

Approved February 20, 1986  
Date

JOINT  
MINUTES OF THE SENATE COMMITTEE ON EDUCATION AND ASSESSMENT AND TAXATION

The meeting was called to order by SENATOR FRED KERR at  
Chairperson

2:30 ~~XXX~~/p.m. on MONDAY, FEBRUARY 17, 1986 in room 254-E of the Capitol.

All members were present except:

Education: Senators Harder, Allen, Anderson, Arasmith (excused)

Assessment

and Taxation: Senators Allen and Burke

Committee staff present:

Mr. Ben Barrett, Legislative Research Department

Ms. Avis Swartzman, Legislative Revisor's Office

Mrs. Millie Randell, Secretary

Conferees appearing before the committee:

HB - School district finance, income and privilege tax, sales and use tax,  
2585 state ad valorem tax on state assessed property, determination and  
distribution of state aid. (Education)

Proponents:

Mr. Paul Fleener, Director, Public Affairs Division, Kansas Farm Bureau;  
member of the Ad Hoc Committee on School Finance

Dr. Jim Yonally, USD 512, Shawnee Mission; member of the Ad Hoc Committee  
on School Finance; also speaking on behalf of himself

Dr. Bill Curtis, Asst. Executive Director, Kansas Association of School  
Boards

Ms. Kay Coles, Director of Communications, Kansas-National Education  
Association

Mr. Ken Rogg, Legislative Representative, Schools for Quality Education

Opponents:

Mr. Ron Calbert, Director, Kansas State Legislative Board, United  
Transportation Union

After calling the Joint Committee meeting to order, Chairman Fred Kerr told the Committee that the concept contained in HB 2585 had been developed by members of an Ad Hoc Committee on School Finance. He said that although the Ad Hoc Committee's first plan for school finance had been developed several years ago, revisions had been made in it since that time. The Chair noted that with school finance and sales tax increases being timely subjects, members or representatives of the Ad Hoc Committee were present to explain this plan, the main ingredients of which are embodied in HB 2585. He then called upon Mr. Paul Fleener, an Ad Hoc Committee member.

Mr. Fleener stressed that the Ad Hoc Plan is a consensus proposal that was developed by members of the Committee after general agreement that a new direction for school finance is an absolute necessity. He informed the Committee that HB 2585 was drafted during the 1985 session at the direction of the House Education Committee. (Attachment 1) In response to questions, Mr. Fleener answered that a one cent sales tax is one ingredient of the Ad Hoc proposal as indicated in Goal #4 on page 2 of his testimony.

Dr. Jim Yonally, also a member of the Ad Hoc Committee, gave additional background information regarding the Committee and its work. He also stated that the Committee had reached a general agreement on two points: 1. Inequities have developed in the current school finance formula, and these need to be addressed, and 2. an alternative method for raising taxes for funding education was a necessity so as to relieve the property tax burden. Further testimony by Dr. Yonally is found in Attachment 2.

Dr. Bill Curtis of the Kansas Association of School Boards reinforced the recommendations made by both Mr. Paul Fleener and Dr. Jim Yonally by stating that the time has come for restructuring the current school finance formula,

CONTINUATION SHEET

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room 254-E, Statehouse, at 2:30 ~~a.m.~~ p.m. on MONDAY, FEBRUARY 17, 1986

and he urged the Committee to give favorable consideration to passage of HB 2585 in his testimony found in Attachment 3.

Ms. Kay Coles, representing Kansas-NEA, stated that she, too, supports the concept contained in HB 2585 for changing the school finance formula and urged the Committee to give favorable consideration to HB 2585. (Attachment 4)

Mr. Ken Rogg, representing Schools for Quality Education, also requested the Committee to give full consideration to the concept contained in HB 2585 as a means of equalizing dependence on local property taxes in the revenue mix. (Attachment 5)

Mr. Ron Calbert of the United Transportation Union, an opponent of HB 2585, stated that the bill impacts squarely on the middle-income taxpayer who pays the highest ratio of taxation to income in his testimony found in Attachment 6.

When responding to questions, Mr. Calbert referred a question regarding the Kansas Chamber of Commerce and Industry's position on HB 2585 to Mr. Dave Litwin, a representative of that organization, who was in attendance. Mr. Litwin replied that the KCCI had not discussed HB 2585 and said he could not give an opinion at this time. He recommended, however, that the concept of HB 2585 be studied by an interim committee.

Following Mr. Calbert's testimony, the Chair announced that the hearing on HB 2585 was concluded, and he adjourned the meeting.