

Approved Ivan Sand 3/18/86
Date

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by REPRESENTATIVE IVAN SAND at
Chairperson

1:30 ~~xxx~~/p.m. on MARCH 3, 1986 in room 521-S of the Capitol.

All members were present except: Rep. Martha Jenkins, excused

Committee staff present: Mike Heim, Legislative Research Department
Mary Hack, Revisor of Statutes Office

Conferees appearing before the committee:

Ms. JoAnn Wasson, Admin. Asst., Jo. Co. Park
& Recreation Dist., HB 3005
Mr. A. J. Kotich, Dept. of Human Resources, HB 3006
Mr. Bill Lays, Research Chief, Dept of Human
Resources, HB 3006
Mr. Ernest Mosher, League of Kansas Municipalities,
HB 3012
Mr. Alan Alderson, Attorney, Kansas Treasurers'
Assn., HB 3012
Ms. Betty McBride, Cherokee County Treasurer &
Secy., Kansas County Treasurers' Assn., HB 3012
Ms. Willie Martin, Sedgwick County, HB 3012

Chairman Sand called for hearings on the following bills:

HB 3005, concerning Johnson County park and recreation commission; relating
to contracts by the board;

Ms. JoAnn Wasson, Administrative Assistant, Johnson County Park and
Recreation District, spoke in favor of the bill. (See Attach. I.)

Committee discussion followed. Rep. Phil Kline made a motion that HB 3005
be passed. Rep. Clinton Acheson seconded the motion. The motion carried.

HB 3006, concerning the employment security law; relating to the definition
of certain terms;

The bill had been requested by the Kansas Association of Counties. Mr.
A. J. Kotich, Asst. Secretary for Employment of Human Resources, appeared
in opposition to the bill. He noted passage of the bill would put the
Kansas Employment Security Law out of compliance with federal law and would
result in a loss of certification of the Kansas program. He distributed
copies of a letter from the Employment and Training Administration of the
U. S. Department of Labor in regard to HB 3006. The net effect could
jeopardize \$492 million of monies the state receives back from the federal
government as a result of unemployment tax collections from Kansas employers
sent to the U. S. Department of Labor. (See Attachment II.)

Mr. Bill Lays, Research Chief, Department of Human Resources also appeared
with Mr. Kotich. Mr. Kotich said he would relay concerns of the committee
expressed about excluding election workers at the next national meeting of
unemployment administrators.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,
room 521-S, Statehouse, at 1:30 ~~am~~ p.m. on MARCH 3, 1986

HB 3012, concerning the countywide retailers' sales tax; relating to the apportionment thereof;

Mr. Ernest Mosher, League of Kansas Municipalities, appeared in support of the principle of the bill. He read a League policy statement saying tax monies should be distributed by the county within three days of receipt. He said county treasurers receiving countywide sales tax monies from the State Department of Revenue were acting as agents of the state and held these moneys on behalf of cities in a trust capacity.

Mr. Alan Alderson, Attorney for the Kansas Treasurers' Association, appeared in opposition to the bill. (See Attachment III.)

Ms. Betty McBride, Cherokee County Treasurer and Secretary of the Kansas County Treasurers' Association Legislative Committee appeared in opposition to the bill. (See Attachment IV.)

Ms. Willie Martin, representing Sedgwick County, also appeared and provided a statement to the committee. (See Attachment V.)

After some discussion between Mr. Mosher, Mr. Alderson, Ms. McBride and several committee members, it was agreed that a compromise position requiring the State Department of Revenue to distribute these monies directly to cities is desirable.

Representative Dean made a motion to amend HB 3012 as a Substitute Bill, if necessary, to require the Department of Revenue to distribute the city share of countywide retailers' sales taxes directly to the cities. Rep. Roper seconded the motion. The motion carried.

The meeting was adjourned.

HOUSE BILL NO. 3005

Statement by
Jo Ann Wasson, Administrative Assistant
Johnson County Park and Recreation District

Representing
Johnson County Park and Recreation District Board

The legislation proposed under Bill No. 3005 is supported by the District Board jointly with the Johnson County Board of County Commissioners. It has also been reviewed and recommended by the Johnson County Legislative Delegation to be introduced by the Local Government Committee of the Legislature.

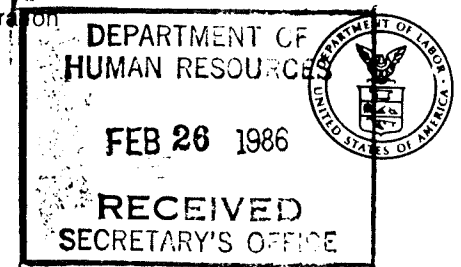
Under our current statutes, we are restricted from taking advantage of other public jurisdiction contracts and major purchases of materials and supplies. This legislation would allow us to do this.

We feel that through doing this, it would save not only money but also staff time in preparing specifications in that if other agencies previously have specifications, through contacting the agencies, we could utilize their contracts.

ATTACHMENT I
3/3/86
HS. LOCAL GOV.

U.S. Department of Labor

Employment and Training Administration
911 Walnut Street
Kansas City, Missouri 64106



February 25, 1986

Reply to the Attention of: 7TGU

Larry E. Wolgast, Ed.D.
Secretary
Attn: Mr. A. J. Kotich
Department of Human Resources
401 Topeka Avenue
Topeka, KS 66603

Just
copy to A.J.
- Swisher

Subject: Proposed Legislation HB 3006

We have received and began review of subject legislation, as has the national office legislative review staff.

We must immediately point out to you the potential conformity issue which is presented by the addition of an exclusion to the term "employment" proposed for K.S.A. 1985 Supp. 44-703. HB 3006 adds "(vi) election board judges and clerks appointed pursuant to K.S.A. 25-2801, and amendments thereto" to the exclusions from "employment."

Section 3304(a)(6)(A), FUTA, requires that a State law, as a condition of approval for Federal unemployment tax credit, provide that benefits be payable based on services performed for State and local government entities and certain nonprofit organizations in the same amount, on the same terms, and subject to the same conditions as benefits payable on the basis of other service. The only exceptions to this "coverage" requirement are specified in Section 3309(b) of FUTA.

The exclusion proposed in HB 3006 is not an allowable exclusion under 3309(b) of FUTA, and as such could violate the equal treatment requirement of Section 3304(a)(6)(A), FUTA.

In the event that a State law provision affecting employees of governmental entities or nonprofit organizations were found not allowable under FUTA, a loss of certifications for tax credits could occur. This would result in all employers subject to State law losing credits against the Federal tax. In addition, lack of certifications may also result in loss of grants for administration of the State Employment Security System.

In summary, HB 3006 as proposed is inconsistent with Federal law provisions, and if enacted, could potentially raise a conformity issue.

ATTACHMENT II
Hs. LOCAL GOV. 3/3/86

2.

Questions should be addressed to the Unemployment Insurance Unit
at 816-374-3101.

R G Miskimins
RICHARD G. MISKIMINS
Regional Administrator

MEMORANDUM

TO: Members of the House Local Government Committee
FROM: Alan F. Alderson, Kansas County Treasurers Association
RE: House Bill No. 3012
DATE: March 3, 1986

The Kansas County Treasurers Association appears today in opposition to House Bill No. 3012. While, at the time of the preparation of this testimony, I do not know who requested this bill, I am aware that a similar bill is now in Senate local government committee and will be heard on Thursday, March 6, 1986. Senate Bill 676 differs from the bill you have before you in that it requires a three-day distribution instead of the two-day requirement imposed by House Bill 3012.

The substance of these bills, we assume, has resulted from a dispute between the Kansas County Treasurers Association and the League of Municipalities. In June of 1985, I was requested by the Association to request an Attorney General's opinion regarding any requirements under present law for the timing of distributions under the Local Retailer's Sales Tax Act. The opinion was requested because the League of Municipalities had published a manual for city officials in which it was suggested that monthly distributions should normally be made within two or three working days after receiving payment from the State. The manual went on to suggest that failure to comply with this suggestion could provide grounds for a mandamus action by the city, a cause of action by the city against the County Treasurer's bond, or misfeasance or nonfeasance charges leading to removal from office.

ATTACHMENT III
3/3/86
Hs. LOCAL GOV.

The Kansas County Treasurers Association took exception to the League's suggestion and therefore requested the opinion of the Attorney General with regard to any requirements in Kansas law for the timing of these distributions. In response to our request, the Attorney General issued Opinion No. 85-88, a copy of which is attached hereto. The gist of this opinion is that there is no requirement in Kansas law prescribing a time for the distribution and apportionment of local sales tax. A reasonable time is implied under the law, and what constitutes a reasonable time is a question of fact to be ascertained in light of all of the facts and circumstances.

Again this year, the Kansas League of Municipalities advised the President of the Kansas County Treasurers Association that it intended to include similar language in the 1986 version of the manual for city officials. The appropriate body of the County Treasurers Association instructed me to write Mr. Mosher to indicate our disapproval of the League's position. On January 28, 1986, I so advised Mr. Mosher and indicated that we would be glad to meet and discuss this matter to see if some amicable solution could be reached. I have not been contacted by the League of Municipalities and we are assuming that either House Bill No. 3012 or Senate Bill 676 has been requested by the League of Municipalities.

Because of the varying circumstances that exist in each of the 105 counties, the County Treasurers Association continues to take exception to a legislatively-mandated time for the distribution of these funds. Betty McBride, past-president of the Association and Cherokee County Treasurer, is also here today and is a more appropriate person to answer specific questions with regard to how distributions are handled in the various

counties. As you are aware, there are some counties who handle very small amounts of money at infrequent intervals and it would be very cost-ineffective to require all counties to perform distribution functions in the same manner as those counties which have computer capability. This statement is not to suggest that it is always easy to make immediate distributions even in counties that are computerized.

We do not believe we have been properly advised of the problems that are being caused by any particular city. It is therefore difficult to respond to any specific allegations because we have not been presented with any. We do, however, believe, as a general rule, that the amounts of money at issue are extremely small and that a tremendous burden will be imposed upon many counties in which it is not feasible to make these distributions within two days. We would respectfully request that you defer any action on any measure similar to House Bill No. 3012 until we have been given an opportunity to provide you with facts concerning these specific allegations. We would be happy to work with a subcommittee of this Committee, if you deem it appropriate.

On behalf of the Kansas County Treasurers Association, I would urge you not to recommend House Bill No. 3012 for favorable consideration. I would be glad to answer any questions I can, and those that I cannot answer I will defer to Betty McBride.



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612

ROBERT T. STEPHAN
ATTORNEY GENERAL

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

July 26, 1985

ATTORNEY GENERAL OPINION NO. 85- 88

RECEIVED

Alan F. Alderson
Attorney for Kansas County
Treasurer's Association
1610 SW Topeka Avenue
P.O. Box 237
Topeka, Kansas 66612

JUL 31 1985

ALDERSON, ALDERSON
AND MONTGOMERY

Re: Cities and Municipalities -- General Provisions --
Apportionment of Revenue from Countywide Retailers'
Sales Tax

Synopsis: While K.S.A. 1984 Supp. 12-192 prescribes no time limit within which a county treasurer must make a distribution of countywide retailers' sales tax revenue apportioned to cities located within the county, such distribution must be made within a reasonable time following receipt by the county treasurer. The reasonableness of the time within which a county treasurer distributes such revenue is a question of fact to be ascertained in light of all facts and circumstances. Cited herein: K.S.A. 1984 Supp. 12-189, 12-192.

* * *

Dear Mr. Alderson:

On behalf of Doris Larsen, Lincoln County Treasurer and President of the Kansas County Treasurer's Association, you request our interpretation of K.S.A. 1984 Supp. 12-192. Specifically, you request our opinion as to whether there is any time limit within which a county treasurer must distribute to each city in the county its share of countywide retailers' sales tax revenue.

K.S.A. 1984 Supp. 12-189 prescribes that countywide retailers' sales tax revenue shall be distributed by the state treasurer to county treasurers at least quarterly, and we are advised that such distributions actually occur on a monthly basis. Subsection (a) of K.S.A. 1984 Supp. 12-192 sets forth the formula which county treasurers must use in apportioning countywide retailers' sales tax revenue among the county and each city located in the county, and subsection (c) thereof prescribes that "[a]ll revenue apportioned to the several cities of the county shall be paid to the respective treasurers thereof." Thus, while it is clear that it is the duty of the county treasurer to pay each city its share of sales tax revenue, neither K.S.A. 1984 Supp. 12-192 nor any other statute prescribes the period of time within which the distribution is to be made.

Under these circumstances, it is our opinion that the "reasonable time rule" is applicable. That rule is as follows:

"Where no time has been fixed for the performance of an act to be done, the law implies that performance is to be accomplished within a reasonable time."
Singer Company v. Makad, Inc., 213
Kan. 725, Syl. ¶7 (1974).

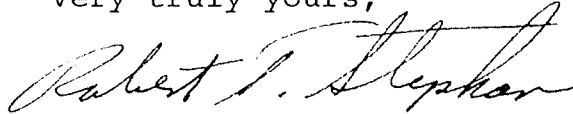
Moreover, "[w]hat constitutes a reasonable time depends on the facts and circumstances of the particular case." Id. at Syl. ¶8.

You indicate that a manual published by the League of Kansas Municipalities states that monthly distributions of countywide retailers' sales tax revenue should normally be made within two or three working days after receiving payment from the state. It may be that in most cases the distribution of sales tax revenue should occur within such a time period, and that any significant delay beyond three days would be unreasonable under the circumstances. However, we cannot state as a matter of law that the distribution must occur within three days, since the determination of what constitutes a "reasonable time" depends upon the facts of the particular case. A computer malfunction, for example, could render an otherwise unreasonable delay (7 to 10 days) acceptable on a one-time basis.

In conclusion, it is our opinion that while K.S.A. 1984 Supp. 12-192 prescribes no time limit within which a county treasurer must make a distribution of countywide retailers'

sales tax revenue apportioned to cities located within the county, such distribution must be made within a reasonable time following receipt by the county treasurer. The reasonableness of the time within which a county treasurer distributes such revenue is a question of fact to be ascertained in light of all facts and circumstances.

Very truly yours,



ROBERT T. STEPHAN
ATTORNEY GENERAL OF KANSAS



Terrence R. Hearshman
Assistant Attorney General

RTS:JSS:TRH:crw

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

I AM BETTY MCBRIDE, CHEROKEE COUNTY TREASURER AND SECRETARY OF THE KANSAS COUNTY TREASURER'S ASSOCIATION LEGISLATIVE COMMITTEE. I WANT TO EXPRESS MY APPRECIATION TO THIS COMMITTEE FOR THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY ON BEHALF OF THE COUNTY TREASURER'S ASSOCIATION, TO EXPRESS OUR CONCERNS AND OPPOSITION TO HOUSE BILL #3012.

PASSAGE OF HOUSE BILL #3012 WOULD REQUIRE THAT COUNTY TREASURERS DISTRIBUTE THE SHARE OF COUNTYWIDE SALES TAX DUE CITIES WITHIN TWO WORKING DAYS AFTER RECEIPT OF SUCH FROM THE STATE TREASURERS OFFICE. KSA 12-192, WHICH ADDRESSES THE DISTRIBUTION OF THIS SALES TAX DOES NOT SPECIFY A CERTAIN DATE ON WHICH THE TAX MUST BE PAID OUT TO THE CITIES. THIS LEADS TO THE ASSUMPTION THAT LEGISLATIVE INTENT WAS, THAT THIS TAX BE PAID OUT AT THE SAME STATUTORY TIME OTHER TAX DISTRIBUTIONS ARE MADE. KANSAS STATUE REQUIRES THAT TAX DISTRIBUTIONS BE MADE ON SIX SPECIFIED DATES ANNUALLY; JANUARY 20TH, MARCH 5TH, MAY 20TH, JULY 20TH, SEPTEMBER 5TH AND OCTOBER 31ST. THESE DISTRIBUTION DATES WERE SET BY THE LEGISLATURE AT THE RECOMMENDATION OF CITIES AND SCHOOL DISTRICTS. COUNTYWIDE SALES TAX IS RECEIVED BY COUNTY TREASURERS MONTHLY. PAYMENT FROM THE STATE TREASURERS OFFICE REFLECTS SALES TAX WHICH IS COLLECTED TWO MONTHS PRIOR TO DISTRIBUTION, THUS MAKING DISTRIBUTION OF COUNTYWIDE SALES TAX QUARTERLY BY THE STATE TREASURER'S OFFICE. YET PASSAGE OF HOUSE BILL #3012 WOULD ALLOW COUNTY TREASURER'S ONLY TWO DAYS TO DISTRIBUTE SUCH TAX TO CITIES. PAYMENT IS NOT RECEIVED ON ANY SPECIFIC DATE EACH MONTH, THEREFORE PAYMENT CANNOT BE SCHEDULED AT A TIME WHEN

ATTACHMENT IV

3/3/86

Hs. Local Gov.

WHEN OTHER OFFICE DUTIES REQUIRE LESS TIME. THE FIRST PRIORITY OF COUNTY TREASURER'S IS THE COLLECTION OF TAXES AND ASSISTING THE TAXPAYER WHO APPEARS PERSONALLY AT THE TREASURER'S OFFICE FOR SERVICE. COUNTY TREASURERS PRESENTLY MAKE FIFTY DIFFERENT TAX DISTRIBUTIONS TO TAXING UNITS ANNUALLY. THIS IN ADDITION TO THE MANY OTHER OFFICE DUTIES REQUIRED BY STATUE, LEAVE LITTLE TIME FOR ADDITIONAL REQUIREMENTS. PASSAGE OF HOUSE BILL #3012 WOULD REQUIRE ADDITIONAL DISTRIBUTIONS AND CERTAINLY ADD TO THE CONSTANTLY GROWING ADMINISTRATIVE BURDENS OF COUNTY GOVERNMENT.

THE ARGUMENT OF CITIES IN THE PAST HAS BEEN THAT COUNTIES EARN INTEREST ON MONEY WHICH IS IN ESSENCE BELONGS TO THEM. PERHAPS THIS IS THE ISSUE ONCE AGAIN. ALTHOUGH THIS SALES TAX IS PAID TO CITIES AS THEIR SHARE OF THE COUNTYWIDE SALES TAX IMPOSED BY COUNTY GOVERNMENTS, IN TRUTH THE SALES TAX COLLECTED IS PUBLIC FUNDS TO WHICH RURAL AS WELL AS URBAN CONSUMERS HAVE CONTRIBUTED. THE SMALL AMOUNT OF INTEREST WHICH THE COUNTY RECEIVES FROM THIS WHILE THE MONEY IS IN THE COUNTY TREASURY REDUCES THE LEVY FOR ALL CITIZENS OF THE COUNTY, THUS BENEFITING EVERYONE. THE LOSS OF INTEREST EARNED BY CITIES BEFORE DISTRIBUTION IS MADE IS VERY MINIMAL. I HAVE ATTACHED A SHEET SUMMARIZING WHAT THE THREE LARGER CITIES WITHIN MY COUNTY RECEIVED FROM THE COUNTYWIDE SALES TAX AND WHAT THEY COULD HAVE EARNED IN INTEREST DURING THE TIME THE TAX WAS IN THE COUNTY TREASURY HAD THE INTEREST RATES BEEN 10% WHICH IS NOT THE CASE AT THE PRESENT TIME. AS YOU CAN SEE THE LARGEST INTEREST LOSS WOULD HAVE BEEN \$834.81. THIS AMOUNT REPRESENTS A FULL YEARS EARNINGS. AS YOU CAN SEE THE

BENEFITS RECEIVED BY CITIES DOES NOT OFFSET ADMINISTRATIVE COSTS FOR MAKING ADDITIONAL DISTRIBUTIONS.

THE COUNTY TREASURER'S ASSOCIATION FEELS NO EXCEPTIONS SHOULD BE MADE ALLOWING SPECIAL TAX DISTRIBUTIONS, OR IN THE FUTURE THIS SITUATION COULD SET PRECEDENCE AND BECOME A DAILY OCCURRANCE, WHICH WOULD RESULT IN A SHRINKING TAX BASE FOR COUNTIES. WE ASK THIS COMMITTEE TO ALLOW COUNTY TREASURERS TO CONTINUE DISTRIBUTIONS OF THE COUNTYWIDE SALES TAX ON THE STATUTORY DATES REQUIRED FOR OTHER TAX DISTRIBUTIONS.

YOUR SERIOUS CONSIDERATION BEFORE PASSAGE OF HOUSE BILL #3012 WILL BE APPRECIATED.

RESPECTFULLY,



BETTY MCBRIDE
SECRETARY KCTA
LEGISLATIVE COMMITTEE

CITY OF BAXTER SPRINGS
1984 YEAR

DATE SALES TAX RECEIVED AMOUNT RECEIVED	SALES TAX IN TREAS. OFFICE BETWEEN DIST.	ESTIMATED INTEREST WHICH TAX COULD POSSIBLY EARN. <i>10%</i>
\$7,654.86 Jan 16	4 days	8.39
\$8,592.99 Feb. 2	31 days	72.85
\$9,650.65 Mar.16	65 days	171.60
\$7,433.90 April 9	21 days	43.26
\$9,178.48 May 10	10 days	25.10
\$11,255.50 June 19	30 days	92.40
\$11,142.85 July 16	4 days	12.20
\$10,719.14 August 7	29 days	85.26
\$10,373.10 Sept. 4	1 day	2.84
\$10,450.44 Oct. 16	15 days	43.80
\$8,413.25 Nov. 2	79 days	182.49
\$12,179.92 Dec. 11	40 days	133.60
	TOTAL	873.79

THE DISTRIBUTIONS DATES FOR TAXES ARE AS FOLLOWS:

January 20
March 5
May 20
July 20
September 5
October 31

CITY OF COLUMBUS
1984 YEAR

DATE SALES TAX RECEIVED AMOUNT RECEIVED	SALES TAX IN TREAS. OFFICE BETWEEN DIST.	ESTIMATED INTERES WHICH TAX COULD POSSIBLY EARN. <i>10%</i>
\$5,635.32 Jan. 16	4 days	6.16
\$6,416.78 Feb. 2	31 days	54.56
\$7,104.37 Mar. 16	65 days	126.75
\$5,472.65 April 7	21 days	31.50
\$6,756.97 May 10	10 days	18.50
\$8,286.02 June 17	30 days	68.10
\$8,409.23 July 16	4 days	9.20
\$7,891.17 Aug. 7	29 days	62.64
\$7,636.42 Sept. 4	1 day	2.09
\$7,840.59 Oct. 16	15 days	32.25
\$6,193.63 Nov. 2	79 days	134.30
\$8,966.56 Dec. 11	40 days	98.00
TOTAL		644.05

THE DISTRIBUTIONS DATES FOR TAXES ARE AS FOLLOWS:

January 20
March 5
May 20
July 20
September 5
October 31

CITY OF GALENA
1984 year

DATE SALES TAX RECEIVED AMOUNT RECEIVED	SALES TAX IN TREAS. OFFICE BETWEEN DIST.	ESTIMATED INTEREST WHICH TAX COULD POSSIBLY EARN. <i>10%</i>
\$5,826.58 Jan. 16	4 days	6.40
\$6,682.76 Feb. 2	31 days	56.73
\$7,345.69 Mar. 16	65 days	130.65
\$5,658.37 April 9	21 days	32.55
\$6,986.28 May 10	4 days	19.10
\$8,567.23 June 19	30 days	70.50
\$8,694.61 July 16	4 days	9.52
\$8,158.97 Aug. 7	29 days	64.96
\$7,895.58 Sept. 4	1 day	2.16
\$8,106.68 Oct. 16	15 days	33.30
\$6,403.83 Nov. 2	79 days	138.25
\$9,270.86 Dec. 11	40 days	101.60
	Total	665.72

THE DISTRIBUTIONS DATES FOR TAXES ARE AS FOLLOWS:

- January 20
- March 5
- May 20
- July 20
- Sept. 5
- Oct. 31



SEDGWICK COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS

BUD HENTZEN
CHAIRMAN
THIRD DISTRICT

DONALD E. GRAGG
CHAIRMAN PRO-TEM
FIRST DISTRICT

TOM SCOTT
COMMISSIONER
SECOND DISTRICT

COUNTY COURTHOUSE • SUITE 320 • WICHITA, KANSAS 67203-3759 • TELEPHONE (316) 268-7411

House Local Government Committee
March 3, 1986
H.B.3012

Testimony of Willie Martin
Sedgwick County, Kansas

In amending K.S.A. 1985 Supp. 12-192 to provide a time schedule for the distribution of sales tax revenue, we would hope that a realistic and reasonable schedule of distribution would be adopted. It is apparent that there is concern over, what is perceived as, unnecessary delays in the distribution of sales tax revenue. I certainly cannot address the distributions made in other counties but would like to present the attached information detailing the distribution of sales tax revenues in Sedgwick County.

There have been only two sales tax distributions in Sedgwick County to date. We anticipate the third receipt of revenue shortly, but I would like to point out that counties do not have a consistent date that they can depend on for sales tax distribution from the State Treasurer. The second attachment is a listing of the dates on which sales tax was received by three Kansas counties in 1985.

May we suggest, that distribution of sales tax revenue within 5 working days of receipt of a warrant or written confirmation of tax revenue distribution would be realistic and reasonable.

ATTACHMENT V
3/3/86
Hs. LOCAL GOV.

SEDGWICK COUNTY SALES TAX RECEIPTS AND DISTRIBUTION

Collection Period	Tax Due Dept.of Revenue	Cut-off Date	Received by County from St. Treas.	Written Confirm. of Dist.	Distributed County to Local Units
10-1=10-31	11-25	11-27	12-24 Warrant	12-24	12-31
11-1=11-30 Nov. 30th	12-26	12-31	2-4 Wire Trans.	2-7	2-12

At the time of receipt of the sales tax revenue on 12-24-85, the spread for distribution was made manually. Jim Powell, Deputy County Clerk worked until 7:00 P.M. on Thursday, December 26th to complete the distribution. The distribution spread was returned to the treasurer's office on the morning of Friday, December 27th. Checks were cut for distribution to local units on the same day. An order requesting an injunction was filed on December 27th 1985, Case No. 85C2247. The County Counselor appeared on December 31st, 1985 opposing the request for a temporary injunction that would prevent the Sedgwick County Treasurer from disbursing the sales tax revenues to the appropriate taxing entities. John Dekker, Attorney for the City of Wichita volunteered to assist Sedgwick County at the hearing. After hearing evidence, Judge Kline ruled that the temporary injunction should be denied and that the Sedgwick County Treasurer should disburse the sales tax revenues forthwith. Checks for sales tax revenue were spread to local entities that same afternoon.

During the period between December 31st, 1985 and the receipt of sales tax revenue from the State Treasurer on February 4, 1986 a program for calculating the sales tax distribution was written. A wire was received on February 4th and written confirmation of the distribution of revenues was received on Friday, February 7th. Confirmation of the exact amount of sales tax revenue received for distribution was given to Jim Powell's office on Friday afternoon. Calculations for the distribution were done on Monday afternoon, February 10th. Checks were cut and distribution of the sales tax revenue made on Wednesday, February 12th.

1985 SALES
TAX DISTRIBUTIONS TO COUNTIES
DATE RECEIVED AT COUNTY TREASURER'S OFFICE

	<u>Ford</u>	<u>McPherson</u>	<u>Johnson</u>
January	18	17	17
February	4	4	4
March	20	19	19
April	5	-Unknown-	3
May	6	3	3
June	5	4	5
July	8	8	5
August	12	12	12
September	16	16	13
October	16	16	15
November	4	1	1
December	11,27	11,23	10,30