

Approved Wednesday, January 31, 1990
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by SENATOR DAN THIESSEN at
Chairperson

11:00 a.m./~~p.m.~~ on Wednesday, January 24, 1990 in room 519-S of the Capitol.

All members were present except:

Senator Lana Oleen, 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:

James L. Wisler, Linn Co. Counselor
Mayor Mark Butterfield, City of Derby
Representative Jeff Freeman
Craig Grant, KNEA
Hazel Ball, Coffey County resident
Tim Hagemann, Exec. Director-KS Legislative Policy Group
David Watkins, Administrator-City of Lenexa
John Moir, Director-City of Wichita
Dwayne Smith, Coffey County, resident
Jim Yonally, Shawnee Mission School District

Chairman Thiessen called the meeting to order at 11:04 a.m. and said we would be hearing OPPONENTS of SCR1632.

SCR1632: A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas, relating to the taxation of property.

THE FOLLOWING CONFEREES ARE OPPONENTS OF SCR1632.

James Wisler said he is addressing the committee on behalf of Linn County, Kansas. He said he distributed a written statement of their position, and he would summarize it for the committee. Mr. Wisler said basically, what Linn County is concerned mostly about is the proposal to reduce the public utility real estate and tangible personal property from 30% to 15%. We feel other parts of the bill that adversely affect our property tax situation is since the early 70's Linn County has the LaCygne Power Plant owned by Kansas City Power and Light and Kansas Gas and Electric, which is the major source of property valuation in Linn County. To reduce this by half would devastate our county budget, not to mention the budget of the Prairie Village school district in the north part of the county. He said the total county 1989 valuation is \$122,710,228.. He said, by withdrawing the valuation of the state assessed property in Linn County, most of which is the LaCygne Power Plant is \$91,429,348. This would reduce that valuation by \$45,714,674. resulting in tax dollars to Linn County of \$1,115,575.19. The current Total Tax Dollars for 1990 is \$2,994,497.69. He said, that is a 37% cut in their tax base. He said Linn County cannot make this up in any other way, it is a small rural county, with about 8,000 residents, many of them retired, and he said, they have no major industry or retail outlets. A payroll tax, a sales tax, and income tax will simply not offset a \$1M loss. (ATTACHMENT 1)

Mayor Mark Butterfield said he is mayor of the City of Derby, and Chairperson of the Association for Legislative Action by Rural Mayors (ALARM). The Association represents 19 cities of the second and third class in Sedgwick County. He said, the resolution as proposed would effectively halt the operations of local governments, it calls for a tax lid on residential properties of 1% and a 1½% lid on commercial properties. In the case of the City of Derby, this calculates to a net loss of \$1.3M in operating revenue from a total operating budget of \$7.8M. He said, if this is the case, they will have no alternative but to cut services across the board which can only mean a dramatic loss in public safety as well as being forced to abandon our infrastructure maintenance.

He said, we know that your jobs are not easy, and we ask the same consideration from you. Our jobs are not easy either. However, we do know that any decision made on this legislation will not be popular with all of the people of the state. But let's

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

room 519-S, Statehouse, at 11:00 a.m./~~pm~~ on Wednesday, January 24, 1990

work together to solve the problem for the long-term instead of trying to protect our collective political posteriors. There is little doubt that the best methodology is to be able to act rather than to react. (ATTACHMENT 2)

Representative Jeff Freeman said in listening to testimony from the Proponents of yesterday's meeting in this committee, he said, he could not agree more, hearing testimony of how small business of this State is struggling. We have heard from taxpayers and small business people of this State, who have 300, 400 and 500% increases, and we have heard the problems of farm out buildings, Fraternal Organizations and Lodges, that they have had with reappraisal and classification.

He said, in his district they have helped out over 1,000 people fill out circuit breaker forms and tax protest forms, and we try to answer questions they have regarding reappraisal and classification. He said, people are upset with the current system for a variety of reasons.

Representative Freeman said he was here today to address SCR1632 as is currently written. He said, Senator Kanan has introduced SCR1633 and Representative Vancrum has a Proposal he has introduced in the House, and the Governor's proposal which will be on the table, and he said, we will be talking about a number of constitutional amendments. Addressing SCR1632 he said, in Coffey County, Wolfcreek pays about 90% of their tax base, and under the current proposal, he said, the problem he has is on page 2, line 27, he doesn't believe that public utilities should be assessed at 15%, the same rate as commercial business. He said, if you look at the constitution it states said property and if you look at what we have had over the years, if anybody has done a good job, he said, he believes it is the Property Valuation Department.

Year after year if you look at what the ratios have been, they were about at 30% and meeting the constitutional mandate, but he said he thought, to lower that and cut it in half would have a very severe and adverse affect upon the counties and local units of government handling those revenues. He said, he thought there was a question of fairness involved. In if the utilities interest should be taxed at the same rate that small business is. He said, his county is faced with a loss of 51% of their revenues, about \$12.M. So, what do we cut out, the health department, the road and bridge, cut personnel in all county offices and go back to the old township system?

Representative Freeman said another concern he has with SCR1632 is on page 3, line 20 "The legislature shall prescribe the manner by any taxing district. The legislature shall prescribe the manner by which the hereinbefore prescribed aggregate mill levy rate limitation shall be prorated among the several taxing units of a taxing district." He said, if you look at the explanation sheet passed out by Senator Yost, (ATTACHMENT 3a) Section E. "The Constitutional Amendment would allow the legislature to determine statutorily how the revenue raised by the property tax in any particular taxing unit would be distributed between counties, cities, school boards, etc." Representative Freeman said he had a real problem with that, about the Legislature coming in and taking the local authority away from local units of government and how they are going to set their mill levy rates, and he said, he thought it was very vaguely worded in the amendment, and he said, this is not the direction he would like to see this State take.

He said regarding the handouts he passed the committee (ATTACHMENT 3a, 3b and 3c) attachment 3c is an old family map and an abstract book to show you how Coffey County looked in 1901. Attachment 3b looking at the 2nd page you can see the number of acres that have been taken out of production, where we have the John Redmond Lake and the Reservoir, and we are proud of that in Coffey County but it took over 2400 acres off the tax rolls, and Wolf Creek Reservoir has taken off the tax rolls over 11 thousand acres, and this has caused quite an impact in their county, and the county could go bankrupt if this proposal passes.

Craig Grant said today he is not only representing KNEA, he is also representing 5 different organizations, representing school teachers, administrators and school boards, plus 3 individual school districts.

He said all the groups strongly oppose SCR1632, and they believe the revisiting of the Constitution is certainly premature. He said, they have yet to determine if any of the problems which have caused such an outcry in some parts of the state are a result of classification or the reappraisal process. He said, the groups he is representing do not believe that this shift to residential homeowners is desirable. They are also opposed to the arbitrary limits imposed on local school boards in raising money necessary to run the schools.

Mr. Grant said because of the above-mentioned reasons, the education community

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION,

room 519-S Statehouse, at 11:00 a.m. ~~pm~~ on Wednesday, January 24, 19 90

is opposed to SCR 1632 and other constitution amendments which would either change the classification amendment of the Kansas Constitution or would place arbitrary limits on the taxing authority of the schools in Kansas. (ATTACHMENT 4).

Hazel Ball said she is here to express her concerns and to testify as a taxpayer of Coffey County. She asked the committee why it was so important to rush SCR1632 through the committee. She urged the committee members to oppose SCR1632. (ATTACHMENT 5).

Chairman Thiessen told Ms. Ball that he did not believe this committee is rushing SCR1632 through this committee, and the reason we are having hearings is so we don't rush it through, we want people to know what has been proposed and give them an opportunity to voice their opinions. He said, that is what this meeting is all about, and we will have further hearings on SCR1632.

Chairman Thiessen recognized Senator Montgomery.

Senator Montgomery said he did not believe Ms. Ball understood the bill, and he said, the bill is not a tax grab to take money from Wolf Creek, and as one of the sponsors of the bill, he read the bill to the committee.

After committee discussion The Chairman recognized Tim Hagemann, Executive Director of the KS Legislative Policy Group (KLPG).

Tim Hagemann said he was not going to read his testimony to the committee (ATTACHMENT 6) he would only make a brief statement, he said, they would not stick their heads in the sand and say there isn't any problems, because there are problems and he said they are also voters, that remember. He said, they want to be a part of the solution and not part of the problem.

He said, they feel the answer to the problem is, if we go into the constitution and put all the property back on the tax rolls, but about one-half of them feel we should give it another year, he said, they strongly feel they should get the cost of education off of property, and let sales and use tax pay for education, because we want to fund our education with something that can grow with the demands of education, and he said, they do not feel that property taxes is the answer.

David Watkins said the City of Lenexa has doubled in the last 9 years, as has the increasing demand for services and capital projects. He said, he concurs that their government body understands there is a problem, and they would like for the committee to take a look at the solution, so a bigger problem is not created.

He said, his community suffered from the elimination of the inventory tax, because they have a lot of large warehouse and distribution centers, and the inventory tax elimination cost their tax base about \$56M. He said, they have a major concern that SCR1632 would asseverate the same problem. He said, they calculated that the bill as drafted would lower the assessed value of our residential real estate by 16.6% which translates to about \$20M. in tax base, but our commercial real estate value is cut by 46.1% for another \$76M.. We see this continual shift from commercial property to residential property. Our governing body is extremely concerned about that. He urged the committee to allow our locally elected officials to deal with this issue on a community by community basis, i.e. local option revenue sources that could offset property tax burdens correspondingly. (ATTACHMENT 7)

John Moir said the mechanics of the bill reduces the tax base and opposes a levy limit on top of that reduced tax base, and will much deprive all taxing districts of revenue, particularly in the larger urban areas, and it would result in approximately \$98.5M in loss of tax revenues in Sedwick County. He said another concern he has is the limitation on the new dollars to be levied to pay for general obligation bond projects. He said, under this constitutional amendment, general obligation bonds would cease to exist in the future and they would become limited tax obligation bonds, and frankly, he said, he don't know who would buy those bonds, that would increase the cost of issuance because we would have to come up with much more analysis to sell or market the bonds to the public, and the price of capital improvements would go up.

The Chairman asked Mr. Moir if he had a copy of his statement, and he said, no but he would get a copy to the secretary. (ATTACHMENT 11) turned in 1-26-90)

Dwayne Smith said he was a concerned citizen that lives in Coffey County and he has

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION,
room 519-S, Statehouse, at 11:00 a.m./~~p.m.~~ on Wednesday, January 24, 1990.

looked over the amendment and see's that it shifts the tax burden heavily to the residential property, and he said reappraisal has caused his taxes to go up like all the other taxpayers, and he said, this amendment would probably cause his current taxes to double in order to maintain the current levy of services in Coffey County. He said the citizens of Coffey County are concerned, and watch legislation very closely and if they don't like what they see they can put their local politicians out of office. He said, they can put the word out, instead of letting the state put a 100 mill cap on levies.

Jim Yonally said why the Shawnee Mission School District did not join in the joint statement by Craig Grant is because they feel they lack sufficient information to take a position on the new proposed classification percentages contained in SCR1632. He said, they heartily endorse, and support, the joint statement opposition to limits imposed on local boards of education. (ATTACHMENT 8)

Chairman Thiessen said our time has ran out and the conferees that were not able to give their testimony, would be notified when we have additional hearings on SCR1632.

Conferees who turned in written testimony but did not testify are listed below.

Bob Corkins, Director of Taxation-KS Chamber of Commerce and Industry (ATTACHMENT 9)

Nancy L. Zielke-Bigsby, Budget Director-City of Kansas City, KS (ATTACHMENT 10)

Chairman Thiessen adjourned the meeting at 12:16 p.m.

GUEST LIST

COMMITTEE: SENATE
ASSESSMENT & TAXATION

DATE: WED, January 24, 1990

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Jim M... di	Topeka	...
Jim Youally	Overland Park	USD #572
Bob Corkins	Topeka	KCCI
Bud Grant	Topeka	KCCI
James L. Wister	Pleasanton	Lincoln County
FRANK J GABLE	"	"
HAROLD C. PITTS	TOPEKA	OBSEKREK
Kerri Schuh	New Strawn	CITY OF NEW STRAWN
Hazel W. Ball	New Strawn	Taxpayer / speaker
Lois B. Korbelik	New Strawn	President / taxpayer
Virginia Houston	New Strawn	CITY OF NEW STRAWN
Salvador Sanchez	Wichita	WIBA
John M...	Wichita	City of Wichita
Linton Bartlett	Kansas City	City of Kansas City
Chuck ...	Topeka	KBA
Arnel T...	LeRoy	Bank
Carde Nelson	Harold	USD #252
Paul Carpenter	Great Bend	Centel
John Torbert	Topeka	KAC
Brad L. Jones	Burlington	Coffey County Attorney
Melvin Martini	Wichita	Sedgewick Co.
Becky Bousha	Wichita	Sedgewick Co.
Lay ...	Topeka	K-NEA
Tom Whitaker	Topeka	Ks Motor Carriers Assn
Kevin Kelly	OP	Sen.

GUEST LIST

COMMITTEE: SENATE ASSESSMENT & TAXATION

DATE: _____

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Cathy Holdeman	Wichita	City of Wichita
Robyn Bair	Goddard	City of Goddard
Alfred Mann	Burlington	City of Burlington
Daniel K. Allen	Burlington	City of Burlington
Sen. P. Alkwasir	Burlington	Councilman
F. D. Doublere	Burlington	Retired
Melvin Cummings	Burlington	Contractor
Duane M. Fitch	Burlington	retired
Harry E. Huff	Burlington	Businessman
Marion J. Logan	Burlington	City
Craig Grant	Topeka	H-NEA
Karen France	Topeka	KAR
John Liddell	Le Roy, KS	Coffey Co. S.O.
Steve Friend	Burlington, KS	USD 244 Education Commission
Duane Smith	Burlington, KS	Self
Lois Smith	"	"
Mary Lou Pender	Waverly, Ko.	"
Beulah McCurry	Waverly, Kansas	Farmer's wife
Lennie A. Butler	Burlington, Kansas	Business women
Cheri Wright	Burlington, Kansas	Business owner
Judy Ann Hoyt	Burlington, Kansas	Business Owner
Boya Dehauff	Burlington, KS	Business Owner
Vernon Birk	Gridley, KS	Coffey County Clerk
Jo Ann Raaf	Gridley, KS	Coffey Co. Treas
Linda M. Traylor	Burlington, KS	Coffey Co Register of Deeds

ATT)

County Officers

**LINN COUNTY
KANSAS**

County Commissioners

Richard D. Read, Co. Clerk
Ellie Davey, Co. Treasurer
John S. Sutherland, Co. Attorney
Richard O'Bryant, Sheriff
Dorothy Wade, Reg. of Deeds
Richard Long, Co. Engineer
Stephanie O'Dell, Co. Appraiser
James L. Wisler, Co. Counselor

First District
Marshall Tatum, Fontana
Second District
Frank Gable, Pleasanton
Third District
Steven B. Brown, Blue Mound
Regular meeting every
Monday morning

Mound City, Kansas 66056

January 23, 1990

Assessment and Taxation Committee
Kansas State Senate
Topeka, Kansas 66612

Re: Senate Concurrent Resolution No. 1632
Testimony of Board of County Commissioners,
Linn County, Kansas

To the Honorable Senator Dan Thiessen, Chairperson, and
the Members of the Assessment and Taxation Committee:

Linn County, Kansas, opposes Senate Concurrent Resolution
No. 1632 because of the devastating affect it would have on the
tax base for local government in Linn County.

The resolution proposes to reduce the percentage of
assessment on public utility real estate and tangible personal
property from 30% to 15%. Without regard to the other reductions
in personal and real property assessments set forth in the
Resolution, this reduction of public utility valuation will
reduce the total county valuation in Linn County, using 1989
figures, from \$122,710,228 to \$76,995,554. Because Linn County
includes the LaCygne Power Plant owned by Kansas City Power and
Light and Kansas Gas and Electric, valuation of state assessed
property in Linn County, in 1989, is \$91,429,348.00. Resolution
No. 1632 would reduce that valuation down to \$45,714,674.00.

The current mill levy for county government in Linn County
is 24.403. Attached are copies of summaries of tax levies in
Linn County for 1987, 1988 and 1989. This resolution, under the
current valuation, would cost Linn County \$1,115,575.19 in tax
dollars, a 37% loss. This is calculated as follows:

Current Total Valuation	\$122,710,228
Current Mill Levy	24.403
Current Total Tax Dollars	\$2,994,497.69

January 23, 1990
Page Two

Valuation after Proposed Reduction	\$ 76,995,554
@ Current Mill Levy	24.403
Tax dollars after proposed reduction	\$1,878,922.50

Tax Dollars received in 1990 under current statute:	\$2,994,497.69
Tax Dollars which would been received under SCR 1632:	\$1,878,922.50
Tax Dollars lost to Linn County by SCR 1632:	\$1,115,575.19

These figures do not include the reduced valuation on property other than utilities, nor does it include the added value due by the recent acts of the Legislature in putting utility personal property back on the tax rolls. We could not calculate those figures prior to this hearing.

The loss of 37% of its tax base which would result from the passage SCR 1632 would have a devastating effect on Linn County. Linn County is a rural county of approximately 8000 people. According to the 1980 census, there were 3,168 households with a median income of \$12,153.00 per household. The proposed resolution would create a tax deficit, in Linn County, of \$352.00 per household.

The loss of income to local government could not be offset by an income, payroll or sales tax, because neither income, payroll or sales taxes in Linn County could raise the \$1,115,575.19 which would be lost.

Rather, the Resolution would cause a drastic curtailment of services provided to the people of Linn County. Important county programs such as the elderly nutrition program, road and bridge, parks, health, and county ambulance would probably have to be cut.

A significant amount of the county property tax also goes to the State of Kansas for educational and institutional funds. For example, on January 19, 1990, the Linn County Treasurer distributed a total of \$91,357.14 to the State of Kansas from Linn County. This is one of seven distributions to be made in 1990. SCR No. 1632 would cut that amount by at least 37%.

January 23, 1990
Page Three

SCR No. 1632 also limits local governments to an aggregate 100 mill levy rate or the rate levied in 1989, whichever is less. This would penalize Linn County, which, in 1989, following the intent of Legislative guidelines for reappraisal budgets, did not "enhance" its 1989 budget. According to the performance audit report prepared by the Legislative Division of Post-Audit, Linn County, from 1989 to 1990, decreased its total mill levy by 7.3%. We attach a copy of page five of the report showing this figure. To freeze the mill levy at the 1989 rate, as this resolution does, would not allow Linn County the flexibility it needs to adequately serve its citizens. For example, at least three funds were not levied at all in 1989 and one fund was significantly under-levied. It appears that according to SCR 1632, Linn County cannot again effectively use those funds without a referendum.

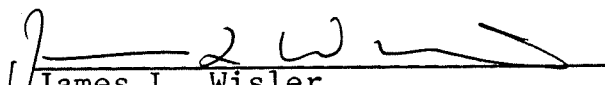
Linn County recommends that the Legislature not make any changes to the present property tax laws until the real effect of reappraisal can be thoroughly studied. Linn County has received 250 tax protests on 20,500 assessed parcels. Thus, only 1.2 per cent of the assessed properties have protested. These are being handled through informal hearings and appeals to the County Board of Equalization and the State Board of Tax Appeals.

To radically change the property tax system at this time would only create further upheaval in Linn County and throughout the state of Kansas. The people of Linn County would suffer. For these reasons, Linn County recommends that the committee kill Senate Concurrent Resolution No. 1632.

Sincerely,

Board of County Commissioners
of Linn County, Kansas

Steve Brown, Chairman
Marshall Tatum, Member
Frank Gable, Member


James L. Wisler,
County Counselor

cc: Senator Doug Walker
Representative George Teagarden
Representative Gil Gregory

1989

1989

TAX LEVIES 1989 LINN COUNTY
(In Dollars per \$1,000.00 Valuation)

State Educational Building	1.00	Total State Levy	1.50
State Institutions Building .....	.50		

COUNTY LEVIES

General	3.442	Employee Benefit	3.589
Road & Bridge	8.303	Extension Council .....	.639
Conservation Districe .....	.058	Mental Retardation .....	.293
Historical Society .....	.199	Junior College Tuition .....	.898
4-H Building .....	.053	Noxious Weed .....	.379
Health .....	.318	County Ambulance .....	.383
Parks .....	.357	Economic Development .....	.481
Fair Premiums .....	.059	Elderly .....	.729
Fair Buildings .....	.023	Solid Waste .....	.904
Special Road & Bridge	1.314	Special Building .....	.409
Special Bridge	1.573	TOTAL COUNTY LEVY	24.403

TOWNSHIP LEVIES

	Gen.	Cem.	Amb.	Park	Total	Potosi	Gen.	Cem.	Amb.	Hall	Total
Blue Mound		.924			.924			.427			.427
Centerville	.482	.963			1.445	Scott	.223		.612		.835
Liberty					-0-	Sheridan		1.293			1.293
Lincoln			.704	.235	.939	Stanton					-0-
Mound City	.417	.848			1.265	Valley	.298			.916	1.214
Paris		.856			.856						

CITY LEVIES

	Gen.	Cem.	Lib.	Emp. Bene.	Tort Liab.	Street Voted	Fire and Law	Bond & Int.	Total
Blue Mound	5.574							40.422	45.996
LaCygne	29.701	.797			1.017				31.515
Mound City	18.956		1.676		6.385	.604		13.510	41.131
Parker	11.471							19.924	31.395
Pleasanton	12.691		1.142		8.671	.374	7.611	1.522	39.519
Prescott	12.756		1.555					7.508	14.311

CEMETERY DISTRICT LEVIES

District No. 1 .....	.040	District No. 4 .....	.532
District No. 3	1.532	District No. 5	1.930

MISCELLANEOUS

	Gen.	Emp. Bene.	Total	Library #2	Gen.	Emp. Bene.	Bond	Total
Centerville Light Dist.	3.129		3.129	.595				.595
Rural Fire #1	1.178		1.178	2.192				2.192
SEK Library	.676	.048	.724	2.023				2.023
Library #1	2.315		2.315					

SCHOOL DISTRICT LEVIES

School District	Gen.	Cap. Outlay	Bond & Interest	Total	School District	Gen.	Cap. Outlay	Bond & Interest	Total
#344	36.338	3.245		39.583	#362	32.915		2.869	35.784
#346	47.692	3.542	5.393	56.627	#365	48.437	3.403		51.840

Taxing Dist.	Levy	Taxing Dist.	Levy	Taxing District	Levy	Taxing Dist.	Levy
<u>Blue Mound</u>		<u>Lincoln</u>		<u>Potosi</u>		<u>Stanton</u>	
001	132.820	002	94.736	005	105.432	060	84.432
055	86.824	010	64.399	045	67.815	061	84.432
		011	64.439	046	67.815	<u>Valley</u>	
<u>Centerville</u>		<u>Mound City</u>		047	84.859	040	66.733
030	85.877	003	124.926	048	84.859	041	70.532
031	65.034	050	85.697				
032	68.163	051	68.653	<u>Scott</u>			
				015	64.956		
<u>Liberty</u>		<u>Paris</u>					
004	98.107	035	64.445	006	99.312		
020	66.712	036	85.288	065	68.681		
021	68.735	037	68.244	066	85.725		
022	82.768						
023	84.791						

I do hereby certify the foregoing to be a true and correct statement of all levies for the year 1989 duly made in accordance with the laws of the State of Kansas.

Richard D. Read
Richard D. Read
Linn County Clerk

TAX LEVIES 1988 LINN COUNTY
(In Dollars per \$1,000.00 Valuation)

State Educational Building	1.00		
State Institutions Building .....	.50	Total State Levy	1.50

COUNTY LEVIES

General	3.522	Employee Benefit .....	.969
Road & Bridge	10.140	Extension Council .....	.673
Conservation District .....	.060	Mental Health .....	.772
Historical Society .....	.203	Junior College Tuition .....	.637
4-H Building .....	.036	Noxious Weed .....	.398
Health .....	.330	County Ambulance .....	.221
Parks .....	.499	Economic Development .....	.499
Fair Premiums .....	.062	Appraisers Cost	1.697
Election .....	.260	Elderly .....	.870
Fair Buildings .....	.024	Solid Waste .....	.916
Special Road & Bridge	1.994	Special County Building .....	.557
Special Bridge .....	.997	County Total	26.336

TOWNSHIP LEVIES

	Gen.	Cem.	Amb.	Park	Total		Gen.	Cem.	Amb.	Hall	Total
Blue Mound	.526	.992			1.518	Potosi	.224	.945			1.169
Centerville	.554	1.108			1.662	Scott	.500		.850		1.350
Liberty	.247				.247	Sheridan	.533	1.037			1.570
Lincoln	.017		.808	.237	1.062	Stanton					-----
Mound City	.466	.946			1.412	Valley	.464			1.860	2.324
Paris		.959			.959						

	Gen.	Cem.	Lib.	Emp. Bene.	Tort Liab.	Street Voted	Fire & Law	Bond & Int.	Total
Blue Mound	6.508							47.904	54.412
La Cygne	36.254	.997		15.382					52.633
Mound City	20.440		1.983	6.595	.211		1.983	16.273	47.485
Parker	15.440							29.008	44.448
Pleasanton	16.632		1.450	11.374	.476	9.669	1.934	16.235	57.770
Prescott	16.329		1.997					21.326	39.652

CEMETERY DISTRICT LEVIES

District No. 1 .....	.042	District No. 4	1.156
District No. 3	1.836	District No. 5	2.239

MISCELLANEOUS

	Gen.	Emp. Bene.	Total		Gen.	Emp. Bene.	Bond	Total
Centerville Light Dist.	3.902		3.902	Library #2	.831			.831
Rural Fire #1	1.378		1.378	Library #3	2.353			2.353
SEK Library	.714	.049	.763	Watershed #90	2.267			2.267
Library #1	2.734		2.734					

SCHOOL DISTRICT LEVIES

School District	Gen.	Cap. Outlay	Bond & Interest	Total	School District	Gen.	Cap. Outlay	Bond & Interest	Total
#344	42.521	3.928		46.449	#362	30.670		3.511	34.181
#346	53.749	3.950	6.493	64.192	#365	46.334	3.986		50.320

Taxing Dist.	Levy	Taxing Dist.	Levy	Taxing District	Levy	Taxing Dist.	Levy
001	151.689	002	116.543	005	133.224	060	94.169
055	97.277	010	65.288	045	77.595	061	94.169
		011	65.330	046	77.595		
030	95.831			047	95.338	040	68.721
031	65.820	003	140.925	048	95.338	041	80.989
032	69.722	050	95.581				
		051	77.838	015	66.664		
004	112.660						
020	68.212	035	65.117	006	134.628		
021	70.479	036	95.128	065	77.996		
022	84.351	037	77.385	066	95.739		
023	86.618						

I do hereby certify the foregoing to be a true and correct statement of all levies for the year 1988 duly made in accordance with the laws of the State of Kansas.

Richard D. Read
Richard D. Read
Linn County Clerk

TAX LEVIES 1987 LINN COUNTY
(In Dollars per \$1,000.00 Valuation)

St. Educational Building	1.00	State Correctional Building .....	.25						
State Institutions Building .....	.25	Total State Levy	1.50						
COUNTY LEVIES									
General	3.646	Employee Benefit	1.155						
Road & Bridge	10.498	Extension Council .....	.825						
Conservation District .....	.062	Mental Health .....	.714						
Historical Society .....	.184	Junior College Tuition .....	.525						
4-H Building .....	.064	Noxious Weed .....	.455						
Health .....	.249	County Ambulance .....	.290						
Parks .....	.368	Economic Development .....	.497						
Fair Premiums .....	.036	Appraisers Cost .....	.620						
Election .....	.093	Elderly .....	.829						
Fair Buildings .....	.026	Solid Waste .....	.686						
Special Road & Bridge	1.496	Reappraisal	1.653						
Special Bridge	1.014	County Total	25.985						
TOWNSHIP LEVIES									
	Gen. Cem.	Amb. Park Rec. Hall	Total		Gen. Cem.	Amb.	Rec.	Hall	Total
Blue Mound	.949		.949	Potosi	.037 .189				.226
Centerville	.569 1.139		1.708	Scott	.506	.235	.117		.858
Liberty			-----	Sheridan	.220 .961				1.181
Lincoln	.034	.399 .252 .111	.796	Stanton					-----
Mound City	.476 .712		1.188	Valley	.206			.831	1.037
Paris	.410		.410						
CITY LEVIES									
	Gen.	Cem.	Lib.	Emp. Bene.	Tort Liab.	Street Voted	Fire & Law	Bond & Int.	Total
Blue Mound	6.494							43.333	49.827
La Cygne	29.466	.984		11.527				3.543	45.520
Mound City	15.263		1.982	6.683	.220		1.983	17.458	43.589
Parker	16.207							22.501	38.708
Pleasanton	17.926		1.326	6.261	.474	9.641	1.928	17.826	55.382
Prescott	14.971		2.024					31.085	48.080
CEMETERY DISTRICT LEVIES									
District No. 1 .....				.029				District No. 4	1.368
District No. 3				1.751				District No. 5	2.523
MISCELLANEOUS									
	Gen.	Emp. Bene.	Total		Gen.	Emp. Bene.	Bond	Total	
Centerville Light Dist.	4.150		4.150	Library #2	.621			.621	
Rural Fire #1	.744		.744	Library #3	2.244			2.244	
SEK Library	.680	.046	.726	Watershed #90	2.265			2.265	
Library #1	2.827		2.827						
SCHOOL DISTRICT LEVIES									
School District	Gen.	Cap. Outlay	Bond & Interest	Total	School District	Gen.	Cap. Outlay	Bond & Interest	Total
#344	43.399	3.915		47.314	#362	29.309		.842 & 3.943	34.094
#346	52.655	3.980	7.561	64.196	#365	49.719	2.499		52.218
Taxing Districts									
Taxing Dist.	Levy	Taxing Dist.	Levy	Taxing Dist.	Levy	Taxing Dist.	Levy		
001	Blue Mound 145.445	002	Lincoln 108.516	005	Potosi 130.407	060	Stanton 93.151		
055	95.618	010	63.740	045	76.495	061	93.151		
	Centerville	011	63.769	047	93.377		Valley		
030	94.859		Mound City	046	76.495	041	79.829		
031	64.757	003	136.458		Scott	040	66.609		
032	68.907	050	94.339	015	65.275				
	Liberty	051	77.457		Sheridan				
004	105.609		Paris	006	141.686				
020	66.901	037	76.679	065	77.450				
021	69.166	036	93.561	066	94.332				
022	85.025	035	63.459						
023	87.290								

I do hereby certify the foregoing to be a true and correct statement of all levies for the year 1987 duly made in accordance with the laws of the State of Kansas.

Richard D. Read
Richard D. Read
Linn County Clerk

**Summary of Property Tax Changes in a Sample of Counties
From 1989 to 1990 Budgets**

Counties	Percent Change From 1989 to 1990 Budgets			
	Budgeted Tax Levies	Budgeted Expenditures	Assessed Valuation	Total Mill Levy
Wallace	(25.4)%	7.3%	13.4%	(34.2)%
Wabaunsee	(23.7)%	2.9%	8.2%	(29.5)%
Ellsworth	(15.6)%	(2.2)%	(13.8)%	(2.1)%
Greeley	(14.2)%	6.8%	(1.8)%	(12.6)%
Hodgeman	(9.5)%	5.4%	(5.6)%	(4.1)%
Dickinson	(6.4)%	0.4%	18.1%	(20.8)%
Nemaha	(5.9)%	1.1%	21.2%	(22.4)%
Scott	(5.6)%	14.7%	21.5%	(22.3)%
Pratt	(4.3)%	(0.5)%	1.7%	(6.0)%
Haskell	(4.1)%	4.3%	12.8%	(14.9)%
Linn	(3.9)%	(0.5)%	3.7%	(7.3)%
Labette	(3.6)%	16.5%	5.5%	(8.6)%
Chase	(1.9)%	0.0%	(8.0)%	6.7%
Osborne	(1.3)%	(1.4)%	(12.4)%	12.7%
Thomas	(1.3)%	7.3%	19.5%	(17.4)%
Clay	(1.0)%	3.5%	5.8%	(6.4)%
Comanche	(1.0)%	(2.1)%	4.2%	(5.0)%
Norton	(0.4)%	1.9%	1.9%	(2.4)%
Brown	(0.1)%	(4.2)%	21.7%	(17.9)%
Riley	0.02%	3.3%	22.0%	(18.0)%
Lyon	1.1%	(2.1)%	8.8%	(7.0)%
Saline	1.2%	7.4%	24.4%	(18.7)%
Ottawa	1.3%	19.5%	(8.4)%	10.5%
Kiowa	1.6%	0.5%	1.6%	0.0%
Elk	2.0%	4.8%	(13.2)%	17.5%
Russell	2.0%	3.7%	6.3%	(4.1)%
Reno	2.8%	2.2%	22.3%	(16.0)%
Anderson	3.1%	2.8%	3.1%	(0.1)%
Logan	3.1%	12.5%	7.9%	(4.5)%
Morton	3.2%	3.9%	5.0%	(1.7)%
Bourbon	3.4%	3.3%	10.6%	(6.6)%
Graham	4.0%	(0.9)%	6.1%	(2.3)%
McPherson	4.8%	6.7%	5.0%	(0.2)%
Smith	5.1%	9.7%	5.2%	(0.2)%
Allen	5.2%	-11.0%	2.4%	22.6%
Washington	6.5%	18.4%	2.9%	3.5%
Jefferson	7.0%	(0.1)%	27.1%	(16.2)%
Edwards	7.8%	9.4%	24.7%	(13.7)%
Neosho	7.8%	14.5%	(3.2)%	11.4%
Trego	8.5%	15.9%	8.8%	(0.3)%
Meade	8.6%	16.4%	(7.8)%	18.0%
Rawlins	9.6%	6.8%	12.7%	(2.8)%
Lane	10.6%	7.1%	(6.9)%	17.9%
Morris	11.3%	13.6%	9.7%	1.4%
Rooks	12.0%	6.8%	(0.2)%	12.2%
Sedgwick	13.3%	7.2%	21.5%	(6.7)%
Gray	14.2%	12.5%	7.8%	5.7%
Ford	19.5%	3.8%	26.2%	(5.3)%
Franklin	20.0%	26.7%	20.3%	(0.3)%
Wyandotte	49.4%	24.6%	42.2%	5.1%

January 24, 1990

Senator Thiessen and honorable members of the Senate Assessment and Taxation Committee, I am Mark Butterfield, Mayor of the City of Derby, and Chairperson of the Association for Legislative Action by Rural Mayors (ALARM). The Association which I represent is comprised of the 19 cities of the second and third class in Sedgwick County.

We, as well as the representatives who have spoken before us, are here to urge this committee to give the utmost consideration to killing Senate Concurrent Resolution 1632. The resolution, as proposed, would effectively halt the operations of local governments. As you know, the resolution calls for a tax lid on residential properties of one (1) percent on residential properties, and a one and one-half percent lid on commercial properties. In the case of the City of Derby, this calculates to a net loss of \$1.3 million in operating revenues from a total operating budget of \$7.8 million. If this is the case, we will have no alternative but to cut services across the board which can only mean a dramatic loss in public safety as well as being forced to abandon our infrastructure maintenance.

We, the smaller cities in Sedgwick County, would ask you to consider the following points before you act on this piece of damaging legislation:

The State of Kansas has developed huge packages of incentives and tax breaks to lure new business and industries to the state, but is, at the same time, saying that cities and counties should not be allowed the revenues and financial latitude to be able to offer the businesses and industries water, sewer, and streets. Additionally, without the necessary revenue to repair and maintain existing infrastructure, cities and counties will fall into devastating disrepair which will cost billions of dollars to remedy. I am sure that this committee is aware that one of the most significant problems in America today is the horrible condition of the nations bridges, roads and service delivery systems. Without the ability to maintain the systems of today, cities and counties will only exacerbate the problems.

As an example of this, I might call your attention to the past legislative session where the legislature was forced to allocate \$2.65 billion dollars to improve and construct new highways in Kansas. I would think that this one example would provide an all too apparent correlation that without the ability to allocate funds on a gradual, on-going basis for the repair and maintenance of our infrastructure, cities and counties will be forced to delay much needed repairs until such time as we are forced to issue significant amount of general obligation bonds. This, in our way of thinking, is defeating the purpose of good, financially sound government by

forcing our citizenry to pay double the costs of project construction when bonds are issued.

The organization and city which I represent here today are also concerned that this legislation is one more step in eroding the principles, and basic rights of self determination of home rule. This proposed resolution connotes that local governing bodies are not intelligent enough to determine the directions for the future of their communities. This legislation is saying that the legislature knows more about the levels of services, and knows more than the local citizenry with regard to demands for, and receipt of services.

Having served my constituents for about seven years, believe me, I know what the citizens want, and how much they are willing to pay for what they want. I know because I am a resident of the City of Derby. I know because I have to pay the same taxes that everyone else does. I know because I am there every day, and because my citizens let me know what they want, and they certainly let me know when they have problems. I know because I have true concerns that if I don't do the job which is demanded of me that I will voted from office.

I also know what construction projects need to be initiated over the next five years in my city. I know that the City of Derby will probably have to spend in excess of \$15 million over the next five years to maintain the existing infrastructure and provide the new services associated with our growth. However, because of priority planning, it is our contention that we can pay for these projects on an on-going basis without significantly impacting the mill levy, or basic user charges.

While I can only speak for my city with concern to the budget, I would like to let you know that the City of Derby did not, and will never pad the budget. In fact, the Governing Body of the City of Derby levied property taxes which total \$221,000 under the amount which we are legally allowed by statute.

In conclusion, I would urge you to give serious consideration to NOT imposing another tax lid on the local levels of government. It should be very clear to see that the decreasing revenue base, coupled with increased demands for services and funds, has resulted in a major crisis in deteriorating infrastructure. The City of Derby maintains over 75 miles of streets, 95 miles of sewer lines, approximately 200 miles of curb and gutter and storm water drainage channels. We also offer excellent Police, Fire, and Emergency Medical Services, building inspection, and engineering services as well as other vital services as demanded by a rapidly growing city. I do not need to tell you that these services cost more to provide every year.

The cities and counties of the State of Kansas needs the state's assistance, not the blame for simply doing the job which we were elected to do. Now is the time when we should be working together to solve the long-term problems of the state, rather than to be trying

to give quick fix, knee-jerk reactionary measures which will not solve the problems.

If there is a need to reduce dependency on the property tax as the primary source of revenue for local units of government, we would recommend that the legislature give serious consideration to shifting school finances away from the property tax, and to another funding method such as an earnings tax. Currently, school taxes comprise anywhere from 50 to 70 percent of property tax funding levels. The earnings tax could be levied as a surcharge to the state income tax, and could be collected and distributed by the state. The property tax could then be continued as the primary source of revenue for cities, counties and other taxing entities, but would not cause such a strain on the property taxpayer.

We know that your jobs are not easy, and we ask the same consideration from you. Our jobs are not easy either. However, we do know that any decision made on this legislation will not be popular with all of the people of the state. But let's work together to solve the problem for the long-term instead of trying to protect our collective political posteriors. There is little doubt that the best methodology is to be able to act rather than to react.

Thank you for your consideration, and for the opportunity to comment on this extremely important matter. We do appreciate your efforts and your work on our behalf.

Mark A. Butterfield, Chairman
Association for Legislative Action
by Rural Mayors

SUMMARY OF CONSTITUTIONAL AMENDMENT

A. The Constitutional Amendment would place a cap on every taxing unit in Kansas. The cap would be 100 mills, or the 1989 aggregate mill levy, whichever is less. Those taxing units with an aggregate mill levy of less than 100 mills would be frozen at their current level. Those taxing units with an aggregate mill levy of more than 100 mills would be rolled back to 100 mills.

B. Classification would be retained. All real and personal property would be assessed at either 10% or 15%. Residential property would be assessed at 10%, commercial at 15%. Agricultural property would be valued on land use value, and assessed at 15%.

C. The effect of combining a 100 mill cap and a 10% assessment rate on residential property would be an effective tax rate cap of 1% on residential property. For commercial property, by combining the 100 mill cap and a 15% assessment rate, the effective tax rate cap would be 1.5%.

D. There would be certain exemptions from the 100 mill cap:

- 1) All bonded indebtedness which existed prior to November 6, 1990, would automatically be exempt from the cap.
- 2) Any bonded indebtedness incurred on or after November 6, 1990, would be exempt from the cap, if such indebtedness was approved by the voters of the taxing unit.
- 3) The mill levy of a taxing unit could be increased for a two year period if the increase was approved by the voters of the taxing unit.
- 4) The mill levy of a taxing unit could be increased permanently if the increase was approved by the voters of the taxing unit.
- 5) Special assessments would not be affected by the mill levy cap.

E. The Constitutional Amendment would allow the legislature to determine statutorily how the revenue raised by the property tax in any particular taxing unit would be distributed between counties, cities, school boards, etc.

F. Inventories and farm machinery, exempt from property taxation under the 1986 amendment, would retain their exempt status.

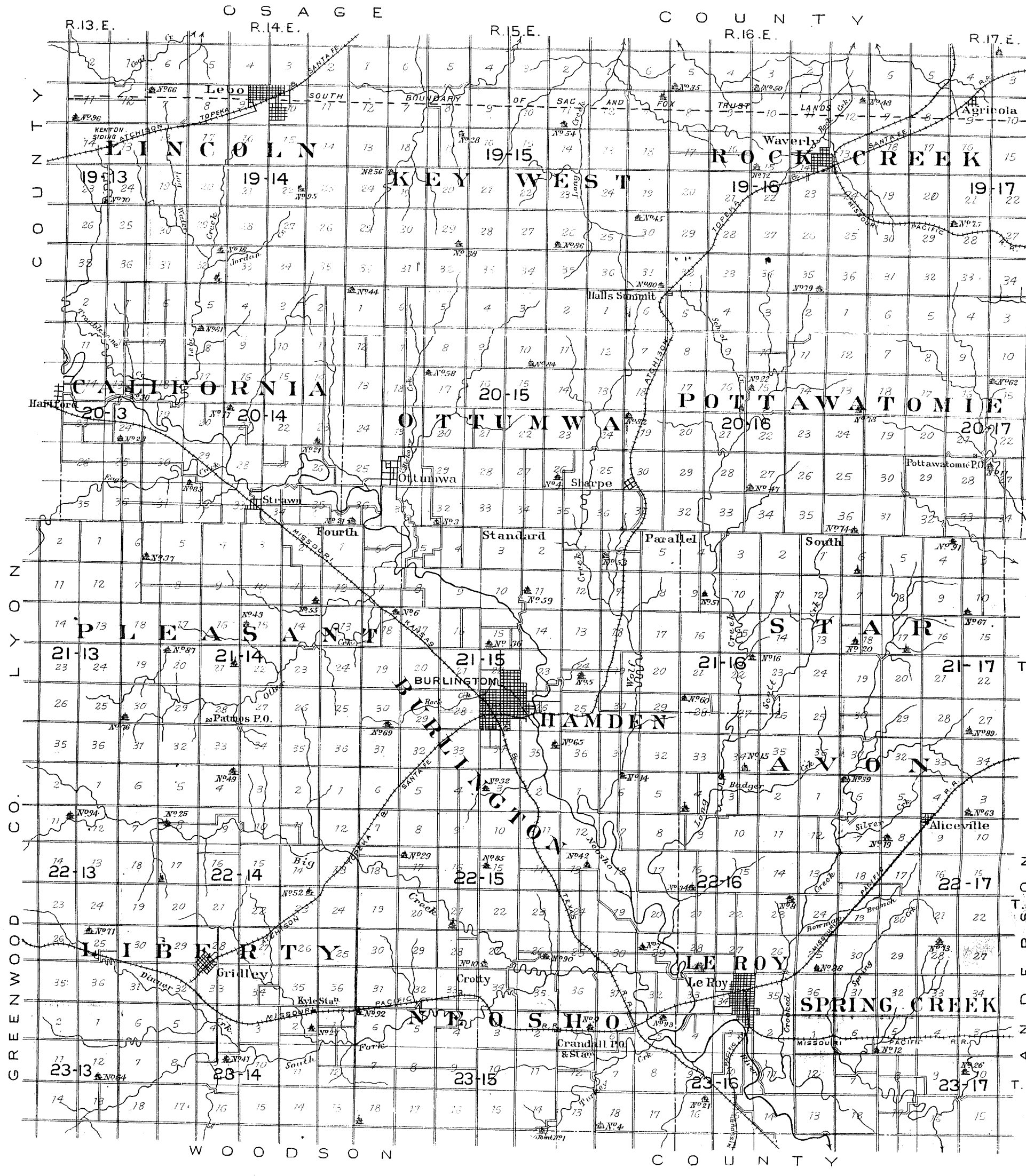
Coffey County

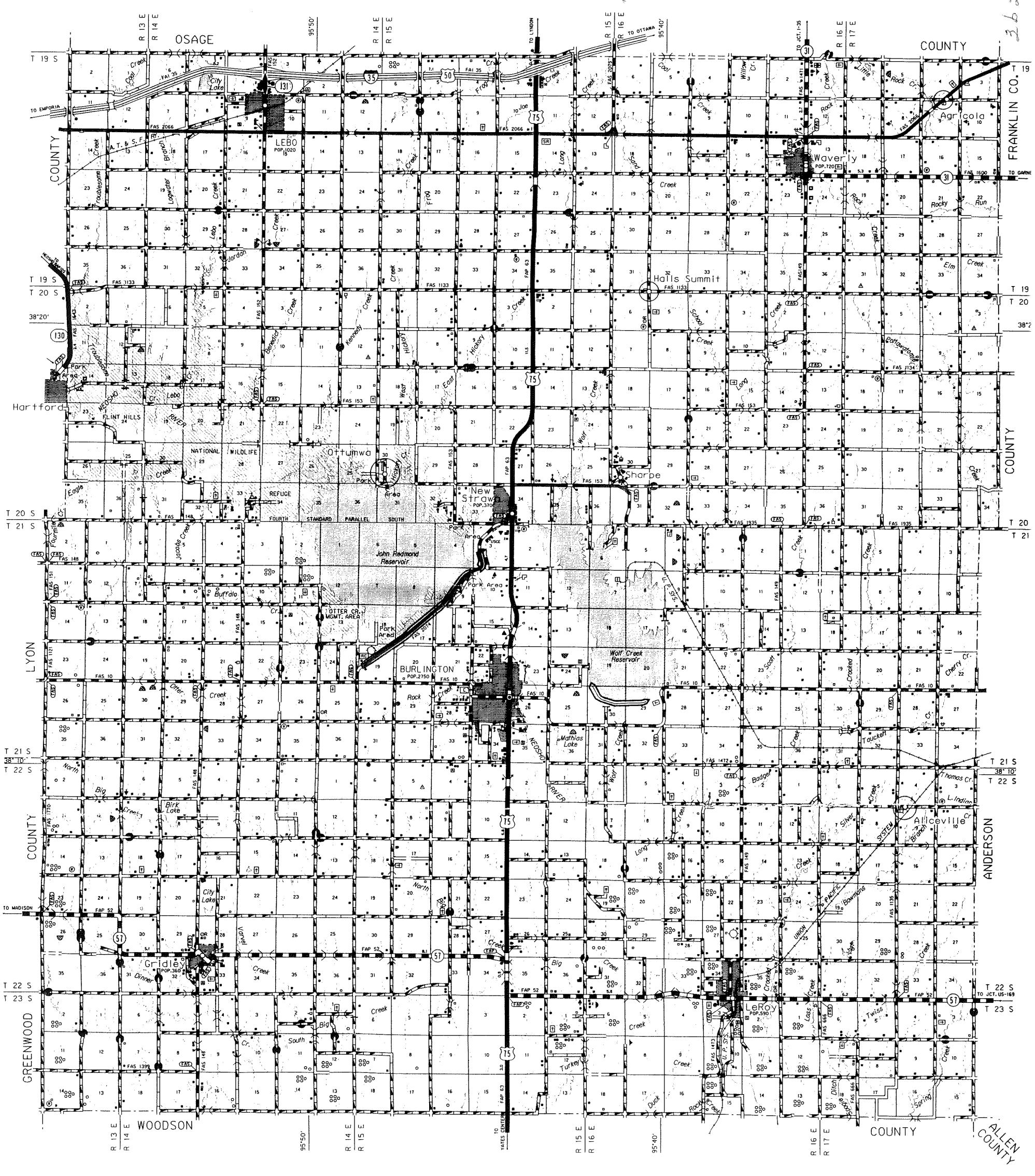
KANSAS

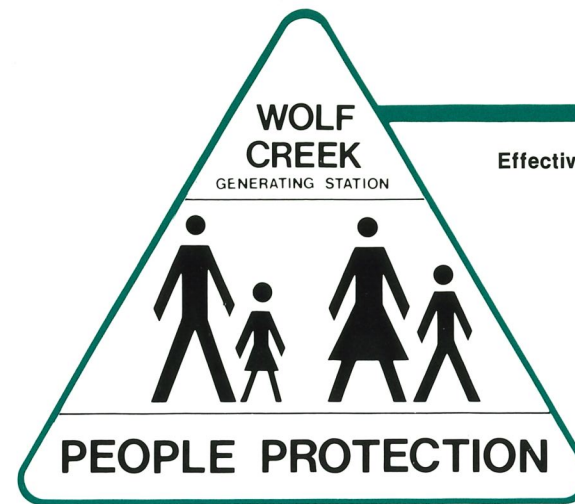
1901

Scale 1/2 Inch to 1 Mile

- Section Line
- Farm or Lot Line
- Wagon Road
- Hailroad
- Creeks & Springs
- Houses
- Churches
- School Houses
- Adjacent lands owned by same party connected by a hook, thus
- Post Office
- Coal, lead or Zinc Mine
- County Bridge







Effective: November 1989

Where To Get More Information or Other Help

Be sure that you, the members of your family, and friends understand the information in this booklet. All of you will then know what to do if there is an emergency. You can be prepared ahead of time and will not have to use the phone when the lines are busy. Call or write to one of the offices below **NOW** if you have questions about this booklet.

•Coffey County Emergency Preparedness Office

County Courthouse
Burlington, KS 66839 Phone Number (316) 364-2721

•Wolf Creek Generating Station

Public Information Office
Box 411
Burlington, KS 66839 Phone Number (316) 364-8831,
Extension 4070

If you hear the sirens or a tone alert radio, stay tuned to one of these EBS stations as long as the emergency lasts.

WIBW-AM 580	KZOC-FM 92.7	KFFX-FM 105
KOFO-AM 1220	KHUM-FM 95.7	WIBW-TV CH-13
KVOE-AM 1400	WIBW-FM 97.3	

EMERGENCY


PLANNING INFORMATION

Plans To Help You During Emergencies

Prepared by
Coffey County Office of Emergency Preparedness
County Courthouse
Burlington, Kansas 66839

Phone: (316) 364-2721

Please Read this NOW and Keep it in a Handy Place



If an accident occurs at Wolf Creek Generating Station, experts at the plant will help your state and county officials decide how severe it is. You will be told what to do, based on the plans described in this booklet. Be sure these plans are clear to you. **If you have any questions while reading this booklet, ask the office listed to the right for help now.** That way you will be prepared before an emergency can come up.

PLEASE READ THROUGH THIS BOOKLET NOW. IT TELLS YOU ABOUT HOW TO BE READY FOR AN EMERGENCY AT WOLF CREEK GENERATING STATION.

During an emergency situation, Coffey County residents may need information to dispel rumors or may require other advice. If necessary, you can telephone during an emergency toll-free, without cost: 1-800-362-1137.

A MESSAGE TO OUR NEIGHBORS AND FRIENDS

Your county and state governments have worked with managers of Wolf Creek Generating Station to prepare these emergency plans. They will help you to be safe if there is an accident at Wolf Creek Generating Station. An accident there is not likely, but you need to be prepared for one if you live within about ten miles. This booklet tells you what to do in case of an emergency.

Please read this booklet now. Talk it over with your family and neighbors. Some of them may need your help, or you may need theirs. If you know someone who is blind or does not read well, please read the booklet to them. The best way to be safe, if there is an emergency, is to know what to do and to help each other. There are special instructions with the map in the pocket inside the front cover. Be sure you locate your home and place where you work.

Keep this booklet in a handy place. If you want more copies of it or have any questions about it, ask one of these offices for help.

• **Coffey County Emergency Preparedness Office**

County Courthouse
Burlington, KS 66839

Phone Number (316) 364-2721

• **Wolf Creek Generating Station**

Public Information Office
Box 411
Burlington, KS 66839

Phone Number (316) 364-8831,
Extension 4070

If there is an emergency, warning sirens or tone alert radios will warn you. When you hear the sirens or a tone alert, turn on your radio or TV to one of these Emergency Broadcast System (EBS) stations:

WIBW-AM 580
KOFO-AM 1220
KVOE-AM 1400

KZOC-FM 92.7
KHUM-FM 95.7
WIBW-FM 97.3

KFFX-FM 105
WIBW-TV CH-13

**Coffey County
Commissioners**
Glenn Birk
David Beard
Melvin Bunge
Karen Rogers
Vernon Sergeant

**Wolf Creek Nuclear
Operating Corporation**
Bart Withers
President and CEO

When Will an Emergency Affect You?

An emergency may affect you if your home or the place where you work is on the map inside this booklet. An accident could affect some parts of the map and not others. That will depend on where the wind is coming from, how strong it is, and on how severe the accident is.

The Nuclear Regulatory Commission (NRC) and the Environmental Protection Agency (EPA) have studied this question. They have found that most likely you will not have to do anything. If you live or work as close as 10 miles from Wolf Creek Generating Station, though, you should be prepared just in case.

Radio and TV will broadcast during an emergency to tell you which subzones will be affected. Subzones are the 21 colored areas around Wolf Creek Generating Station shown on the maps in this booklet. Use the map in the inside front cover of this booklet NOW and pick out the subzones where you and your family live, work and go to school. List these subzones on page 13 for each member of the household.

This will make it easy to find these subzone locations later, if needed. Then come back to this page and read on.

Special Needs

If you, or anyone else you know, would need special help due to an emergency at Wolf Creek Generating Station please fill out and mail the SPECIAL NEEDS CARD provided in the front pocket of this booklet. If you have neighbors who are hard of hearing or do not see well, please help them. Be sure they know what they are supposed to do in an emergency.



Coffey County Residence Information

Help your Coffey County officials keep track of your household in case information or assistance is needed during an emergency. You can do this by mailing the completed **Coffey County Residence Information Card** provided in the front pocket of this booklet. Please complete the entire card even if there have been no changes in the last 12 months.

How Will You Be Told About an Emergency?

You will hear about the emergency in one or more of these three ways.

1. Sirens will be turned on, and will stay on for 3 to 5 minutes. The sound will be a long sustained tone.
2. Warning tones, followed by an instructional message, will be heard coming from a tone alert radio.
3. Officials will contact individual persons, if needed.

If there is an emergency, radio and TV stations will tell you which subzones on the map are affected. They will also tell what actions to take if you are in one of the affected subzones. Stay tuned to one of the following EBS stations as long as the emergency lasts.

WIBW-AM 580
KOFO-AM 1220
KVOE-AM 1400

KZOC-FM 92.7
KHUM-FM 95.7
WIBW-FM 97.3

KFFX-FM 105
WIBW-TV CH-13

Tone alert radios will be tested weekly during the day. The tone message will say, "This is a test of the Emergency Broadcast System." You do not need to do anything when you hear these tests. If you return home to find your tone alert radio playing, you will know that a test signal has been broadcast. Reset the tone alert radio as shown in the directions. The warning siren will be tested as part of the county program to test, at announced times, fire, and other emergency sirens. Become familiar with the testing plan in your community.

Know Siren Sounds

Warning sirens in Coffey County make different sounds to alert residents of potential threats to your safety. It's important for you to know what the different sounds mean.

For a Wolf Creek emergency, a tornado, or warning about a natural disaster, you'll hear a long, steady blast.

The siren sound to warn you of a fire is a rising and falling tone with a warble or quavering sound. An up-and-down tone without the warble is the warning for an attack.

What Are the Emergency ACTIONS You Might Need To Take?

The three actions you might be asked to take are called **Shelter in Place, Protect Your Breathing, or Evacuate**. Be sure you are clear about these actions you might be asked to take.

Stay tuned to one of these stations as long as the emergency lasts. These are Emergency Broadcast System (EBS) stations for your area. Listen for their announcements.

WIBW-AM 580
KOFO-AM 1220
KVOE-AM 1400

KZOC-FM 92.7
KHUM-FM 95.7
WIBW-FM 97.3

KFFX-FM 105
WIBW-TV CH-13

What If You Are Told To SHELTER IN PLACE?

This means you should protect yourself by going inside your house or some other building. This is a good thing to do if there is a short release or small amount of radiation in the air. If your children are in school, they will be protected there. Take these steps to protect yourself and others with you.

- Go inside. Stay inside until the radio or TV says you can leave safely.
- Close all windows and doors to the outside.
- Turn off heating or cooling systems.
- Put out fires in fireplaces or stoves. Close the flues.
- Take a portable radio and go to the basement, if you have one.

What If You Are Told To PROTECT YOUR BREATHING?

This means you should cover your nose and mouth with a handkerchief or towel. If you use a handkerchief, fold into eight layers. If you use a bath towel, fold it into at least two layers.

What If You Are Told To EVACUATE?

This means that you should move to a place more than 10 miles from Wolf Creek Generating Station. Carefully read the following for instructions on:

- Registration Centers
- Evacuation
- Evacuation Preparation

Remember: Only people in the subzone areas given in EBS radio and TV broadcasts are required to follow emergency action orders. If an evacuation order does not mention your subzone then you will not have to leave.

Registration Centers:

Go to the registration center for your subzone. Registration centers for all subzones are listed on the map and chart in the center of this booklet. Use the map and instructions given to locate your center and how to get there.

Register at the center when you get there. That will make it possible to keep track of all persons during an emergency. Registration center officials may need to check you for radiation. They can provide treatment if needed.

Plans have been made to help you with housing. You may want to stay somewhere else instead of a public shelter. If you choose to stay at a hotel, motel or with family or friends, go to your registration center first and register. That way others can find out that you are safe.

Should You Use the Phone?

If there is an emergency, the phone lines will be needed for official business. **DO NOT** use your phone unless you or someone you know is injured or too sick to do what is needed. If you must use the phone, keep your call very short.

DO NOT LISTEN TO RUMORS. Turn on your radio or TV for up-to-date information during an emergency. Follow the directions over the EBS stations even if they differ from the information in this booklet.

Evacuation

Evacuation routes for all subzones are listed on the map and chart in the center of this booklet. Locate the evacuation route for your subzone. Look on the map for the red arrows. They show the best roads to take. Mark on the map the best evacuation route to your registration center. Remember, emergency instructions may only affect certain subzones. For example, the subzone where you work may be evacuated while the subzone where you live is not affected at all.

If schools and day care centers have been evacuated, you can meet your children at their registration center.

Locate your children's registration center.

Students in Burlington and New Strawn schools and day care centers will go either to:

Emporia State University	OR	Lyon County Fairgrounds
18th and Merchant		12th and Industrial
Emporia, Kansas		Emporia, Kansas

(EBS announcements on your radio or TV will tell you which center.)

Students in LeRoy will go to:

National Guard Armory
1021 North State
Iola, Kansas

Students in Waverly will go to:

Ottawa High School
11th and Ash
Ottawa, Kansas

See the instructions at the center of this booklet for more information ABOUT SCHOOL CHILDREN.

If your children stay with a **babysitter** make plans. Make sure you and the babysitter know what to do in case of an emergency at Wolf Creek Generating Station. If a ride is needed call (316) 364-8446.

EVACUATION PREPARATION

Follow these steps to get ready to EVACUATE

1. **Stay as calm as you can.** If you already know where to go and what to take, that will help. Remember, you will have time to do what you need to do.

2. **Stay tuned to one of these EBS stations as long as the emergency lasts.**

WIBW-AM 580
KOFO-AM 1220
KVOE-AM 1400

KZOC-FM 92.7
KHUM-FM 95.7
WIBW-FM 97.3

KFFX-FM 105
WIBW-TV CH-13

Special instructions will be given, such as the following:

- Where children will be taken for safety, if schools and day care centers are being evacuated.
- Whether everyone will need to leave, or only infants, young children, and pregnant women. They are most likely to be affected by radiation.
- Where hospital patients and residents of retirement homes will be taken for safety.

3. **Gather what you and your family will need.** You will probably have to be away from home for a few days, as if you were on vacation. Take these things along if you can.

- This booklet.
- Eyeglasses, dentures, prescription drugs, other important medicines, and first aid kit.
- Extra clothing and shoes.
- Blankets and pillows; sleeping bags, cots, or air mattresses.
- Baby supplies; include a favorite sleep toy.
- Magazines or books to read.
- Portable radio, flashlight, and small tool kit.
- Checkbook and credit cards.
- Some way to identify yourself; other important papers.



4. Remember as you leave to do the following:

- Turn off all household appliances except your refrigerator and freezer.
- Put out fires in fireplaces or stoves. Close the flues.
- Lock your outside doors and windows. Security will be provided for the evacuated area.
- Turn off your lights.
- Tie a white cloth to the outside front doorknob of your house, if you live in town. If you do not live in town, tie a white cloth to your mail box. The white cloth will tell emergency workers that you have left safely.
- Tell nearby friends and neighbors who may be in the fields about the need to evacuate. They may not have heard the sirens and tone alert radios.
- If you have room, check to see if any of your neighbors need a ride. If you need a ride, and cannot get one with a friend, call (316) 364-8446.
- Follow the route you have marked on the map inside this booklet. Keep your car windows and air vents closed. Listen to one of the radio stations listed in this booklet for reports about your route and other information.
- Pets can stay in your car while you stop at your registration center. But pets will not be permitted at free public overnight shelters, so you may want to stay somewhere else, or make arrangements for someone outside the emergency planning zone to care for your pet.
- Drive safely. Go to the registration center for your subzone.



5. Ask about these kinds of information when you get to your registration center.

- How to register.
- Where members of your family are, if they are not with you.
- How to get housing, if you need it.
- How to get medical or other special help.
- How to get checked for radiation.

Fold out pages 9-12 at the center of this booklet for easy map and evacuation instructions.

Map of the 21 Subzones Around Wolf Creek Generating Station

Instructions for using this map and information are on the two Fold-out pages.

Description of Subzones With Registration Centers

CTR (Center) An area 28 square miles around Wolf Creek Generating Station, not including the cities of Burlington and New Strawn. **Evacuate to Ottawa.**

N-1 (North-1) Southeast quarter Ottumwa Township and southwest corner Pottawatomie Township, including Sharpe. **Evacuate to Ottawa.**

NE-1 (North East-1) Part of Pottawatomie Township west of FAS 149 and south of FAS 1134. **Evacuate to Ottawa.**

E-1 (East-1) West half of Star Township. **Evacuate to Garnett.**

SE-1 (South East-1) West third of Avon Township. **Evacuate to Garnett OR Iola.**

S-1 (South-1) Area 3 miles south of Wolf Creek Cooling Lake dam, bounded on west by US 75. **Evacuate to Garnett OR Iola.**

SW-1 (South West-1) Central part of Burlington Township, including the City of Burlington. **Evacuate to Emporia OR Garnett.**

W-1 (West-1) The parts of Ottumwa and Burlington Townships between John Redmond Reservoir and the cities of Burlington and New Strawn; includes New Strawn but does not include the City of Burlington. **Evacuate to Ottawa OR Emporia.**

NW-1 (North West-1) Southwest quarter of Ottumwa Township. **Evacuate to Emporia.**

N-2 (North-2) Northeast quarter of Ottumwa Township, southeast quarter of Key West Township and western edge of Rock Creek and Pottawatomie Townships. **Evacuate to Ottawa.**

NE-2 (North East-2) Southwest quarter of Rock Creek Township and northwest quarter of Pottawatomie Township, including City of Waverly. **Evacuate to Ottawa.**

NE-3 (North East-3) East half of Pottawatomie

Township. **Evacuate to Ottawa.**

E-2 (East-2) East half of Star Township. **Evacuate to Garnett.**

SE-2 (South East-2) Eastern two-thirds of Avon Township. **Evacuate to Garnett OR Iola.**

SE-3 (South East -3) North half of LeRoy Township and southwest quarter of Avon Township, including City of LeRoy. **Evacuate to Iola.**

SE-4 (South East-4) Northwest third of Spring Creek Township. **Evacuate to Iola.**

S-2 (South-2) South quarter of Hampden Township, the southeast quarter of Burlington Township, and the southeast quarter of Neosho Township. **Evacuate to Emporia OR Iola.**

SW-2 (South West-2) Southwest quarter of Burlington Township and northwest quarter of Neosho Township. **Evacuate to Emporia.**

W-2 (West-2) East third of Pleasant Township, including Jacobs Creek and the Strawn boat ramp. **Evacuate to Emporia.**

NW-2 (North West-2) Northwest quarter of Ottumwa Township and southwest two-thirds of Key West Township. **Evacuate to Emporia.**

JRR (John Redmond Reservoir) Reservoir and adjacent land of the US Army Corps of Engineers, US Fish and Wildlife Service and Kansas Department of Wildlife and Parks within about 10 miles of Wolf Creek Generating Station. **Evacuate to Emporia.**

Evacuation Routes

The arrows on the map show the best roads to take if you are told to evacuate. Here are roads to each of the four evacuation registration centers.

To Emporia: Evacuate to Emporia on I-35. Exit I-35 at Merchant Street. In Emporia officials will guide you.

To Iola: Evacuate to Iola on K-57 to US 169 South. Follow US 169 South to Iola. In Iola officials will guide you.

To Garnett: Evacuate to Garnett on FAS 10. In Garnett officials will guide you.

To Ottawa: Evacuate to Ottawa on I-35. Exit at US 59 North. In Ottawa officials will guide you.

Evacuation Registration Centers: Where You Should Go

Ottawa: Ottawa High School, 11th & Ash

Garnett: Garnett High School, North Oak Street

Emporia: Emporia State University
18th & Merchant

OR

Lyon County Fairgrounds
12th & Industrial, Emporia
(listen to your Emergency Broadcast System radio or TV station for specific location)

Iola: National Guard Armory,
1021 North State, Iola

About School Children

If your children's school is ordered to evacuate: **Public school children in Burlington, LeRoy and Waverly** will be taken to registration centers as follows:

Burlington schools — to Emporia

LeRoy schools — to Iola

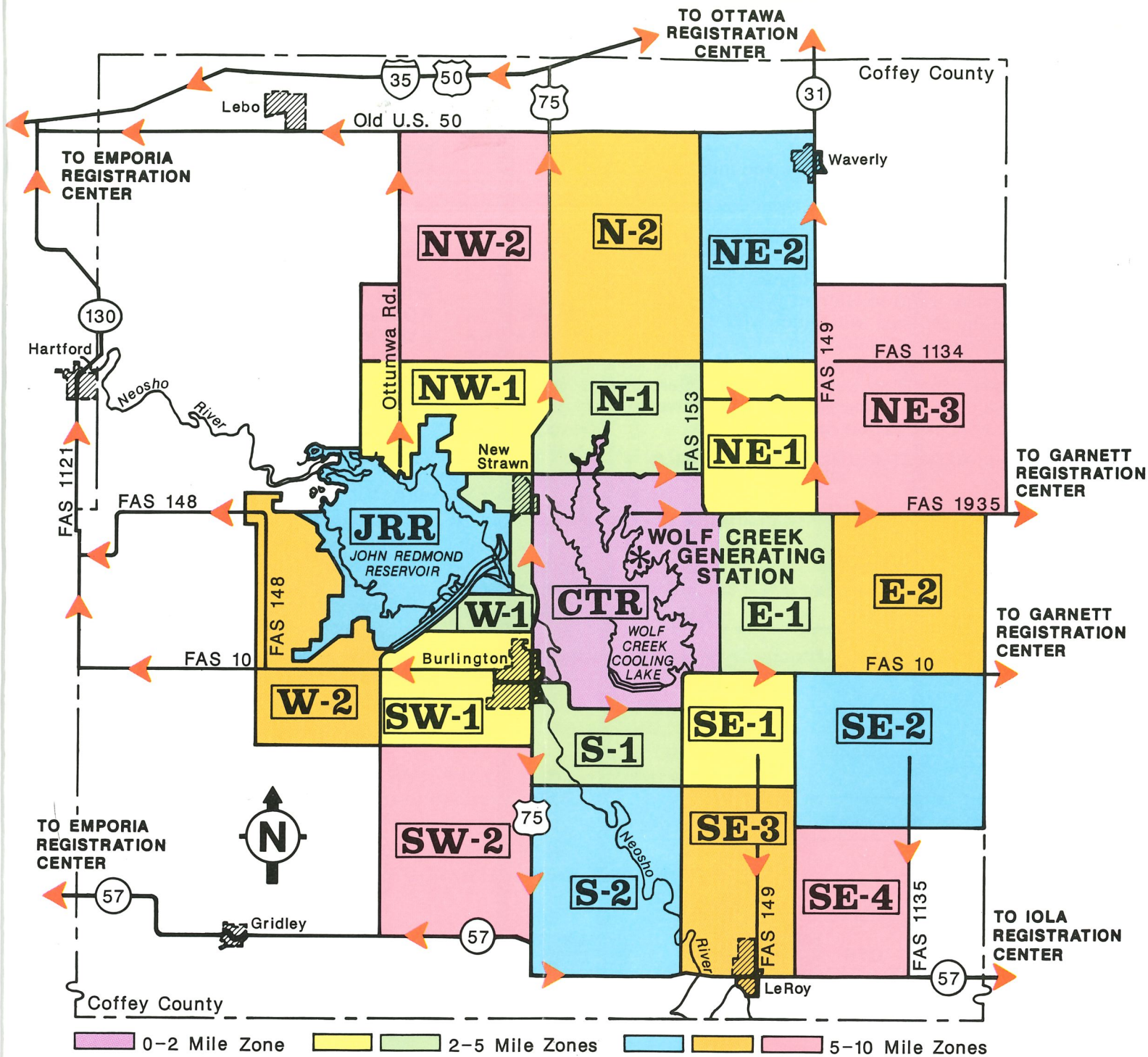
Waverly schools — to Ottawa

Do not try to pick up your children in these public schools. Pick them up at the registration center.

If your children go to a **private school or a day-care center**, you may pick them up as you evacuate. But if you cannot pick them up, other adults will take them safely to their registration center. You can then meet them there.

If your children go to school more than about 10 miles from Wolf Creek Generating Station, pick them up as you go to your registration center.

Map of the 21 Subzones Around Wolf Creek Generating Station



NOTES

Try this example. This will show you if you are using this map correctly.

Suppose you live in subzone E-2 (East-2). On the list of sub-zones you will find the name of the town you should go to if told to evacuate. For subzone E-2 you will find that you should evacuate to Garnett. Under the "Evacuation Routes" heading you will see that the best way to go to Garnett is by FAS 10. When you arrive in Garnett, officials will guide you to the registration center. Under the "Evacuation Registration Centers: Where You Should Go" heading, you will see that the Garnett registration center is the High School on North Oak Street. On the map, you will see FAS 10 marked with red arrows meaning that this is your best evacuation road.

Fill in the **SUBZONE** and **REGISTRATION CENTER** for each member of the household.

Family Member	Location Home/Work school/etc.	Located in Subzone:	Will Evacuate to:
All Family	Home		

EXAMPLE:

All family	Home	N2	Ottawa
Dad	Wolf Creek	CTR	Ottawa
Mary	Work	N2	Ottawa
Jimmy	USD 243	NE2	Ottawa

SUMMARY:

What To Do If You Hear Warning Sirens or a Tone Alert Radio

- **STAY CALM.** You will have time to take the needed steps.
- **TURN ON YOUR RADIO OR TV.** Stay tuned to one of these EBS stations as long as the emergency lasts.

WIBW-AM 580
KOFO-AM 1220
KVOE-AM 1400

KZOC-FM 92.7
KHUM-FM 95.7
WIBW-FM 97.3

KFFX-FM 105
WIBW-TV CH-13

• **DO NOT USE THE PHONE EXCEPT FOR A PERSONAL EMERGENCY.** The lines will be needed for official business.

• **DIFFERENT PROTECTIVE ACTION ORDERS MAY BE GIVEN FOR DIFFERENT SUBZONES. BE SURE THAT YOU DO THE PROTECTIVE ACTION ORDERS THAT APPLY TO THE SUBZONE YOU ARE IN.**

• **If you are told to SHELTER IN PLACE:**

- Go inside your house or some other building. Close all doors and windows. If you have a basement, take a portable radio and go there.
- Turn off heating or cooling systems. Close all vents. Put out fires in fireplaces or stoves and close the flues.
- Keep your pets inside.
- Stay inside until the radio or TV says you can leave safely.

• **If you are told to PROTECT YOUR BREATHING:**

- Cover your nose and mouth with a folded towel, handkerchief or other cloth.

• **If you are told to EVACUATE:**

- Find out whether members of your family are affected. Young children, and pregnant women may be the only ones who need to leave.
- DO NOT** try to pick up your public school children. Children in public schools will be taken from school to the registration center for their school. Meet them there. If your children do not attend public school, you may pick them up at their private school or day care center as you evacuate. If you do not pick them up, they will be taken to the registration center for their school or day care center. Meet them there.

- If you need to leave, get ready to be gone from home for a few days. Pack only what you will need most. Take this booklet, clothes, bedding, towels, medicines, eyeglasses, dentures, baby supplies, portable radio, flashlight, checkbook, and credit cards.
- Turn off all household appliances except your refrigerator and freezer. Put out fires in fireplaces or stoves. Close the flues. Turn off the lights.
- Lock the windows and doors.
- Tie a white cloth to the outside front doorknob of your house as you leave. If you do not live in town, tie a white cloth to your mailbox.
- Use your own car if you can. Take neighbors who have no ride, if you have room. If you need a ride yourself, call (316) 364-8446. **DO NOT** put a white cloth out until you leave.
- Tell nearby friends and neighbors who may be in the fields about the need to evacuate. They may not have heard the sirens and tone alert radio announcements.
- Turn on the car radio for information.
- Go to the registration center for your subzone shown on the map in the center of this booklet. The information with the map will tell you where to go and how to get there.

Also in this Booklet

How Wolf Creek Generating Station Works, pg. 16

Four Classifications of Emergencies, pg. 17

What Radiation Is, pg. 18

Things to Consider Before an Emergency, pg. 20

How Wolf Creek Generating Station Works

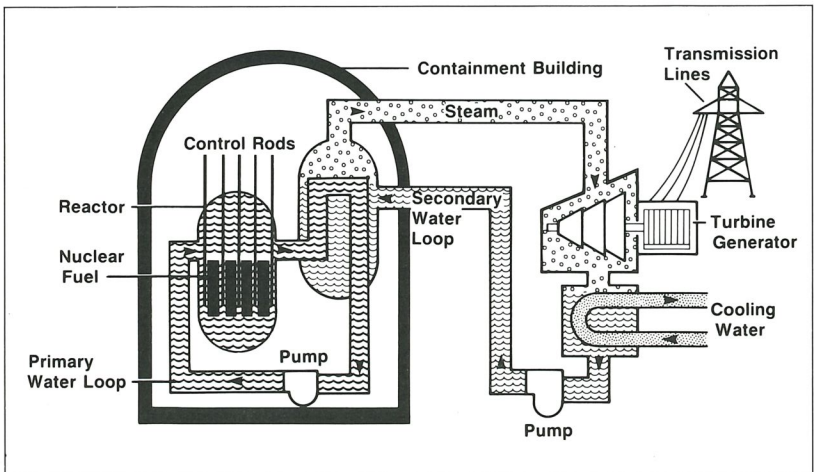
Atoms of uranium in a “reactor core” split to produce heat. This heat boils water to make steam. The steam is then used to make electricity in the same way that it is made in a plant that burns coal, natural gas, or oil.

When the atoms in the core split, radioactive matter is formed. The plant keeps this matter from being released in these ways.

1. Control rods stop the atoms from splitting too fast.
2. The core itself seals in the uranium and most of the radioactive matter.
3. Two containers with steel walls surround the core.
4. A concrete wall 3½ feet thick seals in all of the other parts.

If there is an accident, Wolf Creek Generating Station can block the release of most or all of the radiation. But in a severe accident, some radioactive matter may be released. If it is, this matter will be carried in the air.

If there is an accident where radiation might get in the air, an emergency will be declared. You may then be asked to do special things to protect yourself from the radioactive matter until the wind carries it away.



Four Classifications of Emergencies

There are four classifications of radiation emergencies. Each class is based on the seriousness of an emergency. The four classes are listed below.

Included is information on what you should do.

1. Notification of Unusual Event. An unusual event is a minor problem, but federal, state, and county officials will be told of it. A release of radioactive matter is not likely. You will not have to do anything.

2. Alert. This is also a minor problem. Federal, state, and county officials will be told of it and will be ready if they need to help you. A small amount of radioactive matter could be released. It is not likely that you will have to do anything.

3. Site Area Emergency. This is a more severe accident. Small amounts of radioactive matter could be released into the area around the plant. Federal, state, and county officials will prepare to help you if you need to take special action. If such action is needed, the sirens and tone alert radios will be turned on. You should then listen to a designated local radio or TV station for advice.

4. General Emergency. This is the most severe kind of accident. Radioactive matter could be released outside the plant. Federal, state, and county officials will work closely with experts at the plant. You may have to protect yourself. If so, the sirens and tone alert radios will be turned on. You should then listen to a local radio or TV station for advice.

Remember, you will have time to protect yourself if that is needed.

What Radiation Is

Everything around us is made up of small particles called "atoms." Some atoms give off radiation. People can't see, taste, feel, hear or smell radiation. But instruments can detect it.

We live with radiation all the time. It's in the food we eat, in the air we breathe, and in the materials our homes are built from. It's even inside our own bodies.

Experts generally agree that exposure to small amounts of radiation won't hurt you. What's a "small amount?"

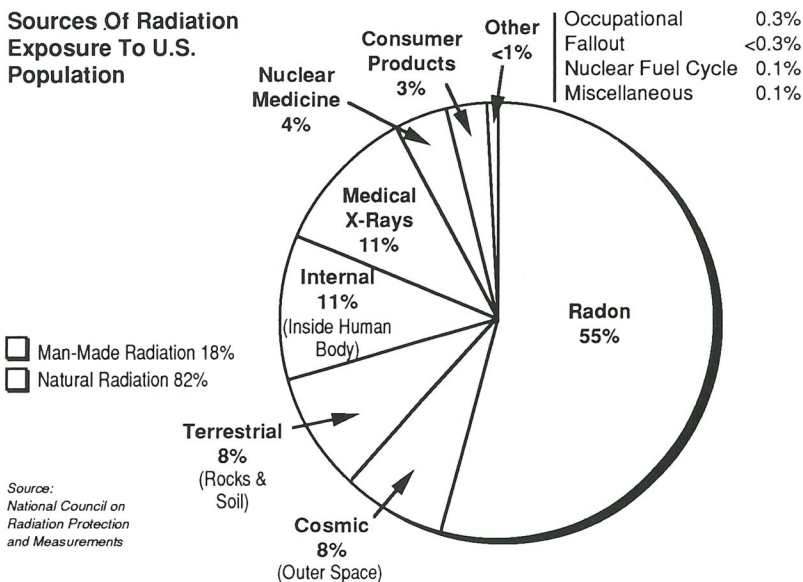
Radiation doses to people are measured in a unit called a "millirem." If you got 20,000 millirems exposure in a day, a doctor could probably detect it. You wouldn't notice it, however, it would take three to five times that level to make you sick.

The average American receives about 360 millirems of radiation a year from all sources, according to the National Council on Radiation Protection and Measurements (NCRP). This radiation comes from many different sources.

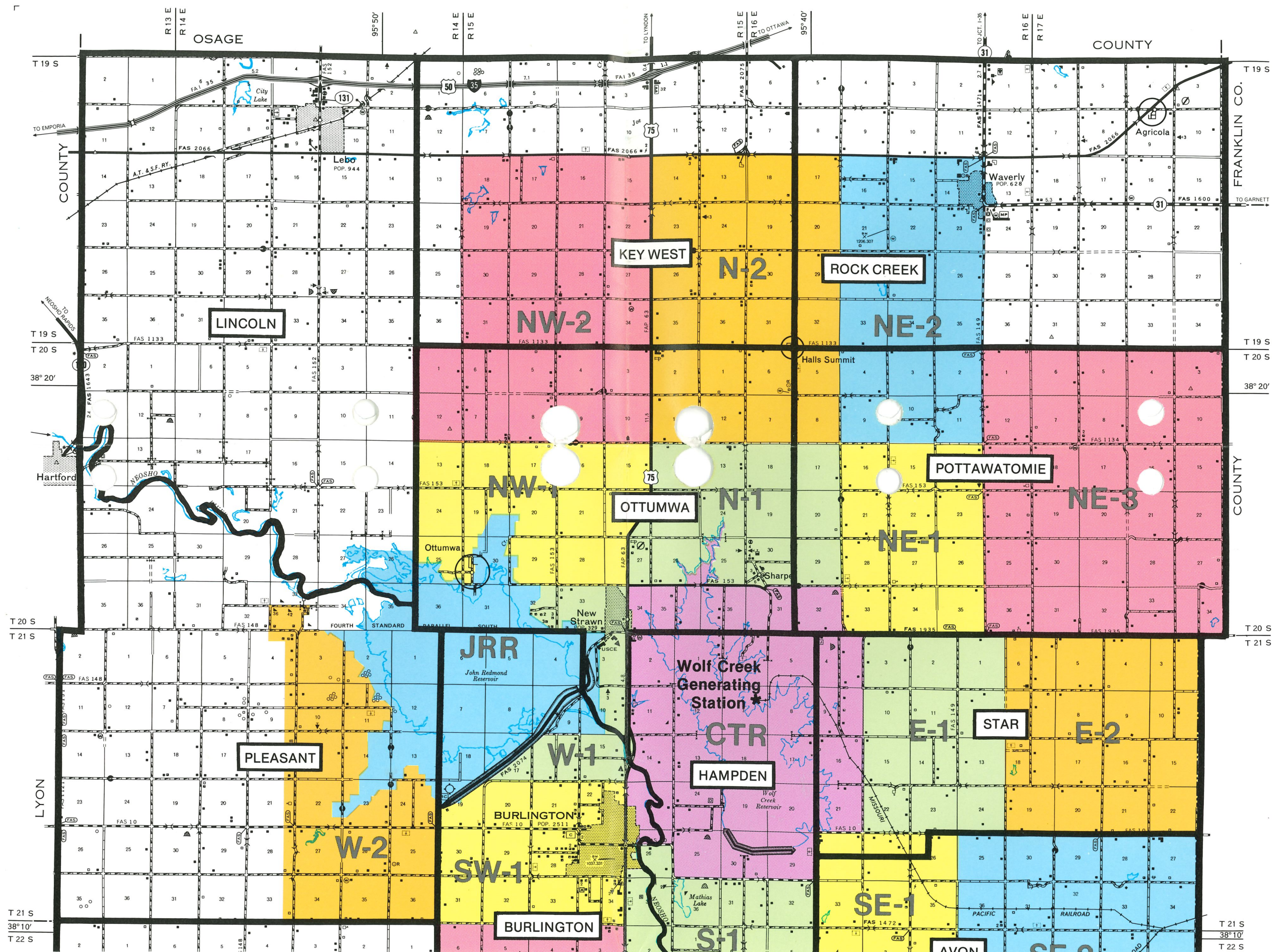
According to NCRP, about 82 percent of the average radiation dose comes from natural sources such as radon gas, cosmic radiation from space, and other natural radioactive elements in rocks, soil and even your own body.

The remaining 18 percent comes from man-made sources, including medical X-rays, chemicals, and consumer products such as smoke detectors.

Sources Of Radiation Exposure To U.S. Population



Source:
National Council on
Radiation Protection
and Measurements



OSAGE

COUNTY

FRANKLIN CO.

COUNTY

COUNTY

T 19 S

T 19 S

T 19 S

T 19 S

T 20 S

T 20 S

38° 20'

38° 20'

T 20 S

T 20 S

T 21 S

T 21 S

T 21 S

T 21 S

38° 10'

38° 10'

T 22 S

T 22 S

R 13 E
R 14 E

R 14 E
R 15 E

R 15 E
R 16 E

R 16 E
R 17 E

95° 50'

95° 40'

TO EMPORIA

TO LYNDON

TO OTTAWA

TO JCT. I-35

TO GARNETT

NEOSHO RIVER

A.T. & S.F. RY.

FOURTH STANDARD PARALLEL SOUTH

MISSOURI

PACIFIC RAILROAD

LINCOLN

KEY WEST

N-2

ROCK CREEK

NE-2

NW-2

POTTAWATOMIE

NE-3

NW-1

OTTUMWA

N-1

NE-1

PLEASANT

JRR

W-1

Wolf Creek Generating Station

CTR

HAMPDEN

STAR

E-2

BURLINGTON

SW-1

BURLINGTON

SE-1

AVON

W-2

Lebo
POP. 944

Burlington
POP. 2511

Waverly
POP. 628

John Redmond Reservoir

Wolf Creek Reservoir

Mathias Lake

Agricola

Hartford

Sharpe

New Strawn

2

1

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

51

52

53

54

55

56

57

58

59

60

61

62

63

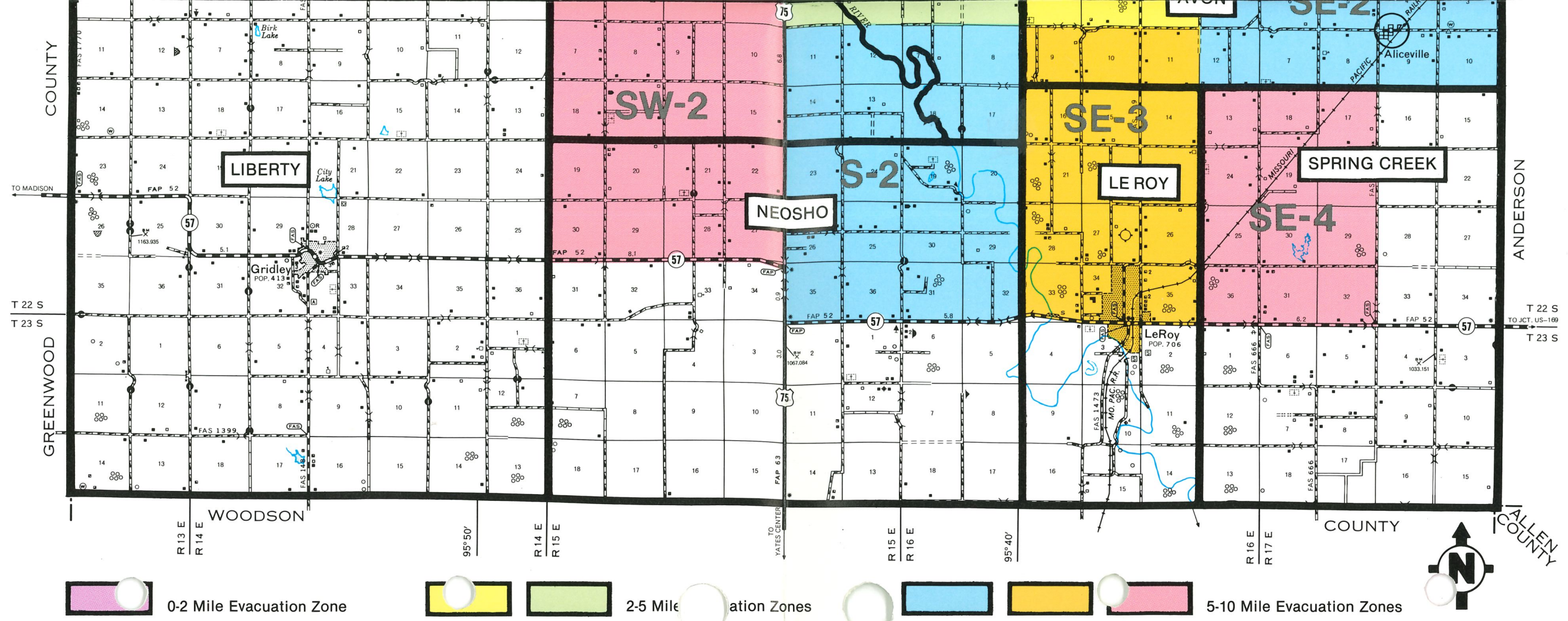
64

65

66

67

68



Coffey County Townships and Emergency Plan Subzones

This map shows all townships in Coffey County. The colored parts show subzone areas included in the Wolf Creek Emergency Plan.

An emergency may affect you if your home or place of work is in the colored areas shown. An accident could affect some part of the map and not others. You should be prepared just in case.

Please Follow the Instructions Below

1. On the map locate the township in which you live. Each township is named and outlined by heavy black lines.
2. Find — and clearly mark on the map — where you live.
3. Find — and clearly mark on the map — where you work.
4. If the locations where you live or work are outside the colored areas, this means you are outside of the emergency planning area. Studies of the Environmental Protection Agency (EPA) and the Nuclear Regulatory Commission (NRC) have found that most likely you will not have to do anything in response to an accident at Wolf Creek Generating Station. Just keep this booklet for handy reference.

5. If you live in an area that is colored on the map, find the letter-number printed over the colored section that includes your house — such as S-1, SW-2, or NE-2. This identifies the subzone for your house. Write that identification number in the space provided on page 13 of the Emergency Booklet.

6. Complete page 13 for each member of the family by locating the subzone where they work and go to school. Fill in these locations as shown, in the example at the bottom of page 13.

How You Will Know What To Do

This map and the one on the center fold-out of this booklet are similar. Both show by means of colors the areas of the county that might be affected by a Wolf Creek emergency. Each different colored area is called a subzone. Each subzone has a letter-number designation.

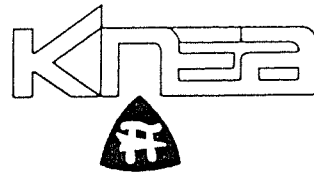
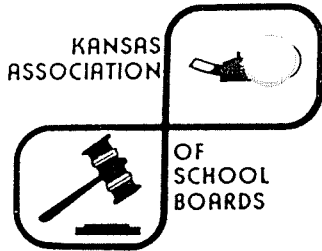
If you live or work outside the colored areas, this means you are outside of the emergency planning area. Most likely you will not have to do anything in response to an accident at Wolf Creek Generating Station.

In the event that people in the colored subzone areas must do something, government officials will issue orders over local radio and TV stations. For example, people in subzone CTR (Center) and S-1 (South-1) might be ordered to “shelter in place.” Only people in the subzones CTR and S-1 will have to do this. People outside of these two designated subzones will not have to do anything.

The fold-out map in the middle of the booklet gives special instructions if you are ordered to evacuate. If government officials tell people in specified subzones to evacuate, this map shows roads that should be used. Also listed in the booklet are registration centers in nearby towns where people should go.

Please read this booklet carefully. Discuss the importance of subzones with other members of your family. Now, find and record on page 13 of the booklet the subzones where you and your family live, work and go to school.





ATTN
1-1-90

JOINT TESTIMONY ON SCR 1632
PRESENTED BY:

KANSAS ASSOCIATION OF SCHOOL BOARDS
KANSAS NATIONAL EDUCATION ASSOCIATION
UNITED SCHOOL ADMINISTRATORS
SCHOOLS FOR QUALITY EDUCATION
SCHOOLS FOR EQUAL EDUCATION IN KANSAS (SEEK)
UNIFIED SCHOOL DISTRICT 229, BLUE VALLEY
UNIFIED SCHOOL DISTRICT 259, WICHITA
UNIFIED SCHOOL DISTRICT 501, TOPEKA

Thank you, Mr. Chairman. Members of the committee, my name is Craig Grant and I represent Kansas-NEA. Today I am presenting the joint testimony of the above-mentioned organizations and Unified School Districts. We appreciate this opportunity to visit with the committee about SCR 1632.

The groups mentioned above strongly oppose SCR 1632. We believe that any revisiting of the Constitution is certainly premature. We have yet to determine if any of the problems which have caused such an outcry in some parts of the state are a result of classification or the reappraisal process. We have seen little data upon which to base any decision on whether to change the Constitution. We knew in 1985 that there would be shifts in the overall property tax burden in our local districts. It is evident to us that SCR 1632 would cause different shifts. By reducing all the 30% property to 15% and only reducing residential property from 12% to 10%, the proposal can do nothing but shift the burden to residential home owners. Our groups do not believe that this shift to residential homeowners is desirable.

Another aspect of SCR 1632 which is opposed by our organizations is the arbitrary limits imposed on local school boards in raising money necessary to run the schools. Schools now have a limitation placed on them--a budget limitation set by this legislature in expenditures per pupil. This is the proper way to limit schools in our opinion. Districts with enrollment increases, such as the rapidly growing USD 229, Blue Valley, would have no ability to fund programs for new pupils in their districts. An additional problem is that districts would have no method to make up for the reduced revenue from motor vehicle taxes starting in the 1990-91 school year. USD 512, Shawnee Mission, will lose \$9 million in motor vehicle tax revenue in 1990-91 and \$4.5 million in 1991-92. SCR 1632 has no provisions to allow districts to make up the loss in this revenue.

Because of the above-mentioned reasons, the education community is opposed to SCR 1632 and other constitution amendments which would either change the classification amendment of the Kansas Constitution or would place arbitrary limits on the taxing authority of the schools in Kansas. Thank you, Mr. Chairman and members of the committee, for listening to our concerns.

January 24, 1990

Mr. Chairman and Members of the Committee

My name is Hazel Ball and I live at 327 Choctaw, New Strawn, Kansas. I am here to express my concerns as a taxpayer of Coffey County and the concerns of many other taxpayers unable to be here today.

Why has it become so important to rush Senate Resolution No. 1632 thru the committee? Why is this legislation so important now after Wolf Creek has been built and not before?

Did not Anderson, Greenwood, Woodson, Sedgwick Counties and several others have a chance to have Wolf Creek built in their counties and they said "no way" and now they want a part of the action. Should we the taxpayers and residents of Coffey County be penalized because we had the FORSIGHT and COURAGE to "give Wolf Creek a home" now have to give up half of our tax dollars to be spread around the state?

Did Coffey County try to push legislation thru to take revenue from the prosperous counties when Coffey County was one of the poorest counties in the state?

Has everyone given careful thought to the impact this resolution will have on our ability to provide the services to our county and the "surrounding counties" in the event of a plant emergency -- ie; our county wide fire protection and a first class emergency preparedness plan, our sheriff and police departments, for the safety of our citizens? These departments had to be increased and any cut to our tax dollars would have a detrimental effect on these very necessary support groups. How will this resolution affect our economic development? Will cities and counties even try to bring in new business when all they get for their efforts will be their new tax dollars spread around the state?

What about the hard work that has been done by the League of Municipalities and other groups to get more responsible leadership at the local government level? Is not page 3, lines 20, 21, 22, and 23 defeating their efforts by giving the state the authority to distribute this tax money back to the cities and counties, school boards, etc.?

I respectfully urge you to take a good look at Resolution No. 1632 and vote no. Please don't rob Peter to pay Paul and make a terrible mistake.

Sincerely,

Hazel Ball
Hazel Ball

SENATE ASSESSMENT AND TAXATION COMMITTEE
WEDNESDAY, JANUARY 24, 1990 ATTACHMENT 5



Kansas Legislative Policy Group

412 Capitol Tower, 400 West Eighth, Topeka, Kansas 66603, 913-233-2227
TIMOTHY N. HAGEMANN, Executive Director

TESTIMONY TO
SENATE ASSESSMENT AND TAXATION COMMITTEE
ON SCR 1632
JANUARY 24, 1990

Mr. Chairman and members of the committee, I am Tim Hagemann, Executive Director of the Kansas Legislative Policy Group (KLPG). The KLPG is an organization of county commissioners from 24 western Kansas counties.

KLPG is here today to oppose SCR 1632. The effects of SCR 1632 would effectively reduce the tax base in the counties by at least 50%. It is difficult to estimate the actual impact for each county; however, agricultural land, mineral leaseholds, and state assessed properties are currently assessed at 30% of use or market value. These categories alone represent the major portion of current assessed values. The other major class, commercial and industrial, would also be reduced by 50% not to mention the other classes which would be reduced. The reduction in assessed values, together with the requirement of reducing those tax rates above 100 mills down to 100 mills, and the freezing of levies below 100 mills, would put all taxing units out of business.

ATT 6
24-90

Testimony
January 24, 1990
Page Two

For example: A county with \$200 million assessed value reduced by 50% together with a tax rate frozen at \$55 per \$1000 valuation would be able to raise \$5.5 million ($\$200 \text{ million} \times .50 = \$100 \text{ million} \times .055$) versus the current amount of \$11 million leaving a shortfall of \$5.5 million.

Our County Commissioners would like to point out that most local people consider any government services above local government remote or at least elusive. We would also remind the author of SCR 1632 that "being a part of the problem is easy, being a part of the solution requires leadership".

Our County Commissioners want to be a part of the solution therefore, we would recommend that sales and use taxes be used to finance education leaving property taxes to fund property services.

We believe that this proposal without specific funding in place from the repeal of sales tax exemptions and a tax on services, is not in the best interest of the taxpaying public.

The members of KLPG respectively request that you report SCR 1632 adversely.

Thank you for the opportunity to present our views to your committee and I would be glad to respond to any questions.

ATT 7
1- 90

TESTIMONY TO SENATE COMMITTEE

ASSESSMENT AND TAXATION

RE: SCR NO. 1632

DAVID WATKINS, CITY ADMINISTRATOR

LENEXA, KANSAS

JANUARY 24, 1990

Mr. Chairman and members of the Committee, my name is David Watkins, Administrator for the City of Lenexa which is located in Johnson County. Lenexa is a city of approximately 33,000 residents that has experienced tremendous growth and almost doubled in the last nine (9) years. As our population and business growth has doubled, so has the increasing demand for services and capital projects.

I would like to identify specific problems with Senate Concurrent Resolution No. 1632 as proposed by Senator Yost and have attached to this testimony a detailed breakdown of the financial impact on Lenexa.

1. This proposal would be another example of the tax burden being transferred from commercial properties onto residential properties, much like the effect of the elimination of the inventory tax on non-inventoried commercial properties. In Lenexa, the Yost proposal would lower the assessed value of residential real estate by \$20,223,983, (16.6%), but would lower the commercial real estate values by \$76,962,063, (46.1%).

2. Lenexa's new tax base under the Yost proposal would be \$207,279,087 which is just barely above our pre-reappraisal value of \$194,486,566, yet there is a good possibility that either because of a tax levy lid or the Yost 100 mill cap that our levies, with the exception of bond and interest will not be able to rise. When applying the City's post reappraisal mill levy of 26.476 mills to the Yost proposal tax base, Lenexa would incur a revenue shortfall of 3,144,923. After taking out the exemption

for property tax levied to retire principal and interest on bonds issued prior to November of 1990, Lenexa's net loss would amount to \$1.3 million. However, coupled with the loss of motor vehicle revenues, the total amount of lost property tax revenues for 1991 would be approximately \$1.9 million.

3. Senator Yost's proposal will result in more tax burden being shifted onto the residential property taxpayer, the consumer who would pay sales tax, or the wage earner who would pay an earnings tax, all of whom would have to be taxed to make up the short fall due to the additional break to commercial property owners.

In effect, commercial properties who had inventory prior to reappraisal who now enjoys the elimination of the property tax for inventory, would also receive a reduction of their assessment ratio from 30 to 15%. It would be interesting to calculate an example of a big property owner who had inventory such as Boeing and what their taxes would be now with the elimination of the inventory tax coupled with the cutting in half of the assessed ratio for commercial properties.

4. What happens to communities with multiple taxing districts? Who is going to decide how the 100 mill levy cap is distributed? Lenexa has three (3) school districts overlapping city boundaries. Our City's wastewater district levies a property tax for its revenue source. Other Johnson County cities have separate districts who levy taxes for fire protection, storm water maintenance, and ambulance services, just to name a few.

5. This proposal places an enormous burden on cities and towns who are primarily residential in nature, or who have below average individual income levels or sales tax base. These units of local government would be put at a competitive disadvantage in making up lost revenue due to Senator Yost's proposal and would find it extremely difficult to encourage economic development.

6. The language requiring a vote on all general obligation debt would severely handicap a local government's ability to implement its capital improvement plan in an orderly manner due to the political problem of holding special elections for bond issues. We would thus have to coordinate our bond issue elections with the general or primary elections occurring in a given year. We have always prided ourselves in Kansas for having a flexible set of statutes dealing with the issuance of debt which has allowed our cities to build infrastructure far superior to our neighboring state of Missouri. I

encourage this committee not to put a strangle hold on local governments to implement their capital improvements programs.

Finally, the Yost proposal appears to be a simple solution to a complex problem and one which could have a severe impact on the ability of local governments to not only meet future obligations, but to continue financing past and present obligations. I encourage this Committee to allow our locally elected officials to deal with this issue on a community by community basis, i.e. local option revenue sources that could offset property tax burdens correspondingly. Mr. Chairman, thank your for your time. I would be pleased to answer any questions the Committee might have.

January 24, 1990

IMPACT OF YOST PROPOSAL - LENEXA

	Appraised Value	Current Classif. Rate	Current Assessed Value	Yost Proposal Rate	Yost Proposal Value
Res. Real Estate	1,011,199,158	12%	121,343,899	10%	101,119,916
Agricul. Real Estate	4,423,776	30%	1,327,133	15%	663,566
Vacant Land	90,341,050	12%	10,840,926	10%	9,034,105
Farmstead	4,102,800	12%	492,336	10%	410,280
Comm. Real Estate	513,080,420	30%	153,924,126	15%	76,962,063
State Assessed Util.	40,303,633	30%	12,091,090	15%	6,045,545
Personal Property	86,957,410	30%	26,087,223	15%	13,043,612
			-----		-----
Total Assessed Value			\$326,106,733		\$207,279,087
			=====		=====

(\$118,827,646 or
36% reduction)

Note: 1988 Assessed Value was \$199,294,483 (when budgets audited)
and \$194,486,566 (when abstract of taxes performed.)

1989 Tax requirement: $\$8,632,844 / 326,106,733 = 26.476$ mills
(current law)

1989 Tax requirement $\$8,632,844 / 207,279,087 = 41.648$ mills
(Yost proposal)

Had the Yost Proposal been in effect for the current tax year,
the City of Lenexa would have realized a tax revenue loss of
\$3,144,923 ($207,279,087 \times 26.476$ mills)

Senate Assessment and Taxation Committee
Testimony

Dr. Jim Yonally, Shawnee Mission Schools
January 24, 1990

Mr. Chairman and members of the committee, my name is Jim Yonally, representing the Shawnee Mission School District.

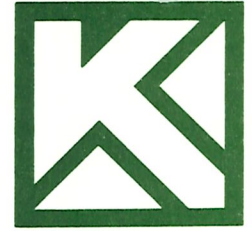
We did not join the statement of our colleagues just given to you by Craig Grant only because we feel we lack sufficient information to take a position on the new proposed classification percentages contained in SCR 1632.

We heartily endorse, and support, the joint statement opposition to limits imposed on local boards of education.

LEGISLATIVE TESTIMONY

Kansas Chamber of Commerce and Industry

500 Bank IV Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321



A consolidation of the
Kansas State Chamber
of Commerce,
Associated Industries
of Kansas,
Kansas Retail Council

SCR 1632

January 24, 1990

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the
Senate Assessment and Taxation Committee

by

Bob Corkins
Director of Taxation

Mr. Chairman and members of the Committee:

My name is Bob Corkins, director of taxation for the Kansas Chamber of Commerce and Industry. Thank you for the opportunity to speak on the merits of SCR 1632 regarding a constitutional amendment to address ad valorem property taxation.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

KCCI believes that this resolution is a positive contribution to the debate about inequities caused by reappraisal and classification. However, our support is limited to the concepts contained in this proposal. We still hold reservations about the need for a constitutional amendment which I note below. Now that a clearer picture of the impact of property tax reform is possible, modifications which would spread that burden most fairly among Kansas taxpayers can be achieved.

SCR 1632 sets forward three general concepts of which we approve. First, it refrains from creating any new classes or modifying any existing classes of property. Additional administrative problems and further inequity would be the most likely result of an amendment which follows the Minnesota example by making numerous special interest group provisions.

Secondly, this resolution attempts to reduce the now heavy reliance on property taxes. The failure of property taxes to account for an individual's ability to pay makes this tax inherently unfair. Local units of government should be restrained in their ability to impose such taxes.

Finally, SCR 1632 would continue the current policy of exempting inventories from property taxation. Inventory taxes discourage economic growth, they represent an arbitrary and unfair means for burdening one segment of the business community to the benefit of another -- and to the benefit of other classes -- and they place Kansas at a competitive disadvantage since none of our neighboring states impose the tax. To reimpose the tax would detract from the progressive business policies which Kansas has wisely endorsed and it would send a negative signal to firms which are considering future expansion here.

We must, however, make it clear that these are all objectives which might be satisfied without a constitutional amendment. It is KCCI's preference to do so without a constitutional amendment. Proposals have already been presented to this session of the legislature, for example, which better provide for a direct substitution of fairer tax sources for the current heavy reliance on property taxes.

KCCI remains open to all long-term proposals which would eliminate the individual hardships that have been caused by reappraisal and classification. As of now, there is not enough information available to judge whether the specific assessment percentages proposed by this resolution would adequately address the problems. For these reasons, KCCI does not support this resolution though we do support the objectives of it which I noted above.

Thank you again for your time and consideration.

City of Kansas City, Kansas

BUDGET DIVISION



Nancy L. Zielke-Bigsby
Budget Director
MUNICIPAL OFFICE BUILDING
ONE CIVIC CENTER PLAZA
KANSAS CITY, KANSAS 66101
(913) 573-5275

January 24, 1990

Senator Dan Thiessen, Chairman
Senate Assessment and Taxation Committee
143 North, Statehouse
Topeka, Kansas 66612

Dear Chairman:

The City of Kansas City, Kansas is pleased to have the opportunity to appear on today's agenda on Senate Concurrent Resolution 1632. The City of Kansas City is very concerned with the proposed constitutional amendment establishing an absolute limitation on general property taxes.

SUMMARY OF SCR 1632

In summary, the proposed amendment imposes a property tax cap of 100 mills, or the 1989 county-wide aggregate mill levy, whichever is less effective January 1, 1991. Kansas taxing jurisdictions which have an aggregate mill levy of less than 100 mills would be frozen at their current level. Those taxing units with an aggregate mill levy of more than 100 mills would be rolled back to 100 mills.

Secondly, classification is proposed to be retained. Assessment ratios (the ratio used to reduce appraised value to taxable value) would be reduced as follows:

<u>Type of Property</u>	<u>Current Ratio</u>	<u>Proposed Ratio</u>
Residential Real Estate	12%	10%
Agricultural Real Estate	30%	15%
Vacant Lots	12%	10%
All Other Real Estate	30%	15%
Mobile Home Residences	12%	10%
Mineral Leases	30%	15%
Machinery and Equipment	20%	15%
Other Motor Vehicles	30%	15%
Other Personal Property	30%	15%
State Assessed Utilities	30%	15%

Under the proposed resolution, inventories and farm machinery, exempt from property taxation under the 1986 constitutional amendment, would retain their exempt status.

The effect of combining a 100 mill cap and a 10 percent assessment ratio on residential property would be an effective tax cap of 1.0 percent of full value on residential property. For commercial property, by combining the 100 mill cap and a 15 percent assessment rate, the effective tax rate cap would be 1.5 percent of market value.

The proposed Resolution does provide certain exemptions from the 100 mill cap, including:

- All bonded indebtedness which existed prior to November 6, 1990, and any bonded indebtedness incurred thereafter if approved by the voters of the taxing unit;
- The mill levy for a local taxing jurisdiction could be increased for a two-year period, or increased permanently, if approved by the voters of the local taxing entity;
- Special Assessments would not be affected by mill levy cap.

Finally, the Kansas Legislature would be authorized to determine how the maximum revenue that could be raised by the property tax in any particular taxing unit would be distributed to the local government taxing units (cities, counties, townships, school districts, community colleges, etc.).

IMPACT TO KANSAS CITY/WYANDOTTE COUNTY

Based on information concerning property tax assessed valuation amounts, the proposed new assessment ratios would reduce the assessed valuation in Wyandotte County by approximately \$194.5 million or 32.3 percent as follows:

PROPOSED CHANGES IN WYANDOTTE COUNTY VALUATION

<u>Type of Property Class</u>	<u>Current Values</u>	<u>SCR 1632 Proposed Value</u>
Agricultural	1,590,842	795,421
Farming	2,239,136	1,865,947
Residential	253,990,764	211,658,970
Non-Residential (Other)	225,797,883	112,898,942
Non-Residential (PP)		
PP - Manuf/Equip (Est.)	61,532,320	46,149,240
PP - Trucks/Veh (Est.)	2,600,000	1,300,000
PP - Mobile Homes (Est.)	1,500,000	1,250,000
Vacant Land	15,647,350	12,889,458
Utilities	37,156,039	18,578,020
	601,874,334	407,385,997

The City of Kansas City's assessed valuation represented approximately 91 percent of the total County assessed valuation. Assuming the reduction would be proportional, the City's assessed valuation would decrease by approximately \$176.1 million, based on the September 1 valuation of \$545,092,169.

SCR 1632 limits the average county-wide mill levy rate to 100 mills. The current county-wide tax levies for the City of Kansas City based on the school district taxing jurisdiction locale are as follows:

<u>School Taxing Area</u>	<u>Total County-Wide Tax Rate</u>
U.S.D. 500 - City Wide	145.770
U.S.D. 202 - Turner	165.769
U.S.D. 203 - Piper	173.925
U.S.D. 204 - Bonner Springs	173.257

The impact of the reduction to 100 mills from the current county-wide rates would equal a tax loss to the City of Kansas City, Kansas of approximately \$10.0 million. This is based on the U.S.D. 500 county-wide rate and the fact that the City represent 39 percent of this county-wide tax rate. This assumed that the loss would be proportionately reduced to all taxing districts.

City of Kansas City, Kansas
Page Four

This revenue loss would be devastating to the City where 26.5 percent of cash-basis revenues to fund the annual budget are generated from ad valorem property taxes. Local taxing units need the flexibility to diversify its revenue bases with other added enhancements like increased authority for sales and use taxes or local earnings taxes.

However, to make up this projected deficit the City would have to raise its sales tax an additional 2.0 percent to raise the lost revenues. It is questionable how equitable this would be to citizens of a community who are already overburdened with high taxes and generally represent a less wealthy community. Given the option, it seems probable that the majority of the taxpayers would prefer the current system.

In summary, the City of Kansas City, Kansas is very concerned about the impact of Senate Concurrent Resolution No. 1632. With 53 percent of the City's general fund operating budget being dedicated for critical public safety programs, the City's elected officials will be faced with critical program reductions. The City would see the loss of approximately \$10.0 million in annual revenues to the City. This reduction would be equivalent in laying off 230 city police officers and fire fighters. To offset the loss in property taxes Kansas local taxing units should be able to diversify its revenue base through options such as increased sales and use taxes or a state-wide local income state option. Either option would be accepted favorably by the citizens of Kansas City, Kansas.

Again, the City appreciates the opportunity to state our concerns regarding the proposed senate resolution. If you or any members of the Senate Committee have any questions, please feel free to contact either Linton Bartlett, City Legislative Lobbyist or myself at your convenience.

Sincerely,



Nancy Zielke-Bigsby,
Finance/Budget Director

cc: Members of Wyandotte County Legislative Delegation
Members of Kansas City, Kansas City Council members

Senate Concurrent Resolution No. 1632

By Senators Yost, Doyen, Ehrlich, Montgomery,
Reilly, Salisbury, Sallee and Vidricksen

1-16

10 A PROPOSITION to amend section 1 of article 11 of the constitution
11 of the state of Kansas, relating to the taxation of property.
12

13 *Be it resolved by the Legislature of the State of Kansas, two-thirds*
14 *of the members elected (or appointed) and qualified to the Senate*
15 *and two-thirds of the members elected (or appointed) and qualified*
16 *to the House of Representatives concurring therein:*

17 Section 1. The following proposition to amend the constitution
18 of the state of Kansas shall be submitted to the qualified electors of
19 the state for their approval or rejection: Section 1 of article 11 of
20 the constitution of the state of Kansas is hereby amended to read
21 as follows:

22 § 1. ~~(A) System of taxation; classification; exemption. The~~
23 ~~provisions of this subsection (a) shall govern the assessment~~
24 ~~and taxation of property until the provisions of subsection~~
25 ~~(b) of this section are implemented and become effective,~~
26 ~~whereupon subsection (a) shall expire. The legislature shall~~
27 ~~provide for a uniform and equal rate of assessment and tax~~
28 ~~ation, except that the legislature may provide for the clas~~
29 ~~sification and the taxation uniformly as to class of motor~~
30 ~~vehicles, mineral products, money, mortgages, notes and~~
31 ~~other evidence of debt or may exempt any of such classes~~
32 ~~of property from property taxation and impose taxes upon~~
33 ~~another basis in lieu thereof. All property used exclusively~~
34 ~~for state, county, municipal, literary, educational, scientific,~~
35 ~~religious, benevolent and charitable purposes, and all house~~
36 ~~hold goods and personal effects not used for the production~~
37 ~~of income, shall be exempted from property taxation.~~

38 ~~(B) System of taxation; classification; exemption. (1) (a) The~~
39 ~~provisions of this subsection (b) section shall govern the assess-~~
40 ~~ment and taxation of property on and after January 1, 1989 1991,~~
41 ~~and each year thereafter. Except as otherwise hereinafter spe-~~
42 ~~cifically provided, the legislature shall provide for a uniform and~~
43 ~~equal basis of valuation and rate of taxation of all property subject~~

10-5

to taxation. The provisions of this subsection (b) section shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

Class 1 shall consist of real property. Real property shall be further classified into four subclasses. Such property shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (A) (1) Real property used for residential purposes including multi-family residential real property...~~12%~~ 10%
- (B) (2) Land devoted to agricultural use which shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution~~30%~~ 15%
- (C) (3) Vacant lots~~12%~~ 10%
- (D) (4) All other urban and rural real property not otherwise specifically subclassified.....~~30%~~ 15%

Class 2 shall consist of tangible personal property. Such tangible personal property shall be further classified into six subclasses, shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (A) (1) Mobile homes used for residential purposes~~12%~~ 10%
- (B) (2) Mineral leasehold interests~~30%~~ 15%
- (C) (3) Public utility tangible personal property.....~~30%~~ 15%
- (D) (4) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985.....~~30%~~ 15%
- (E) (5) Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property~~20%~~ 15%
- (F) (6) All other tangible personal property not otherwise specifically classified~~30%~~ 15%

7-01

(2) (b). All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchant's and manufacturer's inventories and livestock and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

(c) Property subject to taxation shall not be taxed at an aggregate rate exceeding 100 mills or the rate levied in 1989, whichever is less. Taxes may be levied in excess of such limitation for: (1) The payment of indebtedness incurred prior to November 6, 1990, and interest thereon; (2) the payment of indebtedness incurred on or after November 6, 1990, and interest thereon, if authorized by the vote of a majority of the qualified electors of the taxing district; and (3) the payment of improvement costs by special assessments. Additional emergency levies for two year periods may be authorized by the vote of a majority of the qualified electors of any taxing district. An increase in the permanent aggregate mill levy rate limitation hereinbefore prescribed may be authorized by the vote of a majority of the qualified electors of any taxing district. The legislature shall prescribe the manner by which the hereinbefore prescribed aggregate mill levy rate limitation shall be prorated among the several taxing units of a taxing district."

Sec. 2. The following statement shall be printed on the ballot with the amendment as a whole:

"Explanatory statement. This amendment would continue the system of property taxation providing for the classification and assessment of property at different percentages of value as of January 1, 1991, and would provide, as of such date, for a decrease in the assessment rate of all property subject to taxation. Also, the amendment would provide for a limitation on the aggregate rate of taxation which could be imposed on taxable property by any taxing district. Also, constitutional exemptions from property taxation would be continued.

"A vote for the proposition would continue the system of property taxation providing for the classification and assessment of all property at different percentages of value as of January 1, 1991, and would provide that on and after January 1, 1991, all property subject to taxation would be assessed at a decreased rate, a limitation on the aggregate rate of taxation imposed upon property subject to taxation is provided for all taxing districts. Existing constitutional exemptions from property taxation would be continued.

1 “A vote against the proposition would continue the present prop-
2 erty tax system providing for the classification and assessment of
3 all property subject to taxation at different percentages of value.”
4 Sec. 3. This resolution, if approved by two-thirds of the members
5 elected (or appointed) and qualified to the senate and two-thirds of
6 the members elected (or appointed) and qualified to the house of
7 representatives, shall be entered on the journals, together with the
8 yeas and nays. The secretary of state shall cause this resolution to
9 be published as provided by law and shall cause the proposed amend-
10 ment to be submitted to the electors of the state at the general
11 election to be held on November 6, 1990.

ATT

THE CITY OF WICHITA



January 24, 1990

DEPARTMENT OF FINANCE
 OFFICE OF DIRECTOR
 CITY HALL — THIRTEENTH FLOOR
 455 NORTH MAIN STREET
 WICHITA, KANSAS 67202
 (316) 268-4434

The Honorable Dan Thiessen, Chairperson
 Assessment and Taxation Committee
 State Capital
 Topeka, KS 66603

Re: Senate Concurrent Resolution No. 1632

Dear Senator Thiessen:

Senate Concurrent Resolution No. 1632 establishes an absolute limitation on general property taxes. The major policy issues contained in the proposal are as follows:

1. Assessment ratios (the ratio used to reduce appraised value to taxable value) would be reduced as follows:

<u>Type of Property</u>	<u>Current Ratio</u>	<u>Proposed Ratio</u>
a. Residential Real Estate	12%	10%
b. Agricultural Real Estate	30%	15%
c. Vacant Lots	12%	10%
d. All Other Real Estate	30%	15%
e. Mobile Home Residences	12%	10%
f. Mineral Leases	30%	15%
g. Machinery and Equipment	20%	15%
h. Other Motor Vehicles	30%	15%
i. Other Personal Property	30%	15%
j. State Assessed Utilities	30%	15%

2. The new assessment ratios would reduce the City's assessed valuation by \$465 million or 32.6 percent as follows:

<u>Type of Property Class</u>	<u>Current Value</u>	<u>Proposed Value</u>
a. Residential Real Estate	\$ 627,761,784	\$523,134,828
b. Agricultural Real Estate	505,998	252,999
c. Vacant Lots	21,857,138	18,214,282
d. All Other Real Estate	545,736,960	273,008,619
e. Mobile Home Residences	6,375,640	5,313,033
f. Mineral Leases	130,510	65,255
g. Machinery and Equipment	114,025,720	85,519,290
h. Other Motor Vehicles	7,295,167	3,647,584
i. Other Personal Property	10,028,584	5,014,292
j. State Assessed Utilities	90,855,154	45,427,577

Total Assessed Valuation \$1,424,572,655 \$959,597,759

Att. 11

SENATE ASSESSMENT AND TAXATION COMMITTEE
 WEDNESDAY, JANUARY 24, 1990 ATTACHMENT 11 (TURNED IN JANUARY 26, 1990)

Senator Dan Thiessen
Chairperson
Assessment and Taxation Committee
January 24, 1990
Page 2

3. The City's assessed valuation is 76.28 percent of the county total assessed valuation. Assuming the reduction would be proportional, the County assessed valuation would decrease by approximately \$609.5 million. The average county mill levy rate (the total general property taxes levied by all taxing units within Sedgwick County divided by the county's assessed valuation) for 1989 was 119.73 mills, generating approximately \$223.5 million in general property taxes (less delinquencies). This means that countywide taxing units (cities, counties, school districts, state, and other special districts) would lose approximately \$73 MILLION --if the proposal was just limited to assessment ratios--which it is not.
4. SCR No. 1632 would further limit the average county mill levy rate to 100 mills. This is not just a reduction from 119.73 mills to 100, because the tax base has been reduced by 32.6 percent as outlined above. The impact is much greater. The maximum levy of 100 mills would generate approximately \$125 million for all the taxing units in Sedgwick County. The decrease in assessment ratios combined with the 100 mill levy limit would result in annual lost revenues of \$98.5 MILLION (in addition, motor vehicle property tax lost revenues would total approximately \$6.5 million per year). The City of Wichita's proportional share of these lost revenues would be about \$17 MILLION PER YEAR. Unified School District No. 259 would lose about \$45 million annually. State INDIVIDUAL INCOME tax liability before all adjustments in Sedgwick County totals approximately \$150 million (based on 1988 returns). To offset the loss in property tax revenues by imposing local option income taxes would be equivalent to a 65 percent increase in the individual income tax rate paid by Sedgwick County residents. If the lost revenue was to be offset entirely by increased local option sales taxes, the LOCAL SALES TAX would need to increase by about 3 additional cents; raising the combined state and county sales taxes from 5.25 to 8.25 percent of every dollar of eligible retail sales. These alternative funding options further shift the financing of public services away from business and onto the backs of the individual. If no offsetting revenues were provided, then locally provided public services (as we know them) would cease to exist in any responsible form. Given the alternatives, it is likely that the majority of taxpayers would prefer the current system.
5. SCR No. 1632 goes on to further complicate local finance by including new bond issues paid from general property taxes under the mill levy limit (unless the voters approved the exemption of debt service from the tax limitation). This feature would undermine the quality of Kansas general obligation bonds, converting them to LIMITED TAX OBLIGATIONS with dubious credit quality. Currently, all Kansas general obligation bonds are secured by the full faith and

Senator Dan Thiessen
Chairperson
Assessment and Taxation Committee
January 24, 1990
Page 3

taxing powers of our municipalities--this means that municipalities will levy without limitation whatever is necessary to discharge their responsibility to retire the debt on schedule. The credit impairment would increase both the cost of issuance (because more analysis would be required to successfully market the bonds) and interest rate (because the higher risk to the bond buyers would require higher interest rates). This feature of the proposal would undermine the ability of Kansas to deal with its infrastructure needs. It would eliminate policy options and increase ultimately the cost of government by encouraging neglect until crises develop. The excellent reputation of Kansas municipal bonds would be ruined.

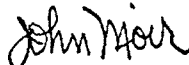
6. The State Legislature would determine statutorily how the county average mill levy rate would be distributed to the various taxing units. No details have been provided concerning just how this concept would work in real life. During every legislative session, the various taxing districts of Kansas would be confronted with justifying and defending their respective share of the then existing statutory allocation formula. Taxes are levied for the following taxing units within Sedgwick County: 20 school districts, 22 townships, 16 cities of the third class, 3 cities of the second class, one city of the first class, the county government, the county fire district, the state building funds, and 24 miscellaneous districts. This seems to run contrary to the concept of local home rule and undermines the authority of local elected officials--pitting one jurisdiction against another.
7. SCR No. 1632 provides for referendums to exempt taxing units from the tax limitation either on temporary or permanent basis. If the lost property tax revenues shifted to other tax sources, it is not likely that any referendum on tax raising issues would be received favorably by the voters (the vast majority of whom are individuals, not businesses, and would be carrying the new tax burden).

Caution should be exercised when attempting to remedy a perceived problem with one revenue source because of the implications on shifts to other revenue sources and other constituencies (which could create new and more complex problems of tax policy).

A constitutional amendment is not the appropriate means of dealing with the current problem.

The City of Wichita strongly opposes Senate Concurrent Resolution 1632 and urges your rejection of this resolution.

Sincerely,



John Moir

Director of Finance/City Clerk

JM/gf

January 24, 1990

TAXING UNITS WITHIN SEDGWICK COUNTYSchools

Remington Jt. #206	Renwick Jt. #267
Wichita #259	Cheney Jt. #268
Derby #260	Kingman Jt. #331
Haysville #261	Conway Springs Jt. #356
Valley Center Jt. #262	Burrton Jt. #369
Mulvane Jt. #263	Circle Jt. #375
Clearwater Jt. #264	Andover Jt. #385
Goddard #265	Rose Hill Jt. #394
Maize #266	Sedgwick Jt. #439
Halstead Jt. #440	Haven Jt. #312

Townships

Afton	Morton
Attica	Ninnescah
Delano	Ohio
Eagle	Park
Erie	Payne
Garden Plain	Riverside
Grand River	Rockford
Grant	Salem
Greeley	Sherman
Gypsum	Union
Illinois	Valley Center
Kechi	Viola
Lincoln	Waco

Miscellaneous Districts

Clearwater Cemetery
 Hillside Cemetery
 Mulvane-Littleton Cemetery
 Maize-Park Cemetery
 Waco Cemetery
 Riverside Drainage
 Sedgwick Valley Drainage
 Crestview Country Club Improvement
 Furley Improvement
 K-42 Estates Improvement
 Miles Village-Lake Waltanna Improvement
 Oaklawn Improvement
 Sprindale Country Club Improvement
 Sunview Improvement
 South Central Kansas Library
 Whitewater River Watershed #22
 Middle Walnut River Watershed #60
 Minneha Sewer District #1

Miscellaneous Districts (continued)

Sedgwick County Sewer District:
Eastern Sedgwick County Sewage Disposal District
West Sedgwick County Sewer Disposal District
Miles West Wind Lakes Estates Sewer
Fairway Meadows Joint Sewer
Rainbow Lakes Sewer
Mid-continent Industrial Park Sewer
Valley Center Industrial Park Sewer

Cities

First Class
Wichita

Second Class
Derby
Haysville
Valley Center

Third Class
Andale
Bel Aire
Bentley
Cheney
Clearwater
Colwich
Eastborough
Garden Plain
Goddard
Kechi
Maize
Mount Hope
Mulvane
Park City
Sedgwick
Viola