

Approved: April 29, 1999  
Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Chairperson David Adkins at 9:00 a.m. on March 22, 1999 in Room 519-S of the Capitol.

All members were present except: Rep. Edmonds - excused  
Rep. Howell - excused

Committee staff present: Chris Courtwright, Legislative Research Department  
April Holman, Legislative Research Department  
Don Hayward, Revisor of Statutes  
Shirley Sicilian, Department of Revenue  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Representative Annie Kuether  
Representative Lynn Jenkins  
Joseph Ledbetter, Topeka taxpayer, MPA  
Christy Caldwell, Vice President, Government Relations, Greater Topeka Chamber of Commerce  
Mayor Joan Wagnon, City of Topeka, (written)  
Dr. Jerry B. Farley, President, Washburn University (written)

Others attending: See attached list

The Chairman opened the meeting to discussion of the committee minutes from the meetings of February 9, 10, 11, 16, 17, 18, 19, 23 and March 3 and 4 that were mailed to the committee on March 12, 1999, and changes/corrections requested by March 17.

The Chairman recognized Representative Sharp who made a motion, and was seconded by Representative Campbell, to approve the committee minutes as distributed. Motion carried.

The Chairman opened the public hearing on:

**HB 2565 - Washburn University retailer's sales tax imposition authorized**

The Chairman introduced Chris Courtwright, Kansas Legislative Research Department, gave an overview on local sales taxes, City of Topeka and **HB 2565**.

Proponents:

The Chairman introduced Representative Annie Kuether, Proponent, and co-sponsor of the bill (Attachment 1).

The Chairman introduced Representative Lynn Jenkins, Proponent, and co-sponsor of the bill (Attachment 2).

The Chairman introduced Joseph Ledbetter, Proponent, Topeka taxpayer, MPA (Attachment 3).

The Chairman introduced Christy Caldwell, Proponent, Vice President Government Relations, Greater Topeka Chamber of Commerce (Attachment 4).

Joan Wagnon, Proponent, Mayor, City of Topeka, submitted written testimony (Attachment 5).

Dr. Jerry B. Farley, Proponent, President, Washburn University, submitted written testimony (Attachment 6).

The Chairman recognized Representative Doug Mays, Proponent, who spoke before the committee supporting **HB 2565**, no written testimony submitted. Representative Mays mentioned that the bill is

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, Room 519-S Statehouse, at 9:00 a.m. on March 22, 1999.

good for the community and Shawnee county as a whole. He also noted that the goal is to be part of the Board of Regents and that remains the goal. Representative Mays explained that this is a local issue and that Washburn is different than community colleges, it is not setting a precedent, and until the day Washburn is part of the Regents, it is the logical thing to do. He felt that the need is to insure that Topeka remains a viable community and an attractive place for businesses to expand and to locate.

Questions and discussion followed conferee testimony.

The Chairman closed the public hearing on **HB 2565**.

The meeting was adjourned at 10:23 a.m.

HOUSE TAXATION COMMITTEE  
GUEST LIST

DATE: march 22, 1999

Judy Moler	Ks. Assoc of Counties
Randy Allen	Ks. Association of Counties
<del>Don Moler</del>	<del>LKM</del>
Charity Caldwell	Topeka Chamber of Comm
Michael Lee Smith	KMHA
DAKE FISHER	WHITNEY DAMRON
Blayne Patton	KS TAXPAYERS NETWORK
SCOTT SCHNEIDER	MGA
David G. Monical	Washburn University
Rich McNeelley	WU
Doug Smith	City of Topeka
Jim Kamp	City of Topeka
Chuck Engel	Washburn Board of Regents
Bronche Parks	Washburn Bd. of Regents
Erik Sartorius	Johnson Co. Board of Realtors
Ken Cratwood	
Amber Gatewood	
Cyrtl + Hunt	
Joseph Ledbetter	Topeka Taxpayer
John D. Pinegar	City of Topeka



ANNIE KUETHER  
 REPRESENTATIVE, FIFTY-FIFTH DISTRICT  
 SHAWNEE COUNTY  
 1346 SW WAYNE AVE.  
 TOPEKA, KANSAS 66604-2606  
 (785) 232-0717

STATE CAPITOL—ROOM 279-W  
 TOPEKA, KS 66612-1504  
 (785) 296-7669  
 1-800-432-3924



TOPEKA

HOUSE OF  
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
 ECONOMIC DEVELOPMENT—RANKING DEMOCRAT  
 EDUCATION & LEGISLATIVE BUDGET COMMITTEE  
 JOINT COMMITTEE ON ECONOMIC DEVELOPMENT  
 UTILITIES

March 22, 1999

Chairman David Adkins :

Mr. Chairman and Committee Members, thank you for your willingness to hear HB 2565, concerning the funding of Washburn University.

For many of you, this is a continuation of a long dialogue. For some of you, this is a new conversation; For those to whom this is a new subject, there have been over 20 studies of this issue.

Last year, Representative David Adkins was given the daunting assignment to address the issues of governance, coordination and funding of all of the Regents Schools, Community Colleges and Washburn University. Not only was this a very successful effort, it easily passed the House with a 97-25 vote. Then, much to our disappointment, it was not heard in any Senate Committee.

Once again, it appears that there is not a focused effort to recognize Washburn University as the 4-year institution that it is; serving the entire state of Kansas. Consequently, the Shawnee County Delegation has come together to address the needs of our County.

I hope that when you have heard our issue, that you will look upon it favorably and allow our delegation to help our constituents.

Thank you,

Annie Kuether  
 55th District  
 Washburn University Task Force, Chair



**LYNN JENKINS**

REPRESENTATIVE, FIFTY-SECOND DISTRICT  
5940 SW CLARION LANE  
TOPEKA, KANSAS 66610  
(785) 271-6585

STATE CAPITOL, ROOM 182-W  
TOPEKA, KANSAS 66612-1504  
(785) 296-7637



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
GOVERNMENTAL ORGANIZATION  
AND ELECTIONS  
INSURANCE  
KANSAS 2000 SELECT  
LEGISLATIVE POST AUDIT  
TAXATION

TO: House Taxation Committee

FROM: Lynn Jenkins

RE: Support for HB 2565

DATE: March 22, 1999

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before the committee in support of HB 2565. The Shawnee County Delegation is proposing this legislation concerning the financing of Washburn University here in Topeka.

The proposal would authorize the Washburn Board of Regents to impose a countywide local sales tax of .65% and would abolish the authority of the board to levy 15 mills of the 18 mills in property tax it presently imposes on the property inside the city of Topeka. The 3 mills of property tax is being retained to finance the capital outlay fund the school uses to buy big-ticket items and to retire bonded debt. In addition to the shift in funding, the bill would abolish out-district tuition generally collected from students living in Shawnee county but outside the city limits. The bill also would change the composition of the 9 member Washburn Board of Regents, by requiring the current at-large position, be replaced with a resident of Shawnee County living outside the city.

We would like to suggest a balloon which includes some technical amendments, and adds a provision for a vote by protest petition. Keep in mind that our ultimate goal is to see Washburn in the state Regents system. However, the Topeka City Council, Washburn's Board of Regents, and the entire Shawnee County Legislative Delegation have all worked very hard on this proposal as an alternative in the interim.

We are anxious to proceed with this proposal, therefore, I would urge this committee to pass out HB 2565 as amended favorable for passage.

Questions?

House Taxation  
3-22-99  
Attachment 2

PROPONENT HB 2565; 3-22-99

WASHBURN SALES TAX

Committee , I am for this proposal. I am a taxpayer in Topeka and pay 18.3 mills to Washburn University now. It presently is no County-wide tax levy,unlike our Junior Colleges in their home counties. It is a roadblock to people wanting to live here, or business relocation to have to pay this extra high tax load. Originally I proposed this concept in a public comments part of a Topeka City Council meeting two months ago.This is not saying Washburn shouldn't be in the state system, it should ; however ,this gives the residents a different way to see Washburn funded, and I am for this .Thank-you for your prompt action concerning this matter.

Sincerely,

Joseph Ledbetter, Topeka taxpayer, MPA  
305 Country Club Drive  
Topeka,Kansas 66611  
232-6946 ph.

House Taxation  
3-22-99  
Attachment 3



120 SE 6th Avenue, Suite 110 • Topeka, Kansas 66603-3515  
(913) 234-2644 • FAX (913) 234-8656



Testimony before the:

House Taxation Committee

Re: House Bill 2565

By: Christy Caldwell, Vice President Government Relations  
Greater Topeka Chamber of Commerce

Mr. Chairman and members of the committee; my name is Christy Caldwell. I am the vice president of Government Relations for the Greater Topeka Chamber of Commerce.

The Greater Topeka Chamber of Commerce would like to express our support for the concept of exchanging 15 mills of property taxes paid by citizens and businesses of the city of Topeka for a county-wide .65% sales tax increase as long as there is no reduction of state appropriations for any of the local revenues generated.

Even with recent efforts of past legislatures to reduce the property tax burden by reducing the statewide education mill levy, Topeka continues to experience high property taxes from year to year. One of the reasons is the mill levy needed to support Washburn University.

The Topeka business community and citizens continue to support Washburn because of our belief that this university is a tremendous asset to the Capital City and the State of Kansas. However the continuing growth of property tax weighs heavy on our city's shoulders. We believe with the legislature's approval of this exchange in the type of tax levied locally, it will be easier for the taxpayer to pay this tax over the course of a year rather than once or twice a year when our property taxes are due, and we will get a little help from those who come to Topeka to shop as well. Mr. Chairman and committee, we ask that you approve this legislation so that we can begin enjoying a reduction in property taxes that should be of benefit to all Topeka citizens.





# CITY OF TOPEKA

---

**Joan Wagnon, Mayor**  
215 S.E. 7th Street Room 352  
Topeka, Kansas 66603  
Phone 785-368-3895  
Fax Number 785-368-3850

March 19, 1999

Representative David Adkins  
Chair, House Taxation Committee  
State Capitol, Room 448-N  
Topeka, KS 66612

Dear Representative Adkins:

I understand the House Taxation Committee is hearing HB 2565 next week. I urge your favorable consideration.

The City of Topeka endorses and supports this proposal. We also support the amendments that will be requested by the University that will correct technical errors in the bill. I am enclosing a copy of the resolution that was adopted by the Topeka City Council on March 16<sup>th</sup>, 1999.

Sincerely,

Joan Wagnon,  
Mayor

House Taxation  
3-22-99  
Attachment 5



# CITY OF TOPEKA

---

**Joan Wagnon, Mayor**  
215 S.E. 7th Street Room 352  
Topeka, Kansas 66603  
Phone 785-368-3895  
Fax Number 785-368-3850

March 19, 1999

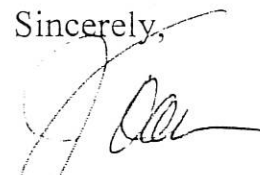
Rep. Rocky Nichols  
Chair, Shawnee County Delegation  
Capitol Building, 284-W  
Topeka, KS 66612

Dear Rocky:

I am forwarding a copy of Resolution No. 6968 which was adopted unanimously by the Topeka City Council on March 16, 1999. This resolution encourages the Shawnee County Delegation to pursue legislation which will provide financial support to Washburn University whereby a sales tax will be substituted for the property tax support. The City Council is pledging itself to support such legislation.

Please call me if you have any questions.

Sincerely,



Joan Wagnon,  
Mayor

cc: Shawnee County Delegation

RESOLUTION NO. 6968

A RESOLUTION introduced by Mayor Joan Wagnon and Councilmember Vince Cook encouraging the Shawnee County Legislative Delegation to support financial assistance for Washburn University of Topeka.

WHEREAS, Washburn University of Topeka is a unique educational institution and a valued resource for this community; and

WHEREAS, a primary source of funding for Washburn University comes from property taxes levied in the City of Topeka; and

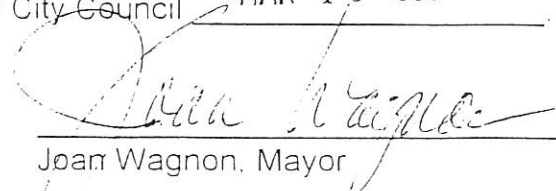
WHEREAS, there is a real public concern for the high property taxes here, and high property taxes are a deterrent to economic growth of the City of Topeka and this community; and

WHEREAS, Washburn University deserves financial support from a variety of sources to enable it to continue to maintain its level of academic excellence.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Topeka as follows:

The Shawnee County Legislative Delegation is encouraged to pursue legislation which will provide financial support to Washburn University whereby a sales tax will be substituted for the property tax support. Further, the City Council pledges its support for such legislation and affirms its willingness to assist the Shawnee County Legislative Delegation in this effort.

ADOPTED and APPROVED by City Council MAR 15 1999

  
\_\_\_\_\_  
Joan Wagnon, Mayor



MRES/Washburn/12/99

27 ATTEST:

28

29

30

31 \_\_\_\_\_  
Iris E. Walker, City Clerk

32

33

34

35

APPROVED AS TO FORM AND LEGALITY  
DATE 3/12/99 BY [Signature]



**WASHBURN UNIVERSITY**  
Office of the President

# MEMORANDUM

TO: Members of the Shawnee County Legislative Delegation  
FROM: Dr. Jerry B. Farley, President  
DATE: March 18, 1999  
RE: Sales Tax Proposal

Members of the Shawnee County Legislative Delegation:

This memorandum constitutes the University's endorsement of a proposed .65 cent county-wide sales tax for support of Washburn University coupled with the replacement of over 15 mills currently being levied on the city of Topeka for the General Fund and the Employee Benefits Contribution Fund.

The Washburn University Board of Regents met on March 10 and considered this matter in some detail. Following considerable discussion, it was moved and seconded "that the Board of Regents communicate to members of the Shawnee County Legislative Delegation expressing support for substitution of a sales tax for the property tax and that it be pursued this session if possible." The motion passed unanimously.

Since that time we have been working with you to craft legislation to effect this and other changes related to Washburn's local funding sources. We are all in agreement that these proposals only go forward with the understanding that there be no reduction in Washburn's state support and, indeed, we continue our efforts to secure additional state support for the University in recognition of Washburn's state wide role. This being said, we view the replacement of property taxes with sales taxes as a viable intermediate funding step for Washburn University.

The concepts which we have been working on are now embodied in House Bill 2565 which, if some technical amendments are added to the bill, will have our full support. Because of some inadvertent adjustments made with respect to our Board of Regents membership as part of the drafting, it will be necessary to amend the bill to clarify that, except for the current city at large position which will be allocated to county representation, no other change is intended or included with respect to the membership on the Washburn Board of Regents. A second technical adjustment requires that, per our agreements, we continue to have the levy authority for the Liability Expense Fund which provides for highly restricted expenditures for legal activities.

With these technical amendments, we urge the Delegation to support HB 2565 and assist us in securing passage during the 1999 Legislative Session.