

MINUTES OF THE HOUSE COMMITTEE ON ASSESSMENT AND TAXATIONThe meeting was called to order by Representative Jim Braden at
Chairperson9:15 a.m./~~p.m.~~ on January 26, 1984 in room 519S of the Capitol.All members were present ~~except~~.

Committee staff present:

Tom Severn, Legislative Research Department
Wayne Morris, Legislative Research Department
Don Hayward, Revisor of Statutes' Office
Nancy Wolff, Secretary to the Committee

Conferees appearing before the committee:

Bill Edds, Department of Revenue
Representative Sandy Duncan
Gary Cooke, Occupational Center of Central Kansas
Howard Hassler, Cottonwood, Inc.
Ethel Mae Miller, Kansas Assn. for Retarded Citizens
Jack McCord, Department of Revenue

Hearings were held on House Bill 2329 which will enact a new income tax credit, up to \$200 for an individual and \$1,000 for a corporation, for contributors to a community facility for the mentally retarded or to the cerebral palsy research foundation.

Representative Sandy Duncan, sponsor of the bill, gave testimony in support of House Bill 2329.

Gary Cook, representing the Kansas Association of Rehabilitation Facilities, gave testimony in support of the legislation. He stated that the Association would not be opposed to decreasing the credit from 100% to 50% and would be open to an amendment to accomplish the same. (Exhibit I) Mr. Cook also presented a list of members of the Kansas Association of Rehabilitation Facilities for 1984. (Exhibit II)

Howard Hassler, Cottonwood, Inc., presented testimony in support of House Bill 2329.

Ethel Mae Miller, Kansas Association for Retarded Citizens, testified in favor of House Bill 2329. (Exhibit III)

Bill Edds, Kansas Department of Revenue, stated that the Department has a problem with tracking of verifying contributions on income tax returns. He felt the bill should require that the organizations provide contributor lists to the Department. He also stated that the cost for reprogramming the computers in the Department of Revenue would be approximately \$33,000.

The Chairman then asked the committee for discussion on House Bill 2613 which amends several sections of the severance tax to 1) require that salt and coal operators remit the tax; and 2) clarify the KCC's role in defining and certifying "new pools"; and 3) allow the \$81 per well gas exemption to be determined by an average of multiple producing wells on a meter.

Representative Rolfs made a motion to pass amendments as presented by the Department of Revenue. Representative Roe seconded the motion.

Bill Edds reviewed the amendments as were presented to the committee at an earlier meeting. (Attachment IV)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ASSESSMENT AND TAXATION,
room 519S, Statehouse, at 9:15 a.m.~~p.m.~~ on January 26, 1984

Representative Rolfs revised his motion to:

On page two, in line 81, by striking "from a"; by striking all of line 82;

On page three, by striking all of line 83; in line 84, by striking "lease or production unit,"; also in line 84, after "less" by inserting "per producing well"; in line 89, by striking all after "production"; by striking all of line 90; in line 91, by striking "such wells,"; also in line 91, after "less" by inserting "per producing well"; in line 99, by striking "from"; by striking all of line 100; in line 101, by striking all in front of "resulting"; in line 102, after "less" by inserting "per producing well"; by striking all of line 107; in line 108, by striking all in front of "resulting"; in line 109, after "less" by inserting "per producing well".

Representative Roe revised his second. The motion carried.

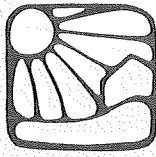
Representative Miller made a motion to amend House Bill 2613 on page four, in line 142, by striking all after "pool" where it appears for the first time; by striking all of lines 143 and 144; in line 145, by striking all in front of the semicolon. The motion died for lack of a second.

Representative King made a motion that House Bill 2613 be reported favorable as amended. Representative Wunsch seconded the motion.

Representative Reardon made a substitute motion that House Bill 2613 be tabled. Representative Jarchow seconded the motion. The motion failed.

The Chairman then called for the vote to report House Bill 2613 favorable as amended. The motion carried.

The meeting was adjourned at 10:57.



Kansas Association of Rehabilitation Facilities

TownCenter Building 120 West Sixth, Suite 110
Newton, KS 67114 316-284-2330

TO : House Assessment and Taxation Committee
FROM: Kansas Association of Rehabilitation Facilities
RE : HB 2329
DATE: January 26, 1984

1.0 Identity and purpose of Kansas Association of Rehabilitation Facilities (KARF)

1.1 KARF is an association of twenty-nine (29) Vocational and DD Community rehabilitation facilities throughout Kansas that serve over 3,600 disabled children 0-6 and adults annually, with a collective budget of approximately 40 million, and three (3) medical (hospital) rehabilitation facilities that serve individuals who are physically and/or cognitively disabled as a result of trauma or disease.

1.2 KARF member facilities provide programs and services in the following program areas: 1) individual and family support programs; 2) day activity and vocational programs; 3) living (residential) programs; 4) children's services programs; and 5) health programs.

2.0 Position statement on HB 2329

2.1 KARF urges adoption of HB 2329 an act concerning the Kansas income tax act; authorizing tax credits for contributions to community facilities for the mentally retarded and to the United Cerebral Palsy Research Foundation.

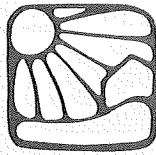
3.0 Justification

3.1 The Bill provides the following:

3.1.1 A partial solution to long-range funding needs of community programs.

3.1.2 Private sector funding for programs in community.

- 3.1.3 An opportunity for programs to be more responsive to community interests, needs, and people served in the community.
- 3.1.4 Alternative funding for community programs that are alternatives to institutional care and/or places of work and training that can lead to competitive employment.
- 3.2 Believe that for the first three years of implementation there would be no significant impact on State revenue.
- 3.3 There is question that such a tax credit would even have any significant impact on State revenue.



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KANAS ASSOCIATION OF REHABILITATION FACILITIES

Membership List - 1984

- *Arrowhead West, Inc.
Box 1353
Dodge City, KS 67801
- Bethany Medical Center
51N 12th St.
Kansas City, KS 66102
- *Big Lakes Developmental Center, Inc.
1500 Hayes
Manhattan, KS 66502
- *Cerebral Palsy Research Foundation of Kansas, Inc.
2021 N. Old Manor
P. O. Box 8217
Wichita, KS 67208
- *Chikaskia Area Training Center, Inc.
P. O. Box 201
Medicine Lodge, KS 67104
- *CLASS LIMITED
P. O. Box 266
Columbus, KS 66725
- *COF Training Services, Inc.
P. O. Box 437
Ottawa, KS 66067
- *Continuing Care, Inc.
2723 Boulevard Plaza
Wichita, KS 67211
- *Cottonwood, Inc.
2801 W. 31st
Lawrence, KS 66044
- *Developmental Services of Northwest Kansas
P. O. Box 1016
Hays, KS 67601
- *Early Childhood Developmental Center
94 Lewis Drive
Hays, KS 67601
- *Futures Unlimited, Inc.
2410-2412 No. "A"
Wellington, KS 67152

- *Handicapped Education & Living Programs, Inc. (HELP)
426 Miami
Leavenworth, KS 66048

- *Johnson County Mental Retardation Center
9090 Nieman Road
Overland Park, KS 66124

- *McPherson County Diversified Services
Box 68
McPherson, KS 67460

- *Mental Retardation Governing Board of Wyandotte County
9400 State, Room 100
Kansas City, KS 66112

- *Nemaha County Training Center
516 Main
Seneca, KS 66538

- *Northview Developmental Services
14th & N. Duncan
Newton, KS 67114

- *Occupational Center of Central Kansas
370 Schilling Road
Salina, KS 67401

- St. Joseph Medical Center
3600 East Harry
Wichita, KS 67218

- Sheltered Living, Inc.
1216 Fillmore
Topeka, KS 66604

- *Southwest Developmental Services, Inc.
2708 N. 11th
Garden City, KS 67846

- SRS, Division of Vocational Rehabilitation
Biddle Bldg., 2nd Floor
2700 West 6th
Topeka, KS 66606

- *Starkey Developmental Center
144 South Young
Wichita, KS 67209

- *Sunflower Training Center
Box 838
Great Bend, KS 67530

*TECH, Inc.
P. O. Box 399
Hutchinson, KS 67501

*Terramara, Inc.
2375 W. Central
El Dorado, KS 67042

*Tri-Ko, Inc.
P. O. Box 216
Parker, KS 66072

*Tri-Valley Developmental Center, Inc.
P. O. Box 220
Chanute, KS 66720

*Verdigris Valley Developmental Center
P. O. Box 965
Independence, KS 67301

Wesley Medical Center
500 N. Hillside
Wichita, KS 67214

* NOTE: Those Vocational/DD Rehabilitation Facilities with an
"*" will benefit from this Bill.



KANSAS ASSOCIATION FOR RETARDED CITIZENS, INC.

11111 WEST 59th TERRACE
SHAWNEE, KANSAS 66203
(913) 268-8200



President
DON CULLY
Hutchinson

1st Vice-President
GINGER CLUBINE
Wichita.

2nd Vice-President
MYRA LAWRENCE
Hays

3rd Vice-President
VIRGINIA LOCKHART
Topeka

Secretary
CAROL DUCKWORTH
Lawrence

Treasurer
ROBERT ATKISSON
Stockton

Past President
VIOLA DAVIDSON
Paola

BRENT GLAZIER
Executive Director

To: Assessment & Taxation Committee
House of Representatives
Rep. James D. Braden, Chr.

1/26/84

Re: HB 2329

From: Kansas Association for Retarded Citizens
Ethel May Miller
State Legislative Affairs Chr.

We appreciate having the opportunity of speaking in support of H.B. 2329, representing the Kansas Association for Retarded Citizens, an organization of around 5,000 parents and friends of persons who happen to be mentally retarded who belong to the some 50 local associations located thruout the state.

Review development of community services, and overall purpose of Kansas ARC "to promote the welfare of mentally retarded persons, wherever they may be." Interested not only in those some 1,300 served in our state institutions, but also the other 96 to 98% of our state's retarded citizens living at home, in foster care, and other varieties of services such as special education; but especially in those 3,600 served ⁱⁿ the 29 certified Community Mental Retardation Facilities, several of which were actually begun by the ARC's in the mid 1960's when we parents had literally no resource for our sons or daughters but the state institutions (except for some classes for "educable" retarded) We are also concerned about those on waiting lists for such community services. As the recently completed Report of the Interim Study Comm., Special Care Services for the Mentally Retarded/Developmental Disabilities, Proposal #38 indicates - - a major consistency in community facilities for the MR/DD is their waiting lists!

Basic philosophy- retarded/dev. dis. have basic right to be served in, or near, their home community. Review services

offered. In order for such services to be stable, both philosophically and financially, they need to be developed upon a sound fiscal base thru a combination of funds including local (both public and private), state and federal.

Quote from Interim Study Report referred to:

"The budgets for the 29 community-based mental retardation centers totalled \$37,059,524 in state fiscal year 1983. Of this total, \$4,900,256 came from the State General Fund, \$11,037,059 from federal funds, \$5,671,217 from county mill levies, \$4,457,517 from fees, \$4,425,541 from production income, and \$6,567,934 from other sources such as donations and endowments."

- 13% - State General Fund
- 30% - Federal Funds
- 45% - Local Funds
 - Public - 15%
 - Private- 30% of which 12% fees
- 12% - Production Income

Emphasis in Interim Study Report, various Ways and Means Hearings etc. on need to seek local funds.

Thus we urge your support of the concept such as proposed thru HB 2329 as we believe such legislation would encourage both individual and corporate contributions which would in time strengthen the local share of financial support for such services as offered thru the community mental retardation facilities. We would certainly hope that as such increased funds were obtained, it would result in the filling of some of the gaps and priorities - currently, community residential and day programs and others as indicated in the Interim Report.

Reminder of fact that Community Mental Retardation Facilities serve a wide variety of disabilities- Cerebral Palsied, Autistic, Convulsive disorders , Other Dev. Dis.

By supporting HB 2329 you will be supporting the encouragement of private contributions for services for a broad range of disabilities offered thru the community mental retardation/developmental disabilities facilities.

Gene May Miller

SUGGESTED AMENDMENTS TO HOUSE BILL 2613

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