Testimony to Senate Committee on Assessment & Taxation
March 22, 1983 - by Mitch Cooper, representing the Topeka Resource Center
for the Handicapped

COST EFFECTIVENESS INFORMATION CONCERNING THE TOPEKA RESOURCE CENTER FOR THE
HANDICAPPED

During its first one and one half years of operation, the Topeka Resource Center of the Handicapped has served 377 disabled persons directly and has provided systems advocacy services benefitting many others. Of the 377, 87 are multiply disabled, having two to four disabling conditions. These individuals are at greater risk of costly institutionalization simply by virtue of the severity of restriction brought on to their basic life activity functioning due to the combination of disabilities.

Out of the total population being served by the Topeka Resource Center for the Handicapped, there are 26 individuals living in the Shawnee County area who, by their own perceptions as well as those of center staff, would be institutionalized if the Topeka Resource Center for Handicapped were not available to them. These individuals are all living on a total public benefit package costing state and/or federal taxpayers less than \$10,000 per person per year. Most of these consumers are living on benefit packages costing less than \$5,000 per person per year. Institutionalization in Kansas per person runs between \$10,800 and \$22,400 per year. Thus, if the lowest and highest institutionalization cost figures are averaged, it can be assumed that the average institutional cost per person would be approximately \$16,600. Even if the rather high current community cost figure of \$10,000 per year per person is used, an average savings of at least \$6,600 per person per year can be shown. This amount multiplied by 26 individuals equals \$171,600 total savings through operation of the program.

The 26 individuals cited above will not always be dependent on the Center's services. The Center's goal is to make all disabled individuals with whom it works as independent as their maximum potential allows. The number of 26 individuals at any given time who would be institutionalized without Center services is fairly consistent. This is due to new persons coming into the program as others progress.

Additional to the 26 described, an average of 5.38 disabled persons are assisted each month in locating appropriate housing. Although figures are not available as to exactly how many, it is certainly safe to assume that some of these individuals would have been forced back into more costly institutionalization if such housing location services had not been available.

(OVER)

The Topeka Resource Center for the Handicapped is further working with the Kansas Department of Social and Rehabilitation Services to help implement the Home and Community Based Services, Title XIX Waivered Services Program. This is programming administered for the specific purpose of deinstitutionalizing disabled and elderly people in order to save money. For this concept to work, the community based services must be available. Although a relatively new program, a number of individuals have already been assisted in finding community based services through the Center. Many more are expected to follow.

Yet another area where money is being saved for the State by the Topeka Resource Center for the Handicapped is that of Social Security representations. The Federal Administration has stepped up the Continuing Disability Investigation processes. This has translated into many Kansans who are truly too disabled to hold employment losing their Social Security Disability or Supplemental Security Income benefits. When such benefits are lost, usually the only survival recourse the individual has is to seek State General Assistance benefits. The Topeka Resource Center for the Handicapped offers the service of Social Security representation in order to try to get such terminated benefits reinstated or to assure that new benefit requests are approved. This involves assisting the handicapped consumer through the Reconsideration process, and when necessary, the Administrative Hearing. Seventy per cent of initial cases handled by the Center have resulted in benefits being granted. Had this service not been available, State General Assistance would have paid each individual at least \$180.00 per month, and this figure does not even include state supported medical benefits. For each seven out of ten individuals annual cash payments would total \$15,120.00. Again, these figures reflect only direct cash savings to the state. Significant savings in medical benefits not expended would also accrue.

Testimony In Support of House Bill 2207.

Presented to Kansas Senate Committee on Assessment and Taxation (3/25/83)

The WHOLE PERSON provides services to physically disabled adults in the greater Kansas City area, including Johnson and Wyandotte counties. These services assist disabled people in achieving their goals of obtaining or maintaining independent lifestyles. The WHOLE PERSON has provided Independent Living Assistance (similar to case management and service planning) to 433 people since opening in January of 1981. 2,060 information and referral requests have also been handled by WHOLE PERSON staff. Approximately one-third of the persons served are Kansans.

The following is a list of services provided by the WHOLE PERSON and currently available in Johnson and Wyandotte counties.

1. Accessibility Directories which list accessible entertainment establishments in KCMO, Johnson and Wyandotte Counties.
2. Accessibility Evaluations.
3. Case Management services for deaf and blind individuals in Wyandotte County.
4. Close Encounters Panel which is a speakers bureau of disabled persons who make presentations designed to reduce attitudinal barriers.
5. Financial Assistance which is a loan program and pays for Personal Care Assistance services for 5 Missourians and 1 Kansan.
6. Group Advocacy which covers a wide range of activities on behalf of the disabled persons such as housing, transportation, personal care, etc.
7. Housing Assistance and Referral.
8. Independent Living Assistance which is a one-on-one "counseling" and planning service.
9. Interpreter Services for consumers receiving Independent Living Assistance.
10. Information and Referral.
11. Newsletter (bi-monthly).
12. Outreach including presentations, brochures, media releases and public service announcements.
13. Peer Counseling which is para-professional counseling by a person with a similar disability.
14. Personal Care Assistance Training and Evaluation (training provided to consumer, evaluation performed under contract with Rehabilitation Institute).

15. Student Guide to Area Colleges and Universities.
16. Technical Assistance and Training (usually to professionals, students, and organizations).
17. Trauma Line which is a hot-line telephone counseling service.
18. Volunteer Programming which offers disabled persons an alternative to other types of employment.

The WHOLE PERSON is nearing the end of a three year Federal grant from the Rehabilitation Services Administration. Continued Federal funding may be available, however, the level of this funding is likely to be greatly reduced. The WHOLE PERSON is looking at all possible sources of funding in order to maintain services at their present level. This legislation would enable Johnson or Wyandotte County to decide whether they wish to fund services such as those offered by the WHOLE PERSON for their disabled citizens.

For more information, contact:

David Lykens, Independent Living Specialist
WHOLE PERSON, Inc.
7546 Troost Suite 105
Kansas City, MO 64131

or at home

10751 Oakmont
Overland Park, KS 66210

STATEMENT RE HOUSE BILL 2207, MARCH 25, 1983

My name is Anita Siler, and I have been the Counselor/Case Manager for Independence Inc. in Lawrence since its' opening in late 1979. We were the pilot project for independent living centers in Kansas and now serve approximately 150 persons each month in Douglas County and surrounding areas. The Center has been received with open arms by other local social service agencies since there had been a glaring need for services for the physically disabled.

Persons with disabilities are not asking for anything special. They're just asking for the same basic human and civil rights that are available to other persons in the community. If a person with a disability is considered different, it's because it is society that labels, the environment that limits, and people who accept or who don't accept. Bills such as House Bill 2207 will enable us to be considered less different because it will help us to live as independently as possible and to be contributing members of society. As Case Manager at Independence Inc., I recently conducted a poll of persons with severe physical disabilities. Of over 30 persons polled, only one had not voted in the last election. I doubt other population groups can boast that ratio. Yet, for these concerned citizens, the only way to get out of the proverbial closet or the real institution or nursing home is through the availability of options such as this bill addresses. If our Center were to close its doors today, at least 69 persons in Douglas County would have to return to institutional settings, at tremendous cost to the tax payer.

For all of these reasons, we urge your favorable action on House Bill 2207.

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WRITTEN TESTIMONY SUBMITTED TO THE SENATE ASSESSMENT AND TAXATION
COMMITTEE REGARDING HB 2207

I am Howard Moses; I am currently serving as District Aide to Congressman Jim Slattery. In previous work with the Kansas Department of Social and Rehabilitation Services and the University of Kansas, I assisted in the development of independent living services in the State.

The independent living centers have provided non-medical, community-based services necessary for full independence of severely disabled individuals. These services compliment the present continuum of services provided by Vocational Rehabilitation and Home and Community-Based Services under Title XIX. Without the assistance of independent living services, the risk of institutionalization is substantially increased.

Funding for these services has rested primarily on the Federal government to date. The State of Kansas has made substantial efforts to preserve the funding base of such services in light of cuts in support by the Federal government over the last two years. Implementation of HB 2207 would provide the additional funding foundation for continuation of independent living services by establishing a method for both local and State support.

As a final note, I would encourage the Committee to monitor the use of these funds during the current fiscal year to ascertain the non-medical, community-based nature of independent-living services is preserved.



STATE OF KANSAS

JOHN CARLIN, GOVERNOR

STATE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

KANSAS COMMISSION FOR
THE HEARING IMPAIRED

ROBERT C. HARDER, SECRETARY

BIDDLE BLDG., 1ST FLOOR
2700 WEST 6TH STREET
TOPEKA, KANSAS 66606
(913) 296-2874

STATEMENT REGARDING HOUSE BILL No. 2207

Concerning services for persons with
physically handicapping conditions;
authorizing an optional tax levy therefor.

I. BACKGROUND

The most widely used language in America is English, Spanish is second. Do you have any idea which language is third? ASL which stands for American Sign Language is the third most widely used language in America.

That ASL is a language completely independent of English is not widely known nor the implications of that fact understood by the general public. Therefore, written communication is ineffective and inappropriate as most individuals hearing impaired from birth or early childhood are fluent in American Sign Language but not always in English. Therefore, conversing with a hearing impaired individual via written English may have the effect of measuring that individual's English deficit, hindering, rather than helping, the attempt to communicate.

The codes of Federal regulations of section 504 of the 1973 Rehabilitation Acts do recognize the importance of Sign Language interpreters for hearing impaired individuals with regard to accessibility to programs and services.

Yet, most agencies in the State of Kansas are still out of compliance with 504.

Unfortunately, when the responsibility to make their programs accessible was bestowed upon recipients of federal dollars, there were no additional funds provided to pay for interpreter services for the hearing impaired.

Three of the four centers for independent living are attempting to address the needs of hearing impaired individuals. Funding of these centers is currently limited. Consequently, special staff including counselors, interpreters and independent living

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instructors to serve the hearing impaired exist only at the center in Kansas City. More staff is needed to adequately serve the needs of this population in those thirteen counties now served by the centers for independent living.

In the remaining balance of state, there is an agency in Wichita and beyond that little else. This week, I have received calls from Liberal and Greenleaf, Kansas. Both calls were regarding severely impaired, multihandicapped deaf individuals in sheltered workshops and group homes with no one there who can communicate with them.

II. COMMENTS

The Kansas Commission for the Hearing Impaired supports passage of this bill. We urge the funding generated by this tax be used to provide accessibility to services of existing agencies.

Sharon K. Cook, Executive Director
Kansas Commission for the Hearing Impaired

March 25, 1983

2700 West 6th Street
Biddle Building, First Floor
Topeka, Kansas 66606

(913) 296-2874

Kansas Association for the Blind and Visually Impaired, Inc.

February 15, 1983

TO: The Assessment and Taxation Committee, Kansas Senate

FROM: Legislative Committee, Mary Adams: Chairperson
Susan Tabor: Member
Michael J. Byington: Lobby
Ardonna Pohl: Advisor
Sam Wilson: Advisor
William Lewis: Advisor

RE: House Bill 2207

The Kansas Association for the Blind and Visually Impaired Inc., a statewide advocacy organization for the blind and visually impaired, active in Kansas for over 60 years, and having a current membership of 350 plus, strongly supports HB 2207.

This legislation calls for a county option. It does not force the State Government or any local government to spend money. It simply gives the local governments the right to tax and thereby spend money to assist the physically handicapped if it is the desire of local citizens for this to occur.

The Bill is well conceived in its present form as it provides necessary flexibility to derive maximum benefit from any monies which might be collected. County governments would be able to target funding to fill service gaps which are created due to federal and/or state cutbacks, or which have always existed.

Currently, State Government is by far the most major provider of services to the physically handicapped. Certainly all services the State offers are essential, but it seems time the for the State to give the counties the opportunity to also do their part.

Currently, only 14 Kansas counties are served by programming specifically targeted to serve all physically handicapped populations. A few other counties have single disability related programs. Such programming, where it exists, is usually either private in funding, or is funded by monies which, however administrated, flow indirectly from federal sources. HB 2207 would allow for programming in the other 91 counties of the state still in need, and would help assure the potential for financial stability of programming already in operation.

Kansas can no longer afford to waste human potential by by allowing a large segment of its physically handicapped population to be custodially warehoused at great expense to the tax payer. Service delivery at the county level can mean more disabled individuals living in the community as productive contributors into the local economy.



kansas council of disabled persons, inc.

reply to:

Sharaine J. Rice, President
12512 W. 97th Terrace
Apt. #300
Lenexa, Kansas 66215

TO: KS. Senate
Assessment and Taxation Committee

Date: March 25, 1983

Subject: House Bill 2207

The Kansas Council of Disabled Persons would like to go on record in support of House Bill 2207 that is before the Assessment and Taxation Committee at this time.

Kansas has seen a tremendous growth in the involvement of disabled citizens of Kansas in the mainstream of society over the last five years. Much of this has been a result of the Independent Living movement and the establishment of the four Centers for Independent Living in Kansas (three of the Centers are in Kansas, and one is in Kansas City, Missouri, but it serves Johnson and Wyandotte Counties in Kansas). Over the last year, severe budget cuts have been made in the Federal Budget. These cuts have affected Centers for Independent Living in Kansas. With cuts in Independent Living funds, Centers are having a harder time providing top-notch services to the disabled citizens of Kansas. Thus, to make up for the loss of Federal funds, a mill levy tax is proposed that would assist Centers for Independent Living in the continued provision of services to Kansans who have physical disabilities.

The Kansas Council of Disabled Persons supports this levy and urges the 1983 Kansas Legislature to pass this mill and show its support for House Bill 2207, thus making it possible for more disabled citizens of Kansas to partake in the mainstream of activities in our State.

Respectfully submitted,

Sharaine J. Rice

Sharaine J. Rice
President

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Citizens with disabilities across the state are very concerned about what has been happening to many organizations that provide services to help disabled individuals. Monies to fund many programs have been so severely reduced that essential services have been stopped.

In order to lessen the impact of the reduction of funds, the legislature is being asked to consider and pass a $\frac{1}{2}$ mill tax levy to be carried out on the county level. Monies collected would be provided to eligible agencies and organizations for the continuation of services.

We realize that it is a difficult time to ask for a tax increase. But the benefits can not be ignored. This opportunity to better the life of a substantial number of citizens. For many persons, the services offered by these organizations are necessary for survival. For others, these services mean a more independent and richer life.

As two disabled citizens who work and pay taxes, we feel this proposal is vital to the well-being of many people and urge you to pass the $\frac{1}{2}$ mill levy tax.

Mary Reyer

Mary Reyer

William Reyer

William J. Reyer

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KANSAS REHABILITATION ASSOCIATION

SENATE ASSESSMENT & TAXATION COMMITTEE
HEARING on House Bill 2207
March 25, 1983

I am Richard D. Charlton, Sr.; Legislative Chairman, of the Kansas Rehabilitation Association. The Kansas Rehabilitation Association is a non-profit organization of professional counselors, evaluators and support staff.

As rehabilitation specialists, we strongly support House Bill 2207 authorizing an optional one-half mill levy for provision of services to persons with physically handicapping conditions. The physically handicapped person, who is not a candidate for the regular rehabilitation program, has in the past been excluded from services that would help them become self-independent. In many cases, these individuals were warehoused in nursing homes or other institutions. The cost of keeping a physically disabled person in the community, by purchase of individually needed services is more cost effective.

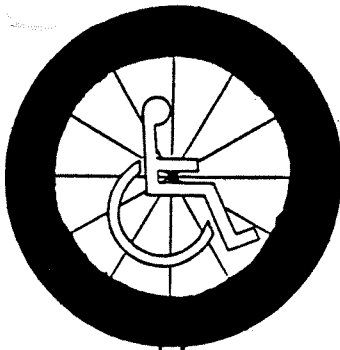
In the last few years, there has been hope for the severely disabled person to live more independently through the Independent Living Program. This program trains the severely disabled to plan their own lives, especially those from sixteen to sixty-five years of age. When the severely disabled are provided the opportunity for self-independence, they can become a vital asset in their respective communities.

Federal funding for the Independent Living Program is being seriously threatened currently. Therefore, it is imperative that other funding sources be made available to continue these programs, and possibly expand them in the future. This bill will authorize the local taxing authorities the option to provide this necessary funding.

Therefore, we we respectfully request your support in passage of House Bill 2207.

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A.D.A.P.T. INC.



ADVOCATES FOR DISABLED ACCESS TO PROGRAMS AND TRAINING INC.

March 25, 1983

Co-Directors

Richard Charlton, Sr.
Rt. 1, Box 348
Warrego, KS 66547
(913) 456-9203

Delbert Clark
1056 Parklane
Wichita, KS 67218
(316) 684-1801

Senator Burke, Chairman
Assessment & Taxation Committee
State Capitol
Topeka, Kansas

RE: House Bill 2207

Dear Sir:

A.D.A.P.T. is a non-profit organization incorporated in the great State of Kansas. We are an organization of non-salaried volunteer staff. All of A.D.A.P.T.'s activities are premised on the belief that the physically handicapped person has a human dignity which motivates that person to be self-supporting to the extent permitted by their individual physical limitations.

We fully support House Bill 2207 authorizing an optional $\frac{1}{2}$ mill county tax levy for provision of services to persons with physically handicapping conditions. Because the severely handicapped person may not have an employment objective, they are generally not eligible for vocationally oriented rehabilitation services. In many cases the only recourse the severely disabled have had in the past has been to live in an institution or nursing home. This is not cost effective and is a loss to the community of an important asset, the disabled as an individual and/ or a volunteer. The cost of keeping the severely disabled as an independent person in the community is more cost effective.

Judy Heuman, former Deputy Director of CIL Berkeley defines independent living broadly---" To us independence does not mean doing things physically alone. It means being able to make independent decisions--- It is a mind process not contingent upon a normal body. It is the ability to take on the major responsibility for determining one's own life style.

The Independent Living Program trains severely disabled persons how to plan their own lives, especially those from age sixteen to sixty-five. When the severely disabled are provided the opportunity for self-independence, they will become an asset in their respective communities.

Currently, federal funding is being seriously threatened. Therefore this bill will authorize the local taxing authorities the option to provide this needed funding.

Therefore, we respectfully request your support in passage of House Bill 2207.

Respectfully

Richard D. Charlton, Sr.
Richard D. Charlton, Sr.
President