

Approved Wednesday, March 22, 89  
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Audrey Langworthy, Vice Chairperson at  
Chairperson

11:00 a.m. ~~pm~~ on Friday, March 3, 1989 in room 519-S of the Capitol.

All members were present except:

Senator Dan Thiessen, Chairman (Excused)  
Senator Don Montgomery (Excused)

Committee staff present:

Don Hayward, Revisor's Office  
Chris Courtwright, Research Department  
Tom Severn, Research Department  
Marion Anzek, Committee Secretary

Conferees appearing before the committee:

Ed Mosher, League of Kansas Municipalities

Madam Chairperson called the meeting to order and said there are minutes before the committee. She said she would call for approval at the end of the meeting. She said there are five bills she intends to work today. They are; SB290, SB227, SB228, SB186 and SB195. She turned attention to SB290, reminding the member's this is the bill for the check off for kids, and asked for discussion or comments.

Senator Kerr said he would like to follow up with the suggestion of the idea of matching funds, with the check-off that we already have, if we have support on the bill.

Senator Karr moved to favorably pass SB290, seconded by Senator Oleen.

Senator Kerr said he would like to discuss the matching fund, as it would be harder for them to get it, if we waited a year or two. He thought the record in every State shows contributions drop if another one is added, even a very worthwhile one like this. The Senator asked Don Hayward if he could put Section B-line 25 to 41, \$100,000 cap on matching funds to the wildlife check-off? Don said this could be done.

Senator Fred Kerr made a substitute motion to amend SB290, to add a section which would provide up to \$100,000 in matching funds for wildlife check-off, seconded by Senator Martin.

After committee discussion regarding the substitute motion dealing with the matching funds, The motion carried.

Senator Karr moved to pass SB290 favorably as amended, seconded by Senator Oleen. The motion carried

Madam Chairperson turned attention to SB227 and called upon Senator Martin.

Senator Martin said he talked to the Department about some changes they may have to make to their forms. John Luttjohann told him they would not have a big problem, because both bills would be narrow in terms of the application.

After committee discussion Senator Martin moved to favorably pass SB227, seconded by Senator Karr. The motion carried.

Madam Chairperson moved to SB228, recognizing Senator Martin.

Senator Martin moved to favorably pass SB228

Questions regarding retro-fittings, and the cost the State would be paying, was explained by Senator Martin and Don Hayward.

Senator Martin conceptually moved to change 100% to 50% on lines 27 and 28, seconded by Senator Fred Kerr. The motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

room 519-S, Statehouse, at 11:00 a.m./~~p.m.~~ on Friday, March 3, 1989

Senator Martin made a motion to move SB228 as amended favorable for passage, seconded by Senator Karr. The motion carried.

Madam Chairperson turned attention to SB186 and she passed out some editorials positive to SB186. (ATTACHMENT 1) She also passed out a balloon of recommended changes the committee had discussed previously and explained the changes. (ATTACHMENT 2)

Committee discussion concerns included how many more people it would take to administer the act, and the taking out of the trust fund accounts. Madam Chairperson said the House held a hearing on SB186, and it was recommended that the audit be explained in more detail. She asked Ed Mosher, League of Kansas Municipalities if he could add anything from the House hearing.

Ed Mosher said Representative Lane proposed the amendments on page 13 of Attachment 2, and thought it would serve to tighten up the accountability by requiring these reports and audits.

Committee discussion brought concerns about taking out the 1% for cost of collection which would be deposited in each respective state's general revenue fund after payment of premiums for required surety bonds, and Madam Chairperson said she would talk to the Department and find out what kind of fiscal note they would feel appropriate, whether it, should be a ½% or 2%

Senator Lee made a conceptual motion to put in a balloon of whatever percent, necessary for the cost of collection, seconded by Senator Frahm. The motion carried.

Senator Fred Kerr moved to adopt the amendments in Attachment 2, into SB186, seconded by Senator Martin. The motion carried

Madam Chairperson turned attention to SB195 and recognized Senator Karr, sponsor of SB195.

Senator Karr said SB195 has to do with the whole medical mal-practice issue, and he also had an amendment which would be a new section 2, to SB195. He said this is a way to address the everincreasing numbers of under-served counties, but only those who are not experiencing any or very little mal-practice claims. After amending this into SB195, he wanted it referred to Judiciary Committee. (ATTACHMENT 3)

Committee discussion had concerns on whether to amend in this committee or go ahead and refer to an exempt committee and let the Judiciary Committee amend.

Senator Lee moved to adopt the amendent of Senator Karr's (Attachment 3) into SB195, seconded by Senator Francisco.

Senator Fred Kerr said he was uncomfortable with SB195 and the amendment because he felt there are problems with the bill. The amendment he felt was an important policy problem that the committee hasn't heard, and he said maybe it should be introduced in Federal State Affairs. After committee discussion Don Hayward said even if the committee amends the bill, there will be no printing until it is passed out of committee, but the motion to amend would be in the committee minutes.

Senator Lee withdrew her motion to amend SB195.

Senator Karr moved to recommend the President re-refer SB195 to an exempt committee, and then referred on to the Judiciary Committee. The motion carried.

Senator Francisco moved to approve the minutes of February 21 and February 22, 1989, seconded by Senator Lee. Motion carried

The meeting adjourned at 12:18 p.m.





**Michael Grimaldi**  
Business writer

## Kansas no friend of the arts

**B**ruce Sorrell, musician with a mission, would dearly love to give Johnson County its own chamber orchestra.

In a number of subtle ways, however, Kansas is saying, "No, thank you. Go to Missouri."

Sorrell is the music director and the chief fund-raiser of the Kansas City Chamber Orchestra, an orchestral group in its second year on stage. In that role he is trying to bridge the Kansas City cultural canyon known as State Line Road.

The psychological chasm is a well-known fact of life for area arts aficionados on both sides of the border, but particularly for those in Johnson County, which is a center of personal wealth for the area and thus a natural supporter of arts events.

It goes beyond personal leisure preference. The effect that the arts have in developing the local economy is documented.

Missouri Citizens for the Arts, a lobbying group that has no counterpart in Kansas, claims that every state dollar invested in the arts industry adds \$31 to the Missouri economy.

In Kansas, an economic development report cites national surveys that indicate that a thriving arts community is particularly useful in attracting high-technology firms.

Such firms often have no other location-sensitive costs, such as transportation or labor, and they generally employ a high number of managers and engineers that patronize the arts.

This lesson seems lost on many Kansas leaders. The fact that many area arts organizations are based in Missouri has its roots in history. Closer examination, however, reveals that Kansas state policies are unfriendly to the arts.

In an interview, Sorrell cited two barriers:

- Sales taxes. Non-profit groups must pay sales tax on purchases they make in Kansas. Not in Mis-

See Grimaldi, pg. 14, col. 1

## Grimaldi *continued from pg. 13*

souri. Where would you shop?

- Again, sales taxes. Kansas requires organizations such as Sorrell's to collect sales taxes on tickets. Missouri does not. When the orchestra plays in Kansas, Sorrell must write a check to the state. In Missouri, he does not, and instead he has more for music.

There also is the expense of sorting all this out.

"You don't need bookkeeping problems when you're a small, non-profit organization," he said.

Kansas's coolness to the arts does not end there, although there are signs of a warming.

According to a survey of state funding for arts agencies, Kansas ranks 52nd of 56 states and territories with the 23.7 cents per person it now spends from its general fund for arts.

Missouri spends 87.7 cents per person from its state general fund, more than three times as much, and ranks a more respectable 21st in per capita arts spending.

Last year, when Sorrell started the orchestra, Missouri awarded it a small but welcome allocation of \$2,000. Kansas awarded nothing. Sorrell has offices in Kansas, half his performances were in Kansas and he had publicly stated his desire to base the entity in Kansas.

On the positive side, Kansas has kept its arts support roughly on a pace with inflation—3.9 percent this year, to \$583,057.

Better news is that arts are getting \$450,000 from the Kansas Lottery, said Dorothy Ilgen, director of the Kansas Arts Commission.

Ilgen, who once worked for the Missouri Arts Council, said most of that money is slated for new programs; capital aid such as equipment purchases or facility repair; rural arts program for areas not previously served; and, arts fellowships.

That support is tenuous in the future because it is dependent on the success of the lottery.

Meanwhile, the Legislature needs to do more.

Lawmakers ought to drop the onerous sales tax requirements on arts activities.

In the fiscal year ended June 30, the state said about \$2.2 million in taxes was collected statewide (\$532,836 from Johnson County) from dance, theater and other performing arts and recreation activities.

Another idea: Establish a bistate arts commission that would administer sales tax funds collected to serve cultural activities throughout the Kansas City area. Missouri has a law that sets the stage for counties to create such a commission. Kansas needs to do so.

Finally, continue steady increases in general fund contributions to the arts commission.

These are fair questions for legislative candidates in the waning days of the political campaigns.

## Let the people vote on culture

Congratulations to *The Sun* for favorable and precautionary comments on the idea for a bistate, five-county cultural consortium. Good luck to Sen. Audrey Langworthy as she introduces enabling legislation in Kansas as Missouri has already done. The citizens in the metropolitan area should have the opportunity to decide if they favor the idea and vote on how it would be set up.

Pooling the cultural resources of the area can improve their quality and make a greater variety available to more people. Every county or community can not afford many types of cultural facilities be they be zoos, botanical gardens, special museums or particular kinds of parks, theatres and auditoriums. A united cooperative effort would be an effective "division of labor" so to speak. The

"whole would be greater than the sum of the parts" — a real gestalt.

The new culture-education center at JCCC can be a conspicuous and important feature in such a cooperative effort.

Political boundary lines are often more historical, accidental and artificial than logical. Islands of culture do not make much sense. They may lead to rivalries and selfish advantage.

The administrative structure will need to be planned very carefully to ensure efficiency, the best utilization of existing facilities and fairness to all areas. It can be done. There are good precedents in Denver and St. Louis.

Taxes do add up but one cent out of every \$4 purchase is not very noticeable and a good investment in the quality of life and education in the area.

Dr. Hugh Speer,  
Dean Emeritus of  
Education, UMKC  
Trustee, Johnson County  
Community College

## How to share your opinion

The Sun welcomes letters to the editor on any subject. We do reserve the right to edit for length, clarity and libelous content.

All letters must be signed. We may, for good cause, withhold a writer's name upon request.

We ask that each writer in-

clude his or her city of residence, street address and day and evening telephone numbers for verification.

Letters to the editor should be addressed:

Letters to the Editor  
Sun Newspapers  
7373 W. 107th

Overland Park, KS 66212.

1-11-89

Memo

# Here's a radical idea which may make some sense

If a picture's worth a thousand words, a headline must be worth at least 500.



Steve Rose

Thus, a front-page headline published in *The Sun* Dec. 28 may have negated much of the story which followed.

The headline read, "Paying for culture in Missouri is on Kansas agenda."

The very first sentence of the story read, "Sales tax dollars raised in Overland Park could be spent in Liberty, Mo. — and vice versa . . ."

The key words "and vice versa" more accurately reflect the objectives behind a bill which will be debated in this session of the Kansas Legislature.

The bill would allow voters in Johnson and Wyandotte counties to decide if they want to be a part of a bi-state cultural and recrea-

tional effort, to be funded by a one-fourth cent sales tax.

Such a tax would be levied in all five metropolitan counties. The Missouri General Assembly has already passed enabling legislation for the three Missouri counties.

The bill also would allow for the formation of a bi-state cultural and recreational commission. With representation from each county, the commission would oversee the allocation of the tax funds.

There are two considerations for Johnson Countians in this proposal.

One, are we interested in supporting a tax which will go toward metropolitan-wide culture? That would include such culture as the zoo, the symphony, Starlight Theatre, and so on. Johnson Countians attend or visit cultural events elsewhere in the metro area. Should we support them with our tax money?

Second, are we interested in supporting a tax which will go toward improving and ex-

panding cultural events within our county? The tax would do that. For example, the new cultural center, under construction at the Johnson County Community College, will become a cultural focal spot for this community. The one-fourth cent tax could really pump up its potential.

Kansas State Sen. Audrey Langworthy of Prairie Village is sponsoring a bill which would enable voters to decide in an election whether they want the tax and the cultural commission.

There are a number of serious questions which need to be answered before the matter would come before the voters.

On what basis would the money be distributed?

Who would oversee the allocation of those funds?

What kind of representation would there be on such a commission? How would those representatives be selected?

Missouri legislators have passed a plan which, although basically fair in philosophy, may have missed the mark on how to deal with those issues.

Langworthy said it best. "This is a very first, elementary step. It has a long way to go."

The bi-state cultural concept itself is radical but appealing, nonetheless. We often have voiced concern over the state line dilemma. This is one area where cooperation between states and counties could result in winners across-the-board and across the lines.

At this point, there is sense in supporting passage of enabling legislation. That is, legislation which would allow us to iron out the details and then vote on the revised proposition. Passage now will keep the ball rolling.

Then, several years from now, after much more consideration and discussion, the matter should go before the voters.

RESOLUTION 1988-K

WHEREAS, cultural, artistic and recreational activities and opportunities are a vital part of community life in the City of Fairway; and


WHEREAS, development and enhancement of support for cultural, artistic and recreational amenities is a desirable goal for improving the quality of life in the City of Fairway; and

WHEREAS, the City of Fairway shares the goal of developing and enhancing cultural, artistic and recreational opportunities with its neighboring counties in the metropolitan Kansas City area, to wit, Wyandotte County, Kansas, and Jackson, Clay, and Platte Counties in Missouri; and

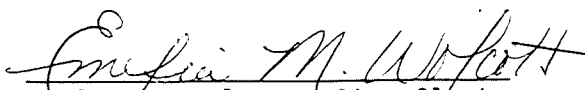
WHEREAS, the City of Fairway desires the opportunity to develop enhance cultural, artistic and recreational activities through the creation of a metropolitan funding district,

NOW, THEREFORE, BE IT RESOLVED THAT THE FAIRWAY CITY COUNCIL HEREBY CALLS UPON THE KANSAS LEGISLATURE TO ADOPT ENABLING LEGISLATION WHICH WOULD AUTHORIZE JOHNSON AND WYANDOTTE COUNTIES UPON AFFIRMATIVE VOTE OF ELIGIBLE VOTERS WITHIN SAID COUNTIES TO ENTER INTO A BI-STATE COMPACT CREATING A METROPOLITAN FUNDING DISTRICT FOR CULTURAL, ARTISTIC AND RECREATIONAL ACTIVITIES.

Adopted this 5th day of December, 1988.

  
Neale R. Peterson, Mayor

Attest:

  
Emelia M. Wolcott, City Clerk

DATE: Wed. 7-22-87

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> TOPEKA CAPITAL-JOURNAL      | <input type="checkbox"/> GARDEN CITY TELEGRAM   | <input type="checkbox"/> MANHATTAN MERCURY     |
| <input type="checkbox"/> WICHITA EAGLE-BEACON        | <input type="checkbox"/> HAYS DAILY NEWS        | <input type="checkbox"/> PARSONS SUN           |
| <input checked="" type="checkbox"/> KANSAS CITY STAR | <input type="checkbox"/> HUTCHINSON NEWS        | <input type="checkbox"/> PITTSBURG MORNING SUN |
| <input type="checkbox"/> KANSAS CITY TIMES           | <input type="checkbox"/> LAWRENCE JOURNAL WORLD | <input type="checkbox"/> SALINA JOURNAL        |
| <input type="checkbox"/> EMPORIA GAZETTE             | <input type="checkbox"/> LEAVENWORTH TIMES      |  |

## Erasing state line

**N**ow that Missouri Gov. John Ashcroft has signed the Greater Kansas City cultural and recreational district legislation into law, two steps are in order. First, the Kansas Legislature needs to enact a similar bill to allow Wyandotte and Johnson counties to join three Missouri counties in the proposed bi-state effort. Second, Missouri interests, after the law becomes effective in mid-September, should proceed to establish a district in their state, regardless of whether Kansas moves ahead.

This two-state approach offers several advantages. It can help prevent needless duplication of cultural and recreational facilities, thus providing more efficient use of public and private money. It can combine economic resources to finance facilities appropriate for regional service. This consolidation would also spread the costs of facilities used by metropolitan residents and visitors more equally on both sides of the state line.

A valuable intangible comes

into play. A venture that transcends state and other jurisdictional lines, of which there are many here, could help build regional cooperation and pride.

Two-state projects are rare. The 911 emergency telephone system is a notable exception. Currently other projects involving Kansas City and Johnson County are being pursued. This is all to the good, but for the most part the state line has been a barrier.

The failure of the Area Transportation Authority to provide widespread metropolitan transit service is attributed in part to a lack of taxing power. This omission is not repeated in the cultural-recreational measure. It would allow voters to decide on whether to impose a maximum one-fourth of 1 percent sales tax to finance district projects. Participating jurisdictions would have representation on a district board.

The line that separates Missouri and Kansas is, after all, an imaginary thing on a map. It should not be permitted to be more than that.

# The Kansas City Times

A Capital Cities/AHC, Inc., Newspaper

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Vol. 119

Tuesday, June 23, 1987

No. 247

## New Idea Catches On

Ordinarily it takes two or three sessions, if ever, for a new concept to be approved by the Missouri General Assembly. Happily, this did not apply to a proposal to create a cultural and recreational district in Jackson, Clay and Platte counties. Without question, this is one of the more far-reaching developments in government cooperation in the area's history.

The larger objective, having a bi-state district to include Wyandotte and Johnson counties in Kansas, is yet to be attained. It could be achieved under a compact entered into by Missouri and Kansas. Unfortunately, a similar measure was not approved by the Kansas Legislature earlier this year.

With or without Kansas, the Missouri counties can proceed to create a cultural and recreational district that unifies them. The legislation authorizes a maximum quarter-cent sales tax, although some officials contemplate only an eighth-cent will be submitted to voters in each county. A special board would govern the district.

This is a most logical and equitable way to overcome a restrictive influence on full development of this area's cultural and recreational potential. Individually, jurisdictions may not have the financial resources to provide the facilities and opportunities that would be

possible through a three-county or, if Kansas joined, a five-county district. With all five counties, the revenues would be in the range of \$10 million to \$12 million a year.

As matters stand, metropolitan Kansas City cannot combine its resources to finance facilities that represent and serve the entire area and its visitors.

Most damaging is the state line dividing the area, though county boundaries are also a factor. At least the Missouri jurisdictional barriers have been transcended, subject to voter approval of the sale tax levies.

Kansas City Consensus, a non-profit citizens group that deals with metropolitan issues, can be credited with creating interest in the concept. Kansas City Sen. Harry Wiggins was a prime mover in Jefferson City.

Too little cooperation is achieved here. This is, after all, a metropolis which happens to be split by burdensome boundaries. But it is possible to surmount that division as this excellent effort shows.

### Today's Bible verse

Keep not thou silence, O God, hold not thy peace, and be not still, O God — Psalm 83:1



# THE KANSAS CITY STAR.

*Founded September 18 1880, by William Rockhill Nelson*

*JAMES H. HALE, Publisher and Chairman of the Board*

*JOE McGUFF, Vice-President and Editor*

*JAMES W. SCOTT, Editor, Editorial Page*

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*Vol. 107, Wednesday, December 10, 1986, No. 71*

*A Capital Cities/ABC, Inc., Newspaper*

## States can share cultural assets

**A** cooperative bistate effort on cultural activities is a timely move. It should be pursued. Legislation has been filed in the Missouri General Assembly that would create a special area arts district, with representatives from participating jurisdictions authorized to develop and maintain facilities. The measure would allow counties to levy a maximum quarter-cent sales tax, subject to majority voter approval, to help finance the venture.

As written, it would enable Jackson, Clay and Platte counties in Missouri to proceed, pending Kansas' entry, if and when legislation is approved in that state. Presumably Wyandotte and Johnson counties would be involved in Kansas.

There appears to be some reluctance in both states to join forces at the moment. It is too soon to know whether opposition, or how much, will emerge.

Amenities such as the zoo, museums and historic homes are regional in scope. For many visitors, these attractions represent Greater Kansas (in and beyond). And for maximum effect, they should reflect the resources, the worth and the values of this region.

We are, after all, one metropolitan area, bisected by a line on a

map. This division should not be allowed to restrict our full potential for cultural opportunities. An outstanding attraction, regardless of which side of the state line it is located on, is a boon to the entire area.

The bill in the Missouri Legislature, sponsored by Sen. Harry Wiggins of Kansas City, is designed to transcend artificial, restrictive boundaries. If only a one-eighth-cent sales tax were collected, an estimated \$10.6 million could be raised annually.

This is not a novel approach. A similar arrangement between the city of St. Louis and St. Louis County has worked well.

In this area an earnings tax is collected from Kansas residents who work in Missouri. It is a way to help defray costs incurred by the city from their use of public facilities.

The cultural tax would be different. It would be administered by an 11-member bistate commission named by city, county and state officials in both states. All areas would have a voice and a vote in a coordinated enterprise.

This is, admittedly, a difficult undertaking. It is well worth the effort. In the years ahead, the cultural life of metropolitan Kansas City could be much the better for it.

# Editorials/Comments

A-6 ★

## The Kansas City Times

A Capital Cities Communications, Inc., Newspaper

JAMES H. HALE      MICHAEL E. WALLER      JAMES W. SCOTT  
Publisher and      Editor and      Editor,  
Chairman of the Board      Vice-President      Editorial Page

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Vol. 118

Tuesday, November 26, 1985

No. 68

# Money for the Arts

A Metropolitan Arts and Recreation District has been formally proposed by Kansas City Consensus. It deserves serious support.

Like it or not, the diverse populations of this big bi-state settlement are a community. The needs of the counties north of the Missouri River, the financial resources of Johnson County, the aging institutions of Downtown Kansas City cannot be excised or treated separately. Hence an umbrella political district to coordinate arts services makes good sense. Excellent quality in the symphony or a world-class museum will draw from all parts of the area. What one segment cannot do alone, all working together can do very well.

Certainly cooperation moves in several directions. If metropolitan funding is established, as has been proposed, competing interests must be weighed fairly. The Kansas

City Zoo, a suggested improvement target, already serves the metropolis. But Johnson County's desire for a visual and performing arts center is legitimate. The momentum must not be doomed by any assumption good arts or recreation facilities belong only to the central city.

The idea has been tossed around for years, but now the time seems right. The hurdles are many. Gaining the blessing of the Missouri General Assembly and the Kansas Legislature for a bi-state district would be only one. Voter approval for a small tax, even the so-called "most popular" sales tax, is not assured.

But the prospect of embarking on such a campaign is invigorating. It surely is one more indication that Kansas City is on the edge of a better era in music, art, the theater and all the things that make a great city worthy of that description.

# EDITORIAL

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## Kansas City needs to upgrade its attractions

Kansas City Consensus again has hit the nail on the head with its suggestion that Kansas City and surrounding areas put together a package to finance and build new or expanded cultural facilities.

For too long, Kansas City has allowed some amenities like the Kansas City Zoo and the Kansas City Museum to limp along, not wanting to give them up, but unwilling to turn them into the first-class attractions they deserve to be. Cities can be, and are, judged on how well their culture thrives. Kansas City is certainly large enough to support the projects the consensus committee has suggested. There is something for everyone in their suggestions and nothing that a city like Kansas City should not want.

The consensus organization has suggested five projects, at an estimated cost of \$134 million, but also said that any three of the projects might be built for \$80 million.

The proposals are: an expanded zoo; a new metropolitan museum of science and history; a satellite arts facility; an aquarium and restoration of Union Station.

The committee's common sense shines through in its emphasis that the projects be built on both sides of the state line. The access, the attendant benefits and the costs of the proposed projects should be shared by both Missouri and Kansas residents.

The group has recommended raising the money for building and expanding through a combination of sales tax, business and residential real-estate taxes, a hotel tax and an airport-departure tax, a suggestion that would spread the costs in as equitable a fashion as anyone could ask.

At this point in the city's development, it cannot and should not expect to have the biggest and the best of all cultural and recreational facilities. Each will grow and thrive at its own rate. Each will develop its own constituency and each its own level of professionalism.

It is time now for the leaders from all five counties on both sides of the state line to find out what the community wants to support and for the community to let them know they have our backing.

**SENATE BILL No. 186**

By Senators Langworthy and Steineger

2-7

15  
16 AN ACT entering into the Kansas and Missouri metropolitan culture  
17 and recreation district compact.

18 *Be it enacted by the Legislature of the State of Kansas:*

19 Section 1. The Kansas and Missouri metropolitan culture and  
20 recreation district compact is hereby entered into and enacted into  
21 law in the form substantially as follows:

22 **ARTICLE I.**

23 When used in this compact, unless the context clearly requires a  
24 different construction:

25 (a) "Commission" means the governing body of any culture and  
26 recreation district created under and pursuant to the provisions of  
27 this compact and act;

28 (b) "cultural and recreational facilities, activities or organizations"  
29 means those facilities, activities or organizations dedicated to en-  
30 hancing the artistic, aesthetic, intellectual, historical or physical well-  
31 being of the general public through nonproprietary or nonprofit  
32 means;

33 (c) "district" means any body politic and corporate consisting of  
34 one or more counties in either the state of Kansas or the state of  
35 Missouri, or both, created under and pursuant to the provisions of  
36 this compact and act.

37 **ARTICLE II.**

38 The states of Kansas and Missouri agree to and pledge, each to  
39 the other, faithful cooperation in the future planning, operation and  
40 development of metropolitan culture and recreation districts as pro-  
41 vided for herein, holding in high trust for the benefit of its people  
42 and of the nation, the special blessings and natural advantages  
43 thereof.

Attachment 2  
Senate Assessment & Taxation  
Friday, March 3, 1989

## ARTICLE III.

In order to achieve solid financial support and effective coordination for cultural and recreational activities, the states of Kansas and Missouri hereby authorize, upon petition or resolution as provided herein, the creation of metropolitan culture and recreation districts, the financing of major cultural and recreational facilities and organizations within the territorial bounds of such districts and the providing of operating and developmental support and coordination for cultural and recreational organizations operating within such districts.

## ARTICLE IV.

(a) A culture and recreation district shall be deemed created whenever:

(1) Qualified voters representing 1% of the vote cast at the next preceding gubernatorial election of any county which contains a part of a city with a population according to the most recent federal census of at least 400,000 in Missouri or a population of at least 80,000 in Kansas shall file verified petitions for the creation of a culture and recreation district naming and consisting of such county or counties and ~~one or more counties within 60 miles of~~ such county ~~or counties in the same state or an adjacent state;~~ or

(2) the governing body of any county satisfying the population requirements of paragraph (1) adopts a resolution approved by a majority vote and calls for the creation of such a district naming and consisting of such county or county and one or more counties within 60 miles in the same state or in an adjacent state, each such county satisfying the population requirements of paragraph (1).

(b) Except as provided by subsection (f), the governing body of any such county, within 24 months of the filing of a petition or adoption of a resolution pursuant to subsection (a), shall request the election authority of the county to submit a proposition to the voters as to whether or not a ~~retail~~ sales tax of not more than .25% should be levied and collected for the financing of cultural and recreational facilities and organizations within the district described in the petitions or resolutions. The costs of any such election shall be borne and paid for by the county governing body requesting that such an election be held.

any county which is contiguous to

countywide retailers'

122 shall become effective on the first day of the second calendar quarter  
 123 following the election. The sales tax shall be levied and collected in  
 124 the same manner and by the same procedure as other local sales  
 125 taxes are levied and collected upon all sales upon which the retail  
 126 sales tax is levied and collected. This sales tax shall be in addition  
 127 to any other sales tax authorized by law. If a majority of the votes  
 128 cast in any one county are opposed to the proposition, no such sales  
 129 tax shall be levied and collected within such county, but such county  
 130 shall remain in the district and retain its commissioners appointed  
 131 in the manner set forth herein who, however, shall be nonvoting  
 132 commissioners. The proposition may be resubmitted to the voters  
 133 of such county at any time following rejection of the proposition.

administered  
 countywide retailers'  
 state retailers'

134 (f) In lieu of the sales tax authorized by this section, the governing  
 135 body of any such county within 24 months of the filing of a petition  
 136 or adoption of a resolution pursuant to subsection (a) may agree, by  
 137 adopting a resolution, to pay its share of the cost of the financing  
 138 of cultural and recreational facilities and organizations by obligating  
 139 a specific source of revenue or exercising any other taxing authority  
 140 granted to it by law. Any such agreement may be entered into for  
 141 a term not to exceed 20 years. However, the agreement may permit  
 142 the governing body either to extend or renew the term of such  
 143 agreement, so long as the county is not bound under the agreement  
 144 for an extended period or renewal period of more than 20 years.  
 145 Before exercising any power granted pursuant to this subsection, the  
 146 proposition shall be submitted to an election in the manner provided  
 147 by subsection (d). If a majority of the votes cast in any such county  
 148 are against the proposition, the county shall remain in the district  
 149 and retain its commissioners appointed in the manner provided  
 150 herein who, however, shall be nonvoting commissioners. The prop-  
 151 osition may be resubmitted to the voters of such county at any time  
 152 following rejection of the proposition.

countywide retailers'

153 ARTICLE V.

154 (a) In order to provide governance for any district, the states of  
 155 Kansas and Missouri hereby authorize, upon petition or resolution  
 156 as provided herein, the creation of metropolitan culture and rec-  
 157 reation commissions for such metropolitan culture and recreation  
 158 districts, which shall be bodies corporate and politic and politica.

159 subdivisions of the states of Kansas and Missouri.

160 (b) Any commission created hereunder shall have the power to:

161 (1) Provide funds to support cultural and recreational facilities  
162 within the territory of the district. When determining whether to  
163 provide support to a cultural and recreational facility, the commission  
164 shall consider:

165 (A) The economic impact upon the district;

166 (B) the educational impact upon individuals residing in and vis-  
167 iting the district;

168 (C) the contribution to the quality of life and popular image of  
169 the district;

170 (D) the breadth of popular appeal within and without the district;

171 (E) the contribution to the geographic balance of recreational and  
172 cultural facilities throughout the district;

173 (F) the uniqueness as compared with other recreational and cul-  
174 tural facilities within and without the district; and

175 (G) any other factor deemed appropriate by the commission;

176 (2) ~~levy and collect a retail sales tax or provide funding upon~~  
177 ~~approval by popular vote as provided herein,~~ funds for the construction of  
178 cultural and recreational facilities in the district and for making grants  
179 for developmental support of cultural and recreational organizations  
180 in the district;

181 (3) solicit and collect contributions from the general public to be  
182 used as grants for developmental support of cultural and recreational  
183 organizations in the district;

184 (4) make grants for operational developmental support of cultural  
185 and recreational organizations in the district;

186 (5) create and fund endowments for the construction of cultural  
187 and recreational facilities within the district and for grants for the  
188 developmental support of cultural and recreational organizations in  
189 the district;

190 (6) receive for its lawful activities any contributions or moneys  
191 appropriated by municipalities, counties, or by the federal govern-  
192 ment or any agency or officer thereof or from any other source,  
193 public or private;

194 (7) receive tax funds, grants and donations from any other source,  
195 public or private;

233 and fix their compensation;

234 (15) perform all other necessary and incidental functions; and to  
235 exercise such additional powers as shall be conferred on it by the  
236 legislature of either state containing a county or counties participating  
237 in the district concurred in by the legislature of the other and, as  
238 appropriate, by act of Congress.

239 ARTICLE VI.

240 (a) Any commission created hereunder shall be composed of:

241 (1) One person residing and qualified to vote in each county  
242 participating in the district and appointed by the board of county  
243 commissioners;

244 (2) one person residing and qualified to vote in each city with a  
245 population according to the most recent federal census of at least  
246 80,000 located in whole or part in any county participating in the  
247 district and appointed by the governing body of the city; and

248 (3) one person from each state containing one or more counties  
249 participating in the district, such person shall reside in and be qual-  
250 ified to vote in any county participating in the district of such state  
251 and appointed by the governor of the state.

252 (b) All persons appointed to serve on any commission created  
253 hereunder shall be persons from the general population with dem-  
254 onstrated interest, expertise, knowledge or experience in cultural  
255 and recreational organizations or endeavors.

256 (c) Except as otherwise provided by this subsection, all persons  
257 serving on any commission created hereunder shall serve terms of  
258 four years. Of the commissioners first appointed, the commissioner  
259 appointed by the governing body of a city shall serve a term of two  
260 years; the commissioner appointed by the board of county commis-  
261 sioners shall serve a term of three years and the commissioner ap-  
262 pointed by the governor of each state containing participating  
263 counties shall serve a term of four years. Any person appointed to  
264 any commission created hereunder may be appointed to serve suc-  
265 cessive terms.

266 (d) In the event of a vacancy on any commission created her-  
267 eunder by the resignation, removal or death of a person appointed  
268 to such commission, such vacancy shall be filled for the unexpired  
269 term by appointment in the same manner that the original appoint-

, except that no person may be appointed for  
more than two complete four-year terms



270 ment was made.

271 (e) Any ~~person appointed to serve on any commission created~~  
272 ~~hereunder~~ may be removed for cause, following written notice of  
273 ~~the charges, a hearing before the full commission and an affirmative~~  
274 ~~vote for removal by 2/3 of the commissioners serving on the com-~~  
275 ~~mission at the time of the hearing.~~

commissioner

by the person or governing body which appointed such commissioner

276 (f) Any commission created hereunder shall elect from its number  
277 a chairperson and a vice-chairperson and may appoint such officers  
278 and employees as it may require for the performance of its duties  
279 and shall fix and determine their qualifications and duties.

280 ARTICLE VII.

281 (a) No action of any commission created hereunder shall be bind-  
282 ing unless taken at a meeting at which at least a quorum is present  
283 and unless approved by a majority vote of those commissioners pres-  
284 ent and voting.

285 (b) If a district is composed of counties in more than one state,  
286 no action of the commission governing such district shall be binding  
287 unless a majority of the commissioners from each state, present at  
288 such meeting, shall vote in favor thereof.

289 (c) No action of any commission created hereunder at a meeting  
290 shall be binding unless included in a written agenda for such meet-  
291 ing, the agenda and meeting notice having first been mailed to each  
292 commissioner by postage paid first-class mail at least 14 calendar  
293 days prior to the meeting at which action is taken.

294 ARTICLE VIII.

295 If any commissioner has a direct or indirect financial interest in  
296 any facility supported by a commission or district created hereunder  
297 or in any other business transaction of such a commission or district,  
298 the commissioner shall disclose such interest in writing to the other  
299 members of the commission and abstain from voting on any matter  
300 relating to such facility or transaction.

301 ARTICLE IX.

302 All members of any commission created hereunder shall serve  
303 without compensation, but shall be reimbursed by such commission  
304 for the actual and necessary expenses incurred in the performance  
305 of their duties as provided in K.S.A. 75-3203, and amendments  
306 thereto.

ARTICLE X.

If any action at law or equity, or other legal proceeding, shall be brought against any member of a commission created hereunder for any act or omission arising out of the performance of duties as a commissioner, the member shall be indemnified in whole and held harmless by such commission for any judgment or decree entered against the member and, further, shall be defended at the cost and expense of such commission in any such proceeding.

ARTICLE XI.

~~(a) All sales taxes collected by the director of taxation of each state containing one or more counties participating in any district created hereunder from the tax authorized by the provisions of this act on behalf of the district, less 1% for cost of collection which shall be deposited in each respective state's general revenue fund after payment of premiums for required surety bonds, shall be deposited with the state treasurer of each such state in special trust funds, hereby created, to be known as the Kansas metropolitan culture and recreation district trust fund and the Missouri metropolitan culture and recreation district trust fund, as appropriate, together with separate accounts for each district created hereunder. The moneys in the trust funds shall not be deemed to be state funds and shall not be commingled with any other funds of either state. The director of taxation of each state shall keep accurate records of the amount of money in each trust fund and account which was collected in each county imposing a retail sales tax under the provisions of this act. Such records shall be open to the inspection of officers of the appropriate district and the public. Not later than the 10th day of each month, the treasurer of each state shall distribute all moneys deposited in each trust fund during the preceding month to the appropriate district.~~

(b) The director of taxation of each state may authorize the state treasurer of each state, respectively, to make refunds from and credited to ~~each trust funds and accounts~~ for erroneous payments and overpayments made, and may authorize the treasurer to redeem dishonored checks and drafts deposited to the credit of such funds.

If a district abolishes the tax, it shall notify the director of taxation of each state of the action at least 90 days prior to the effective date.

Upon receipt of a certified copy of the resolution authorizing the levy of a countywide retailers' sales tax pursuant to this act, the state director of taxation shall cause such tax to be collected in the county at the same time and in the same manner provided for the collection of the state retailers' sales tax. All moneys collected by the director of taxation pursuant to this section shall be credited to a "metropolitan culture and recreation district sales tax fund" which is hereby established in the state treasury. Any refund due on any county retailers' sales tax collected pursuant to this act shall be paid out of the "metropolitan culture and recreation district sales tax refund fund" which is hereby established in the state treasury and reimbursed by the director of taxation from collections of the sales tax authorized by this act. All county retailers' sales tax revenue collected pursuant to this act shall be apportioned and remitted at least quarterly by the state treasurer, on instruction from the director of taxation, to the treasurer of such county. Upon receipt thereof, the county treasurer shall deposit such revenue in the general fund of the metropolitan culture and recreation district.

the metropolitan culture and recreation district fund

fund

344 of the abolition and the director of taxation of each state may order  
 345 retention in the ~~appropriate trust~~ fund, for a period of one year, of  
 346 2% of the amount collected after receipt of such notice to cover  
 347 possible refunds or overpayment of the tax and to redeem dishonored  
 348 checks and drafts deposited to the credit of such ~~account~~. After one  
 349 year has elapsed following the effective date of abolition of the tax  
 350 in the district, the director of taxation of each state shall authorize  
 351 the state treasurer of each state, respectively, to remit the balance  
 352 in the account to the district and close the account of the district.  
 353 The director of taxation of each state shall notify the district of each  
 354 instance of any amount refunded or any check redeemed from re-  
 355 ceipts due the district.

metropolitan culture and recreation district  
 fund

356 (c) The cost of operating any district shall be from the total funds  
 357 of the district as may be authorized by its commission.

358 ARTICLE XII.

359 Any district created hereunder by a vote of the qualified voters  
 360 thereof voting as now or hereafter required by the constitution and  
 361 laws of the state of Kansas for those counties in the state of Kansas  
 362 and the constitution and laws of the state of Missouri for those  
 363 counties in the state of Missouri may incur an indebtedness for the  
 364 purposes of this act. In any such election, the votes cast in all  
 365 counties in a district within one state participating in the district  
 366 shall be considered in the aggregate, not county by county, in de-  
 367 termining whether the requisite majority for approval has been sat-  
 368 isfied and, further, in the event there are counties in more than  
 369 one state participating in the district, requisite majorities must be  
 370 achieved in both portions of the district as may exist in such states.  
 371 The total indebtedness authorized separately by the voters for the  
 372 district shall not exceed the amount or amounts as may be prescribed  
 373 by law.

374 ARTICLE XIII.

375 (a) Before incurring any indebtedness pursuant to this act, the  
 376 commission shall provide for the collection of a retail sales tax on  
 377 all retail sales within the district not to exceed the amount approved  
 378 by popular vote or shall provide for the payment of its share of the  
 379 costs as provided for in Article IV to pay the interest and principa-  
 380 of the indebtedness as they fall due and to retire the same within

## ARTICLE XV.

458  
459 Any notes, bonds or other instruments in writing issued by any  
460 commission created hereunder pursuant to the provisions of this  
461 compact are hereby recognized to be securities in which all state  
462 and municipal officers and bodies, all banks, bankers, trust com-  
463 panies, savings banks, savings associations, building and loan asso-  
464 ciations, investment companies, and all other persons carrying on a  
465 banking business, all insurance companies, insurance associations,  
466 and other persons carrying on an insurance business, and all ad-  
467 ministrators, executors, guardians, trustees and other fiduciaries and  
468 all other persons whatsoever who are now or who may hereafter be  
469 authorized to invest in bonds or other obligations of the state of  
470 Missouri or the state of Kansas may properly and legally invest any  
471 funds, including capital, belonging to them, or within their control.  
472 Such obligations are hereby recognized as securities which may prop-  
473 erly and legally be deposited with and shall be received by any state  
474 or municipal officer or agency for any purpose for which the deposit  
475 of bonds or other obligations of the state of Missouri or the state of  
476 Kansas is now or may hereafter be authorized.

## ARTICLE XVI.

478 (a) Nothing contained in this compact shall impair the powers of  
479 any county, municipality or other political subdivision to acquire,  
480 own, operate, develop or improve any facility which any commission  
481 created hereunder is given the right and power to finance, develop  
482 or improve.

483 (b) Nothing herein shall impair or invalidate in any way bonded  
484 indebtedness of any state or of any county, city, township or other  
485 political subdivision nor impair the provisions of law regulating the  
486 payment into sinking funds of revenues derived from municipal prop-  
487 erty or dedicating the revenues derived from any municipal property  
488 to a specific purpose.

## ARTICLE XVII.

490 Unless and until otherwise provided, any commission created her-  
491 492 under shall ~~make an annual report~~ to the governor of each state  
493 containing counties participating in the district governed by the com-  
494 mission; ~~setting forth in detail the operations and transactions con-~~  
~~ducted by it pursuant to this compact and any legislation thereunder.~~

cause to be prepared annually an audit and a report on the operations and transactions conducted by it pursuant to this compact and any legislation thereunder. Such audit and report shall be submitted

. A copy of such audit and report also shall be sent to the governing body of each city and county which appoints a member to the commission pursuant to subsection (a) of Article IV

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## ARTICLE XVIII.

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Within 60 days after the enactment of this compact by either state, the governor of the state, by and with the advice and consent of the state's senate, shall appoint three individuals to enter into the compact as set forth herein on behalf of the state. If either senate is not in session at the time of making any appointment, the governor of the state in question shall make temporary appointments as in case of a vacancy. Any two of the individuals so appointed, together with the attorney general of such state, may act to enter into the compact as aforesaid.

## ARTICLE XIX.

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The compact, when signed by the signatories of each state, shall become binding upon the state of Kansas and upon the state of Missouri and shall be filed in the office of the secretary of state of Kansas and the office of the secretary of state of Missouri.

## ARTICLE XX.

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Any commission created hereunder is authorized and directed to proceed to carry out its duties, functions and powers in accordance with the articles of this compact as rapidly as may be economically practicable and is vested with all necessary and appropriate powers not inconsistent with the constitution or the laws of the United States, or of either state, to effectuate the same.

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Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

Amendment to Senate Bill No. 195

New Sec. 2. (a) For all taxable years commencing after December 31, 1988, there shall be allowed as a credit against the tax liability imposed under the Kansas Income tax act of a resident taxpayer who is licensed to practice medicine and surgery in this state, practices in a medically underserved area, as defined by KSA 76-375, and amendments thereto, an amount to be determined pursuant to subsection (b)

(b) If the taxpayer declares under oath that such taxpayer in the previous five most recent calendar years has not had a malpractice claim, award, or judgment where payment of such claim, award or judgement to the claimant or plaintiff exceeds in the aggregate \$10,000, and files such declaration with the Commissioner of Insurance, such taxpayer shall be entitled to a tax credit on the current year's tax liability of an amount by which the taxpayer's most recent medical malpractice insurance premium and premium surcharge exceeds five percent of gross income for such taxpayer from the practice of medicine. If payments on such claims, awards or judgments, including any deductibles, over the most recent five years of practice do not exceed \$100,000 in the aggregate, such taxpayer may see an income tax credit equal to the amount exceeding 7.5% of gross income and receipts from the practice of medicine.

Attachment 3  
Senate Assessment & Taxation  
Friday, March 3, 1989