

Approved: 5/7/99
Date

MINUTES OF THE SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 30, 1999 in Room 123S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
Debra Hollon, Legislative Research Department
Rae Anne Davis, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: President Jerry Farley, Washburn University
Topeka Mayor Joan Wagnon
Christy Caldwell, Greater Topeka Chamber of Commerce
Joseph Ledbetter
Vic Miller

Others attending: ~~See attached list.~~

HB 2565 **Washburn University retailers' sales tax imposition authorized.**

Chris Courtwright, of the Legislative Research Department, spoke to the Committee in explanation of **Supplemental HB 2565.**

Avis Swartzman of the Revisor's Office explained the Washburn Board of Regents.

Letters in support of **HB 2565** were distributed from Representative Annie Kuether, (Attach. 1) and the Shawnee County Board of Commissioners, (Attach. 2) and the Sherwood Improvement District, (Attach.3).

Speaking before the Committee as a proponent of **HB 2565** was President Jerry Farley of Washburn University. (Attach. 4).

Topeka Mayor Joan Wagnon, appeared in support of **HB 2565.** (Attach. 5).

Senator Petty asked the Mayor in regard to discussions with the City Council if there was a specific vote to not have a county-wide sales tax vote.

Mayor Wagnon said yes there was. The Council is on record as having two resolutions on the agenda the same night and they passed the one, 9-0 and removed the other from the agenda. The other would have called upon the county, using the authority that's in the local option sales tax, to put a resolution on the ballot for people to vote on but the City Council chose this option. She said no one appeared in opposition.

Next to appear as a proponent was Christy Caldwell of the Chamber of Commerce. (Attach. 6). Senator Salisbury asked if the Chamber Board was convinced that an increase in sales tax would not discourage those who come to Topeka to shop. Ms. Caldwell said that businesses feel that the property tax was the problem, not sales tax and she added that they would still be lower than surrounding areas.

Joe Ledbetter spoke in favor of **HB 2565.** (Attach.7).

During before the Committee in support of **HB 2565** was Vic Miller. (Attach. 8).

When Chairman Kerr asked him what he calculated the difference to be in the sales tax, Mr. Miller said he thought there was about a \$3 million gap which was levied at the full amount of .65%. He understood that approximately \$12 million was what the 15 mill levy generated. The projected sales tax revenue at .65 % is just under \$15 million.

The Chairman said that he favors the bill and thinks it responds to some of Washburn's problems of lack of growth in property taxes. He didn't believe that an 18 mill levy was out of line with others around the state that support community colleges and if this is the direction this community chooses to utilize as their funding mechanism, and the fact that it brings in county-wide support, he thinks they're on the right track and he supports it. (ATTACHMENTS 9 + 10)

It was moved by Senator Morris and seconded by Senator Lawrence that **HB 2565** be recommended favorably for passage.

Senator Petty offered a substitute motion, seconded by Senator Downey that (1) there would be a mandatory county-wide vote, (2) in order to address the concern of reduced state funding, not less than state funding for FY 99 would continue and that the growth of the amount put in for Washburn would be not less than the current percentage of the university's total budget less the smoothing fund.

Senator Salisbury said she was concerned with the timing of all of this. It was her understanding that if an election was required, it would have to be a special election and she wondered who was going to pay for that special election.

Senator Petty said she felt that the cost was small compared to the amount that would be pulled from the sales tax.

It was agreed that the substitute motion would be made in two parts. The Chairman asked for all who agreed on it being a mandatory county-wide vote to say aye. The motion failed. A division in the vote was called for and the motion failed by a show of hands.

The Chairman asked for those in favor of the second part of the substitute motion to say aye. The motion failed.

The Committee returned to the original motion and recommended **HB 2565** favorably for passage. The motion carried on a roll-call vote.

The meeting was adjourned at 12:30 p.m. The next meeting is scheduled for Wednesday, March 31, 1999.

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
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TOPEKA

HOUSE OF
 REPRESENTATIVES

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

March 30, 1999

HB 2565

Mr. Chairman and Committee members,

Thank you hearing the testimony regarding HB 2656, concerning Washburn University.

I support HB 2565. Washburn University is the only remaining Municipal University in the United States. My constituents pay a high level of property taxes to support the school. While many other communities have a similar problem, the Shawnee County delegation decided to find a suitable method to address this problem. We have worked together in a bipartisan effort to find a way to support our University. This created challenges, considering the fact that several members of the delegation represent a district with both city and county. So their constituents pay for Washburn, either in property taxes or by being charged out-district tuition.

It is our concern that our property tax situation is affecting the potential economic growth of our city and so, our county. We came to the consensus that this legislation will help all of our constituents, the city of Topeka and Shawnee county.

Washburn has aggressively pursued additional state funding over the years. Our goal is still to be recognized as a four-year institution that educates students from all over the state of Kansas as well as outside our borders.

This remains an elusive goal. There have been over 20 studies concerning post secondary education. Last year the task to bring all institutions to the table to try to bring this subject to a conclusion was not resolved.

Washburn University and its Shawnee County delegation, bring this proposal to you because we are losing ground. Our county needs a viable community to bolster our economy. Our heavy load of property taxes does not supply an incentive for businesses to find a way to stay here.

Senate Ways and Means Committee

Date 3/30/99
 Attachment # 1-1

FAX: (785) 232-7798

EMAIL: KUEH@KOLDC

All of us in the Kansas Legislature desire a healthy economy for our communities.

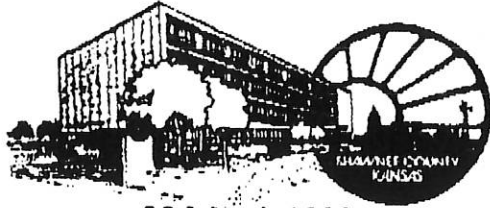
I ask for your support of this local issue that will enable us represent our districts by supporting the passage of HB 2565.

Sincerely

Annie Kuether

FROM : FAX 785 354 8044 KANE

PHONE NO. : 913 354 7444



29 March 1999

**Shawnee County
Board of Commissioners**

Rm. B-11, Courthouse Topoka, Kansas 66603-3935
(785) 233-0200 ext. 4040

Marice A. Kane, 1st district
Michael J. Melor, 2nd district
Theodore D. Ensley, 3rd district

Senator Dave Kerr, Chairperson
Senate Committee on Ways & Means

Dear Senator Kerr and Members of the Senate Committee on Ways & Means:

I am writing as an individual member of the Shawnee County Commission to express my support for the concepts embodied in House Bill 2565.

In general, this legislation will replace local city property tax support to Washburn University with countywide tax revenues. In doing so, it would eliminate almost one-third of the property tax differential between the city and county residents. This will enable us to better work and grow together.

HB2565 will also eliminate and replace with sales tax revenues between \$200,000 - \$250,000 in out-district tuition currently paid by the townships in Shawnee County to Washburn University. This will afford modest property tax reductions to citizens residing outside the city.

The sales tax is a potentially volatile source of revenue for Washburn University, therefore the provisions in the "sales tax smoothing fund" gives good business practice, and is important in ensuring the years when sales tax collections are high, revenues can be put aside in savings to be spent in years when revenues are static or on the decline.

Although I am speaking as an individual member of the Shawnee County Commission, I feel this proposal is good for Washburn University, good for the City, and good for our County.

Thank you for your work on this bill.

Senate Ways and Means Committee

Date 3/30/99

Attachment # 2

Sherwood Improvement District

3765 SW Clarion Park Drive
Topeka, Kansas 66610

March 25, 1999

David Monical
Executive Director of Governmental Relations
Washburn University
1700 SW College
Topeka, Ks 66621

RE: House Bill 2565

Dear Mr. Monical,

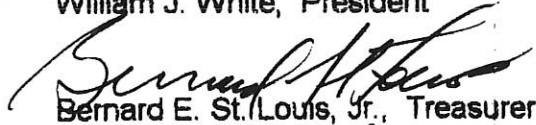
The Directors of the Sherwood Improvement District support the concept of a county-wide sales tax dedicated to Washburn University. This would be an equitable way to share the funding of an institution that is an economic and cultural asset for the entire county.

Respectfully,

Sherwood Improvement District
Board of Directors



William J. White, President



Bernard E. St. Louis, Jr., Treasurer



H. J. (Bud) Bromich, Secretary

Senate Ways and Means Committee

Date 3/30/99

Attachment # 3



WASHBURN UNIVERSITY
Office of the President

**Testimony to
Senate Committee on Ways & Means
March 30, 1999
by
Jerry B. Farley, President**

RE: House Bill 2565

Chairman Kerr, Members of the Senate Committee on Ways & Means:

We are here today to support House Bill 2565. In general summary, this bill will replace 15 mills of property tax on the city of Topeka, out-district tuition paid by the townships within Shawnee County to the University, and make funding adjustments to the Debt Retirement and Construction Fund through imposition of a .65 percent sales tax on Shawnee County.

Attached is a March 18, 1999 memorandum sent to the Shawnee County Legislative Delegation with our Board's endorsement of the concepts embodied in House Bill 2565. The technical amendments requested in paragraph four of the letter have been made although one further technical adjustment is necessary.

We request the Committee amend the bill on page 2, line 23, by inserting the word "and" between the words "University" and "eliminating" thereby correcting and clarifying the potential ballot proposition.

Also attached is a memorandum outlining these "proposed local funding revisions." This memorandum offers a rationale for the proposal and a more detailed consideration of the provisions embodied in House Bill 2565.

Nothing in this proposal reduces our reliance or dependence upon state funds. Nor is there anything contained within this proposal that prohibits or restricts Washburn from being a full partner in a coordinated system of higher education. In essence, the proposal simply alters the way Washburn University receives its local tax support by shifting much of the support from property taxes to sales taxes.

We request the Committee make the technical adjustment and recommend HB 2565 favorably for passage.

Senate Ways and Means Committee

Date 3/30/99

Attachment # 4-1



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.



WASHBURN UNIVERSITY

Washburn University Proposed Local Funding Revisions

Rationale:

For a number of years Washburn University has consistently and aggressively pursued additional state funding. The goal has been to have the state of Kansas, through the Washburn University Operating Grant, accept greater fiscal responsibility for the University and its operations in recognition of Washburn's state-wide role in higher education. While the proportion of Washburn's state funding has remained relatively constant over the past decade, the University has been unsuccessful in getting the proportion of state funding increased beyond the current 19 percent of operating revenues level.

Local ad valorem tax funds, which provide approximately 28 percent of Washburn University's revenue, are also a critical source of the University's financial support. Until such time as state support is increased to cover the University's operating expenditure increases, there is little or no possibility that the University can lower its local ad valorem tax levies. These levies, in the aggregate, currently total over 18 mills with approximately 7 mills levied for the General Fund, 8 mills for the Employee Benefits Contribution Fund, 3 mills for Debt Retirement and Construction, and .3 mill for liability expenses. Due to Washburn's reliance on local property taxes, their increasing unpopularity has obscured Washburn's contribution to the community as local resource and some have begun to view the University as a liability and not an asset.

While the city of Topeka ranks 4th among cities of the first class in total property tax levies, its local sales taxes, at 1.25 percent, ranks 20th among the 24 first class cities. Based upon negative perceptions of the property tax burden and potential sales tax flexibility, the following revisions to Washburn's local funding base are offered.

Questions:

1. What is the proposal?

The revised local funding proposal for Washburn University consists of the imposition of a .65 cent county-wide sales tax which would replace the 15 mills currently levied by Washburn University for support of its General Fund and its Employee Benefits Contribution Fund. Washburn University would no longer have the authority to levy property taxes in these two funds. Revenues from the sales tax are estimated to generate between \$13.9 and \$14.9 million annually. Approximately ninety percent of these sales tax receipts will be collected by businesses within the city of Topeka, approximately thirty percent will be paid by individuals residing outside the city, and approximately fifteen percent by individuals residing outside the county.

Of the additional revenue, approximately \$850,000 will be assigned to the University's Debt Retirement and Construction Fund. Initial considerations of this change included taking the University's three mill capital levy county wide. Negotiations over this proposal led to the conclusion that it was not appropriate to extend the capital mill levy beyond the city but that it was appropriate to provide the University, through the sales tax, with the revenue such an extension would have generated thus ensuring future flexibility in the University's capital funds. Another approximately \$250,000 is required to offset the reduction of motor vehicle taxes to the Debt Retirement and Construction Fund. These allocations are based on the basis which the aggregate University levy bears to the total of all city levies. With a reduction of 15 mills, the University allocation will fall from over 11 percent to less than 2 percent.

One of the levies being replaced is for employee fringe benefits, including health insurance. Because many of the benefit costs are dictated by external forces, it is important to insure resources are available to avoid fluctuations in employee benefits.

In addition to replacing dollars and allowing for future fluctuations within sales tax revenue, the final reason for setting sales tax receipts above direct property tax replacement revenues is to ensure that the University does not have to approach the Legislature or the public in the near future to request either an increase in the sales tax rate or a reimposition of mill levy authority. The purpose of this proposal is to eliminate operating budget reliance on local property taxes and to replace it with sales taxes. In doing so, sufficient flexibility must be included to not put the University into a fiscal crisis due to fluctuations with sales tax collections.

3. Why is the sales tax county wide?

The proposal is for a county wide rather than a city wide sales tax. There are several reasons for proposing this as a county-wide rather than simply a city tax even though approximately ninety percent of the sales tax collected in Shawnee County is collected within the corporate city limits of Topeka. As noted above, approximately 30 percent of the sales tax will be paid by non-residents of Topeka and about 15 percent by non-residents of Shawnee County.

Currently the state of Kansas imposes a 4.9 percent retailers sales tax. The city of Topeka imposes statutory limited one cent and Shawnee County imposes .25 cents. The tax in the county outside the city is 5.15 cents and within the city is 6.15 cents. Under this proposal, city residents would pay a total of 6.8 cents and county residents 5.8 cents thus maintaining the one cent differential.

If the sales tax were imposed only in the city and the same revenue requirements met, this would necessitate a city sales tax of .715 cents. If this were the case, the county sales tax would remain at 5.15 cents while the city sales tax would move to 6.9 cents thus creating an almost two cent sales tax differential between the city and the county.

4-4

6. How do these changes modify Washburn's property/sales tax position with respect to other communities in the state?

Currently, Washburn ranks fourth among cities of the first class with a 1998 composite mill rate of 146.61 (Exhibit 3). If this proposal is adopted and the 15 mills reduced on the city of Topeka, Washburn's composite levy will be 131.161 mills, ranking it 8th out of the 24 first class cities. What is even more significant is that among cities of the first class the mean mill levy is 119.854 and the median 121.82, with eight communities having levies between 119 and 128. By bringing Topeka's aggregate levy down to 131 mills this brings the community much closer to the median range of mill levies among cities of the first class in the state of Kansas.

As to sales tax, Topeka currently ranks 20th out of the 24 first class cities in local sales tax with one cent levied by the city and .25 cents by the county (Exhibit 4). Adding .65 cents for Washburn University will have Topeka ranking 17th among cities of the first class with a total 1.9 cent local sales tax. The community will still rank below other northeast Kansas communities including those in Johnson County with whom it may be in competition for retail sales. This does not appear to create any competitive disadvantage based upon the imposition of a county-wide .65 cent sales tax for support of Washburn University.

7. What is the impact of this proposal on individual homeowners and sales tax payers?

The impact of this proposal on an individual paying sales tax is 6.5 cents for every \$10 spent, 65 cents for every \$100, and \$6.50 for every \$1,000 in retail purchases. Given that approximately 15 percent of the revenue collected could be from non-residents of the county, using the sales tax rather than the property tax provides a mechanism to share the University's operating support with other residents of the state of Kansas.

Residents and businesses within the city of Topeka will see a 15 mill decrease in property taxes. This proposal saves \$86.25 on a home within the city of Topeka with a value of \$50,000 (Exhibit 5). Stated another way, for every \$50,000 in residential property value, there is a savings of \$86.25. In the case of a business with a property value of \$100,000 in its assessed valuation of 25%, the savings are \$375. So, too, this savings of \$375 annually translates into \$375 of savings for every \$100,000 in property value.

HISTORY OF PROPERTY TAXES
Ad Valorem plus LAVTR, Motor Vehicle, Back & In Lieu of Taxes
Compared with Proforma Sales Tax Information

EXHIBIT 1

Fiscal Year	Property Taxes				Sales Tax Data						
	General	Benefit	Total	% Change	0.50%	% Change	0.60%	0.65%	0.75%	Imputed Base (in thousands)	
1990	3,267,519	3,488,091	6,755,610	-	8,479,510	-	10,175,412	11,023,363	12,719,265	1,695,902	
1991	3,878,556	4,058,985	7,935,541	17.47%	8,425,468	-0.64%	10,110,562	10,953,108	12,638,202	1,685,094	
1992	4,276,828	4,450,958	8,727,786	9.98%	8,932,934	6.02%	10,719,521	11,612,814	13,399,401	1,786,587	
1993	4,503,160	4,840,609	9,343,769	7.06%	9,387,732	5.09%	11,265,278	12,204,052	14,081,598	1,877,546	
1994	4,206,377	5,116,722	9,323,099	-0.22%	9,466,844	0.84%	11,360,213	12,306,897	14,200,266	1,893,369	
1995	4,312,714	5,140,782	9,453,496	1.40%	10,143,074	7.14%	12,171,689	13,185,996	15,214,611	2,028,615	
1996	4,627,001	5,680,107	10,307,108	9.03%	10,287,902	-1.43%	12,345,482	13,374,273	15,431,853	2,057,580	
1997	4,812,196	5,901,400	10,713,596	3.94%	10,416,964	1.25%	12,500,357	13,542,053	15,625,446	2,083,393	
1998	5,131,465	6,227,240	11,358,705	6.02%	11,340,670	8.87%	13,608,804	14,742,871	17,011,005	2,268,134	
1999	5,301,613	6,537,382	11,838,995	4.23%	11,522,120	1.60%	13,826,544	14,978,756	17,283,180	2,304,424	

(1) Assumes a 1.6% increase in sales tax revenue over 1998 actual.

	0.50% Sales Tax			0.60% Sales Tax			0.65% Sales Tax			0.75% Sales Tax			Total General & Benefit Taxes
	0.50%	3 Year Moving Avg	5 Year Moving Avg	0.60%	3 Year Moving Avg	5 Year Moving Avg	0.65%	3 Year Moving Avg	5 Year Moving Avg	0.75%	3 Year Moving Avg	5 Year Moving Avg	
1990	8,479,510			10,175,412			11,023,363			12,719,265			6,755,610
1991	8,425,468			10,110,562			10,953,108			12,638,202			7,935,541
1992	8,932,934	8,612,637		10,719,521	10,335,165		11,612,814	11,196,429		13,399,401	12,918,956		8,727,786
1993	9,387,732	8,915,378		11,265,278	10,698,454		12,204,052	11,589,991		14,081,598	13,373,067		9,343,769
1994	9,466,844	9,262,503	8,938,498	11,360,213	11,115,004	10,726,197	12,306,897	12,041,254	11,620,047	14,200,266	13,893,755	13,407,746	9,323,099
1995	10,143,074	9,665,883	9,271,210	12,171,689	11,599,060	11,125,452	13,185,996	12,565,648	12,052,574	15,214,611	14,498,825	13,906,816	9,453,496
1996	10,287,902	9,965,940	9,643,697	12,345,482	11,959,128	11,572,437	13,374,273	12,955,722	12,536,806	15,431,853	14,948,910	14,465,546	10,307,108
1997	10,416,964	10,282,647	9,940,503	12,500,357	12,339,176	11,928,604	13,542,053	13,367,441	12,922,654	15,625,446	15,423,970	14,910,755	10,713,596
1998	11,340,670	10,681,845	10,331,091	13,608,804	12,818,214	12,397,309	14,742,871	13,886,399	13,430,418	17,011,005	16,022,768	15,496,636	11,358,705
1999	11,522,120	11,093,251	10,742,146	13,826,544	13,311,902	12,890,575	14,978,756	14,421,227	13,964,790	17,283,180	16,639,877	16,113,219	11,838,995

EXHIBIT 2

WASHBURN UNIVERSITY
 OUT DISTRICT PROFORMA
 As of February 15 1999

OBJECTIVE: Estimate Out District additional dollars for townships and counties if the 5-1/2 hour cap is removed from undergraduate programs
 Show community college counties hours, even though not billed

County/ Township	Calendar 98 Actual				Projected Increase (3)		Total with Increase (3)		Projected Total Simplified (4)
	Fall	Spring	Summer	Total	Excluding Post-grad (2)	Including Post-grad (2)	Excluding Post-grad (2)	Including Post-grad (2)	
Aucurn	5,480	9,000	1,104	16,584	18,574	22,985	35,258	39,569	33,168
Cover	2,332	3,480	524	6,336	7,810	9,513	14,746	16,549	13,872
Grove	0	96	0	96	108	133	204	229	192
Menoken	5,432	3,528	524	10,584	11,918	14,669	22,502	25,253	21,168
Mission	15,096	16,584	2,016	33,696	37,942	46,703	71,638	80,399	67,392
Monmouth	6,168	4,284	552	11,004	12,391	15,252	23,395	26,256	22,008
Rossville	3,696	1,824	192	5,712	6,432	7,917	12,144	13,629	11,424
Silver Lake	3,816	3,504	648	7,968	8,972	11,044	16,940	19,012	15,936
Soldier	31,224	28,560	4,272	64,056	72,127	88,782	136,183	152,838	128,112
Tecumseh	14,424	14,400	2,136	30,960	34,861	42,911	65,821	73,871	61,920
Topeka	312	864	0	1,176	1,324	1,530	2,500	2,906	2,352
Williamsport	10,296	10,008	1,800	22,104	24,889	30,636	46,993	52,740	44,208
Total Townships	100,775	96,132	13,968	210,876	237,446	292,274	448,322	503,150	421,752
Allen (1)	0	0	0	720	811	998	1,531	1,718	1,440
Anderson	0	288	0	288	324	399	612	687	576
Atchison	3,960	2,136	192	6,288	7,080	8,715	13,368	15,003	12,576
Barber	360	624	0	984	1,108	1,364	2,092	2,348	1,968
Bourbon (1)	0	0	0	1,152	1,297	1,597	2,449	2,749	2,304
Brown	1,968	1,896	254	4,128	4,648	5,721	8,776	9,849	8,256
Barton	360	312	240	912	1,027	1,264	1,939	2,176	1,824
Butler (1)	0	0	0	5,712	6,432	7,917	12,144	13,629	11,424
Clark	360	0	0	360	405	499	765	859	720
Coffey	456	336	0	792	892	1,098	1,684	1,890	1,584
Cowley (1)	0	0	0	3,504	3,946	4,857	7,450	8,361	7,008
Comanche	288	144	0	432	486	599	918	1,031	864
Cheyenne	1,392	572	0	2,064	2,324	2,861	4,388	4,925	4,128
Chautauqua	0	312	0	312	351	432	663	744	624
Crawford	72	360	0	432	486	599	918	1,031	864
Clay	2,352	1,532	254	4,248	4,783	5,888	9,031	10,136	8,496
Decatur	336	0	0	336	378	466	714	802	672
Douglas	16,272	13,296	2,808	32,376	36,455	44,873	68,831	77,249	64,752
Dickinson	2,016	1,992	144	4,152	4,675	5,755	8,827	9,907	8,304
Donipahn (1)	0	0	0	1,632	1,838	2,262	3,470	3,894	3,264
Elk	24	384	0	408	459	565	867	973	816
Ellis	504	552	0	1,056	1,189	1,464	2,245	2,520	2,112
Ellsworth	336	528	144	1,008	1,135	1,397	2,143	2,405	2,016
Finney (1)	0	0	0	7,392	8,323	10,245	15,715	17,637	14,784
Ford (1)	0	0	0	288	324	399	612	687	576
Franklin	1,728	1,488	408	3,624	4,081	5,023	7,705	8,647	7,248
Geary	2,232	1,272	192	3,696	4,162	5,123	7,858	8,819	7,392
Gove	360	0	0	360	405	499	765	859	720
Grant	384	0	0	384	432	532	816	916	768
Greenwood	312	312	0	624	703	865	1,327	1,489	1,248
Gray	720	456	72	1,248	1,405	1,730	2,553	2,978	2,496
Harper	72	384	0	456	513	632	969	1,088	912
Haskell	600	336	0	936	1,054	1,297	1,990	2,233	1,872
Harvey	888	2,040	120	3,048	3,432	4,225	6,480	7,273	6,096
Jackson	14,544	11,040	1,416	27,000	30,402	37,422	57,402	64,422	54,000
Jefferson	19,728	13,848	1,824	35,400	39,860	49,064	75,260	84,464	70,800
Johnson (1)	0	0	0	25,152	28,321	34,861	53,473	60,013	50,304
Jewell	0	72	0	72	81	100	153	172	144
Kingman	552	624	0	1,176	1,324	1,630	2,500	2,806	2,352
Kiowa	0	264	0	264	297	366	561	630	528
Labette (1)	0	0	0	576	649	798	1,225	1,374	1,152
Lincoln	336	0	0	336	378	466	714	802	672
Lane	1,344	480	72	1,896	2,135	2,628	4,031	4,524	3,792
Logan	336	360	0	696	784	965	1,480	1,661	1,392
Linn	288	312	0	600	676	832	1,276	1,432	1,200

County/ Township	Calendar 98 Actual				Excluding Post-grad (2)	Including Post-grad (2)	Excluding Post-grad (2)	Including Post-grad (2)	Total Simplified (4)
	Fall	Spring	Summer	Total					
Laurenworth	5,256	3,576	360	9,192	10,350	12,740	19,542	21,932	18,384
Lyon	2,904	2,016	480	5,400	6,080	7,484	11,480	12,884	10,900
Mitchell	1,008	288	0	1,296	1,459	1,796	2,755	3,092	2,592
Montgomery (1)	0	0	0	2,160	2,432	2,994	4,592	5,154	4,320
Miami	648	312	0	960	1,081	1,331	2,041	2,291	1,920
Marion	1,560	240	0	1,800	2,027	2,455	3,927	4,295	3,600
McPherson	4,332	2,040	192	6,564	7,391	9,098	13,955	15,662	13,128
Morris	768	840	0	1,608	1,811	2,229	3,419	3,837	3,216
Marshall	2,328	1,320	96	3,744	4,216	5,189	7,960	8,933	7,488
Morton	576	576	72	1,224	1,378	1,696	2,502	2,920	2,448
Nemaha	8,208	5,472	672	14,352	16,160	19,892	30,512	34,244	28,704
Neosho (1)	0	0	0	3,024	3,405	4,191	6,429	7,215	6,048
Ness	624	336	0	960	1,081	1,331	2,041	2,291	1,920
Norton	696	168	0	864	973	1,198	1,337	2,062	1,728
Osage	9,432	7,944	1,992	19,368	21,808	26,344	41,176	46,212	38,736
Ottawa	336	288	0	624	703	865	1,327	1,489	1,248
Phillips	384	768	0	1,152	1,297	1,597	2,449	2,749	2,304
Pawnee	384	0	0	384	432	532	816	916	768
Pratt (1)	0	0	0	672	757	931	1,429	1,603	1,344
Pottawatomie	3,912	3,912	816	8,640	9,729	11,975	18,369	20,615	17,280
Rawlins	360	360	0	720	811	998	1,531	1,718	1,440
Rice	192	720	0	912	1,027	1,264	1,939	2,176	1,824
Rush	0	0	120	120	135	166	255	286	240
Riley	4,920	4,488	1,152	10,560	11,891	14,636	22,451	25,196	21,120
Reno (1)	0	0	0	8,112	9,134	11,243	17,246	19,355	16,224
Rooks	8,472	9,384	0	17,856	20,106	24,748	37,962	42,604	35,712
Republic	384	72	120	576	649	798	1,225	1,374	1,152
Russell	288	336	0	624	703	865	1,327	1,489	1,248
Saline	1,296	2,400	72	3,768	4,243	5,222	8,011	8,990	7,536
Scott	888	480	0	1,368	1,540	1,896	2,908	3,264	2,736
Shenandoah	696	144	0	840	946	1,164	1,786	2,004	1,680
Stafford	360	360	0	720	811	998	1,531	1,718	1,440
Sedgwick	10,296	7,152	456	17,904	20,160	24,815	38,064	42,719	35,808
Sherman	0	168	0	168	189	233	357	401	336
Smith	288	288	144	720	811	998	1,531	1,718	1,440
Sumner	768	960	0	1,728	1,946	2,395	3,674	4,123	3,456
Seward (1)	0	0	0	576	649	798	1,225	1,374	1,152
Thomas (1)	0	0	0	2,400	2,702	3,326	5,102	5,726	4,800
Trego	0	552	0	552	622	765	1,174	1,317	1,104
Wabaunsee	3,408	2,448	360	6,216	6,999	8,615	13,215	14,831	12,432
Wichita	360	360	0	720	811	998	1,531	1,718	1,440
Wilson	1,104	624	72	1,800	2,027	2,495	3,827	4,295	3,600
Woodson	960	408	0	1,368	1,540	1,896	2,908	3,264	2,736
Washington	888	792	48	1,728	1,946	2,395	3,674	4,123	3,456
Wyandotte (1)	0	0	0	12,000	13,512	16,632	25,512	28,632	24,000
Total Counties	154,764	121,344	15,384	366,564	412,751	508,058	779,315	874,622	733,128
Total Billings (1)	255,540	217,476	29,352	577,440	650,197	800,332	1,227,637	1,377,772	1,154,880

(1) These are proforma billings, including the Community College counties.

Actual billings totalled \$505,056.

(2) Post-grad indicates those individuals holding and undergraduate degree who are enrolled in undergraduate courses.

(3) Based upon an analysis of calendar 1998 actual enrollment.

(4) This projection is simply a doubling of the actual out district billings.

**Total Mill Levy Rankings for
Cities of the First Class**

**Total Mill Levy Rankings Minus
15 Mills for Washburn Univ.**

Wy. Co./KC	155.280
Coffeyville	154.365
Dodge City	146.273
Topeka	146.161
Atchison	144.906
Junction City	143.797
Fort Scott	141.292
Parsons	133.669
Hutchinson	128.611
Newton	127.893
Emporia	125.356
Olathe	122.284
Leavenworth	122.276
Riley Co. (Manhattan Pt.)	121.176
Garden City	119.955
Liberal	119.939
Lenexa	117.824
Shawnee	115.187
Pottawatomie Co. (Manhattan Pt.)	110.366
Pittsburg	108.372
Overland Park	105.124
Lawrence	100.328
Prairie Village	97.555
Salina	88.360
Mean=119.854	
Median=121.820	

Wy. Co./KC	155.280
Coffeyville	154.365
Dodge City	146.273
Atchison	144.906
Junction City	143.797
Fort Scott	141.292
Parsons	133.669
Topeka	131.161
Hutchinson	128.611
Newton	127.893
Emporia	125.356
Olathe	122.284
Leavenworth	122.276
Riley Co. (Manhattan Pt.)	121.176
Garden City	119.955
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Lenexa	117.824
Shawnee	115.187
Pottawatomie Co. (Manhattan Pt.)	110.366
Pittsburg	108.372
Overland Park	105.124
Lawrence	100.328
Prairie Village	97.555
Salina	88.360
Mean=119.254	
Median=121.820	

Source: League of KS. Municipalities

**Local Sales Tax Rankings for
Cities of the First Class**

City	City Tax	Co. Tax	Total Tax
Atchison	1.000	1.500	2.500
Coffeyville	1.500	1.000	2.500
Liberal	1.000	1.500	2.500
Pittsburg	1.000	1.500	2.500
Junction City	1.000	1.250	2.250
Dodge City	1.000	1.000	2.000
Kansas City	1.000	1.000	2.000
Lawrence	1.000	1.000	2.000
Leavenworth	1.000	1.000	2.000
Manhattan	1.000	1.000	2.000
Parsons	1.000	1.000	2.000
Lenexa	1.000	0.975	1.975
Olathe	1.000	0.975	1.975
Overland Park	1.000	0.975	1.975
Prairie Village	1.000	0.975	1.975
Shawnee	1.000	0.950	1.975
Garden City	1.000	0.750	1.750
Hutchinson	0.750	1.000	1.750
Salina	0.750	1.000	1.750
Topeka	1.000	0.250	1.250
Emporia	1.000		1.000
Fort Scott	1.000		1.000
Newton		1.000	1.000
Wichita		1.000	1.000

**Rankings After the .650 Increase for
Washburn University Funding**

City	Total Tax
Atchison	2.500
Coffeyville	2.500
Liberal	2.500
Pittsburg	2.500
Junction City	2.250
Dodge City	2.000
Kansas City	2.000
Lawrence	2.000
Leavenworth	2.000
Manhattan	2.000
Parsons	2.000
Lenexa	1.975
Olathe	1.975
Overland Park	1.975
Prairie Village	1.975
Shawnee	1.975
Topeka	1.900
Garden City	1.750
Hutchinson	1.750
Salina	1.750
Emporia	1.000
Fort Scott	1.000
Newton	1.000
Wichita	1.000

Source: KS. Dep. of Revenue

City of Topeka Prop	Value	Residential Assessed Valuation @ 11.5%	Residential 15 Mill Decrease	Commercial Assessed Valuation @ 25%	Commercial 15 Mill Decrease
	,000.00	\$3,450.00	(\$51.75)	\$7,500.00	(\$112.50)
	\$40,000.00	\$4,600.00	(\$69.00)	\$10,000.00	(\$150.00)
	\$50,000.00	\$5,750.00	(\$86.25)	\$12,500.00	(\$187.50)
	\$60,000.00	\$6,900.00	(\$103.50)	\$15,000.00	(\$225.00)
	\$70,000.00	\$8,050.00	(\$120.75)	\$17,500.00	(\$262.50)
	\$80,000.00	\$9,200.00	(\$138.00)	\$20,000.00	(\$300.00)
	\$90,000.00	\$10,350.00	(\$155.25)	\$22,500.00	(\$337.50)
	\$100,000.00	\$11,500.00	(\$172.50)	\$25,000.00	(\$375.00)
	\$110,000.00	\$12,650.00	(\$189.75)	\$27,500.00	(\$412.50)
	\$120,000.00	\$13,800.00	(\$207.00)	\$30,000.00	(\$450.00)
	\$130,000.00	\$14,950.00	(\$224.25)	\$32,500.00	(\$487.50)
	\$140,000.00	\$16,100.00	(\$241.50)	\$35,000.00	(\$525.00)
	\$150,000.00	\$17,250.00	(\$258.75)	\$37,500.00	(\$562.50)
	\$160,000.00	\$18,400.00	(\$276.00)	\$40,000.00	(\$600.00)
	\$170,000.00	\$19,550.00	(\$293.25)	\$42,500.00	(\$637.50)
	\$180,000.00	\$20,700.00	(\$310.50)	\$45,000.00	(\$675.00)
	\$190,000.00	\$21,850.00	(\$327.75)	\$47,500.00	(\$712.50)
	\$200,000.00	\$23,000.00	(\$345.00)	\$50,000.00	(\$750.00)
	\$210,000.00	\$24,150.00	(\$362.25)	\$52,500.00	(\$787.50)
	\$220,000.00	\$25,300.00	(\$379.50)	\$55,000.00	(\$825.00)
	\$230,000.00	\$26,450.00	(\$396.75)	\$57,500.00	(\$862.50)
	\$240,000.00	\$27,600.00	(\$414.00)	\$60,000.00	(\$900.00)
	\$250,000.00	\$28,750.00	(\$431.25)	\$62,500.00	(\$937.50)
	\$260,000.00	\$29,900.00	(\$448.50)	\$65,000.00	(\$975.00)
	\$270,000.00	\$31,050.00	(\$465.75)	\$67,500.00	(\$1,012.50)
	\$280,000.00	\$32,200.00	(\$483.00)	\$70,000.00	(\$1,050.00)
	\$290,000.00	\$33,350.00	(\$500.25)	\$72,500.00	(\$1,087.50)
	\$300,000.00	\$34,500.00	(\$517.50)	\$75,000.00	(\$1,125.00)
	\$310,000.00	\$35,650.00	(\$534.75)	\$77,500.00	(\$1,162.50)
	\$320,000.00	\$36,800.00	(\$552.00)	\$80,000.00	(\$1,200.00)
	\$330,000.00	\$37,950.00	(\$569.25)	\$82,500.00	(\$1,237.50)
	\$340,000.00	\$39,100.00	(\$586.50)	\$85,000.00	(\$1,275.00)
	\$350,000.00	\$40,250.00	(\$603.75)	\$87,500.00	(\$1,312.50)
	\$360,000.00	\$41,400.00	(\$621.00)	\$90,000.00	(\$1,350.00)
	\$370,000.00	\$42,550.00	(\$638.25)	\$92,500.00	(\$1,387.50)
	\$380,000.00	\$43,700.00	(\$655.50)	\$95,000.00	(\$1,425.00)
	\$390,000.00	\$44,850.00	(\$672.75)	\$97,500.00	(\$1,462.50)
	\$400,000.00	\$46,000.00	(\$690.00)	\$100,000.00	(\$1,500.00)
	\$410,000.00	\$47,150.00	(\$707.25)	\$102,500.00	(\$1,537.50)
	\$420,000.00	\$48,300.00	(\$724.50)	\$105,000.00	(\$1,575.00)
	\$430,000.00	\$49,450.00	(\$741.75)	\$107,500.00	(\$1,612.50)
	\$440,000.00	\$50,600.00	(\$759.00)	\$110,000.00	(\$1,650.00)
	\$450,000.00	\$51,750.00	(\$776.25)	\$112,500.00	(\$1,687.50)
	\$460,000.00	\$52,900.00	(\$793.50)	\$115,000.00	(\$1,725.00)
	\$470,000.00	\$54,050.00	(\$810.75)	\$117,500.00	(\$1,762.50)
	\$480,000.00	\$55,200.00	(\$828.00)	\$120,000.00	(\$1,800.00)
	\$490,000.00	\$56,350.00	(\$845.25)	\$122,500.00	(\$1,837.50)
	\$500,000.00	\$57,500.00	(\$862.50)	\$125,000.00	(\$1,875.00)

Assessed value = property value x 11.5% residential rate, or 25% commercial rate

Mill decrease = assessed value ÷ \$1,000 x number of mills (15)

4-11



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 29, 1999

Senator Dave Kerr
Chair, Senate Ways & Means
State Capitol
Topeka, KS 66612

Dear Senator Kerr & Members of the Committee:

The City of Topeka endorses and supports HB 2565 as amended. I am enclosing a copy of the resolution that was adopted by the Topeka City Council on March 16th, 1999.

Sincerely,

A handwritten signature in cursive script that reads "Joan Wagnon".

Joan Wagnon
Mayor

JW:sm

Enclosure

Senate Ways and Means Committee

Date: 3/30/99

Attachment # 5-1

1 RESOLUTION NO. 6968

2
3 A RESOLUTION introduced by Mayor Joan Wagnon and Councilmember Vince Cook
4 encouraging the Shawnee County Legislative Delegation to support
5 financial assistance for Washburn University of Topeka.
6

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

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

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

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

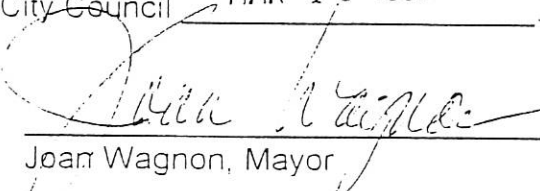
16 NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Topeka as
17 follows:

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

23 ADOPTED and APPROVED by City Council

MAR 15 1999




Joan Wagnon, Mayor

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]



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(785) 234-2644 • FAX (785) 234-8656
www.topekachamber.org
email: topekainfo@topekachamber.org



Testimony before the:

Senate Ways & Means Committee

Re: House Bill 2565

By: Christy Caldwell, Vice President Government Relations

Greater Topeka Chamber of Commerce

March 30, 1999

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.

Senate Ways and Means Committee

Date: 3/30/99

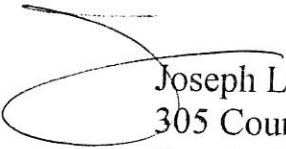
Attachment # 5

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.

Victor W. Miller

ATTORNEY AT LAW

700 JACKSON, SUITE 404
TOPEKA, KANSAS 66603
(913) 233-9950
FAX (913) 233-2613

Mr. Chairman and Members of the Committee:

My name is Vic Miller. I am a resident of and property taxpayer in the City of Topeka and a proud alumnus of the Washburn University Law School. I strongly support the concept of shifting funding of Washburn from the property tax to the sales tax. I also support increases in funding for Washburn.

But equally important to me is "truth in taxation". Until HB 2565 is amended to be revenue neutral, I do object to bootstrapping a tax increase under the guise of a tax shift. If Washburn officials wish to make a case for more spending, I support them. This should be an open discussion, however, standing on its own merit, not one "snuck" through the back door with this legislation being the device.

Please amend HB 2565 to eliminate the multi-million dollar revenue windfall that results from it. I am not interested in circulating a petition to oppose a proposal that shifts the burden away from the property tax. But I do resent the current form of the legislation and predict others will as well as they learn more about the bottom line.

We have too much taxpayer cynicism already. We have too much legislative cynicism already. Please don't add to the problem.

Senate Ways and Means Committee

Date *3/30/99*

Attachment # *8*

SELECTED UNIVERSITY BUDGET DATA

Institution	FY 1998	FY 1998	FY 1998	SGF Percentage of	
	All Funds Oper. Expend	Gen. Use Expend.	SGF Expend.	All Funds Oper. Expend	Gen. Use Expend
Emporia State University	\$46,637,531	\$34,124,859	\$26,063,353	55.9%	76.4%
Fort Hays State University	48,624,050	34,553,733	26,415,260	54.3%	76.4%
Kansas State University	251,522,080	132,137,218	92,048,814	36.6%	69.7%
KSU - ESARP	86,887,419	48,805,291	41,390,168	47.6%	84.8%
KSU - Vet Med Center	18,272,457	15,707,507	8,773,785	48.0%	55.9%
Pittsburg State University	52,826,930	37,906,923	28,366,336	53.7%	74.8%
University of Kansas	367,751,478	190,132,647	115,237,116	31.3%	60.6%
KU Medical Center	324,424,450	269,759,481	86,778,023	26.7%	32.2%
Wichita State University	116,634,239	81,076,632	56,213,766	48.2%	69.3%
Regents Systemwide	1,313,580,634	844,204,291	481,286,621	36.6%	57.0%
Washburn University*	55,071,765	38,656,578	7,454,876	13.5%	19.3%

* Washburn University's general use budget includes state aid, tuition, local tax support, out district aid, and miscellaneous income. This is a broader definition than is used for the Regents institutions.

**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positio.
FY 1999:			
Healing Arts			
Add funding for outside counsel attorney fees for three outstanding cases	0	158,000	0.0
Attorney General			
Shift \$50,000 in expenditures from the SGF to the Court Cost Fund	(50,000)	0	0.0
State Corporation Commission			
Do not transfer \$400,000 from the Abandoned Oil and Gas Well Fund to the State General Fund.	0	0	0.0
Department of Administration			
Delete proviso which authorized the transfer of up to \$10.0 million per year from the State General Fund to the State Emergency Fund on approval of the State Finance Council	0	0	0.0
Kansas Racing and Gaming Commission			
Transfer unallocated \$150,000 in Reimbursable Fund to State Gaming Revenues Fund for repaying expenses	0	0	0.0
Correct omission in bill to add Fair Fund account	0	0	0.0
Correct omission in bill to reduce Racing Fund limit	0	0	0.0
Department of Health and Environment			
Shift \$2.0 million of Water Plan funds for the Local Environmental Protection Program from other assistance to aid to local units	0	0	0.0
Department of Social and Rehabilitation Services			
Increase provider rates for administration of Children's Health Insurance	400,000	1,600,000	0.0
Add a proviso that any health maintenance organization which provides managed physical health benefits under the HealthWave and under the PrimeCare Program may be eligible for similar administrative enhanced funding.	0	0	0.0
Increase funding for Foster Care, Adoption and Adoption Support	5,000,000	17,100,000	0.0
Add a proviso that reappropriates any balance of the funding for the permanent guardianship program to the following year.	0	0	0.0
Delete funding for Sexual Predator Treatment Program facility planning	0	(740,000)	
Add \$1,000,000 for Permanent Guardianship Program	1,000,000	1,000,000	0.0
Department of Corrections			
Remove FTE and funding for Transitional Center at Topeka Correctional Facility	(36,684)	(36,684)	(2.0)
Department on Aging			
Correct the match for Long Term Care Program (Targeted Case Management)	0	(198,912)	0.0
Board of Cosmetology			
Remove proviso from 1998 Appropriations Bill which requires funding for computer system to be released by the State Finance Council	0	0	0.0
Judicial Council			
Shift \$50,000 in expenditures from the SGF to the Publications Fee Fund	(50,000)	0	0.0
Delete proviso restricting use of the Publications Fee Fund to legal publications	0	0	0.0
Kansas Neurological Institute			
Remove limitation on Foster Grandparent Fund (federal fund)	0	0	0.0
Department of Human Resources			
Increase OSHA fund expenditure limitation	0	36,615	0.0
Decrease Funding for roof repair at 1309 Topeka Ave., Topeka	0	(2,326)	0.0
Kansas Public Employees Retirement System (KPERs)			
Addition of funding for unclassified incentive award program	0	75,000	0.0
Reduction for savings in Technology Project	0	(75,000)	0.0
State Board of Tax Appeals			
Add \$33,812 to correct a posting error made by the KLRD	33,812	33,812	0.0

Senate Ways and Means Committee

Date 3/30/99

Attachment # 10-1

**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
State Treasurer			
Add a proviso to remove the limit on bank fees paid by the PMIB	0	0	0.0
Restore funding to permit office repair and rehabilitation	198,000	198,000	0.0
Kansas Lottery			
GBA not considered	0	80,000	0.0
State Historical Society			
Completion of Bay 3	619,850	619,850	0.0
TOTAL CHANGE - FY 1999	7,114,978	19,848,355	(2.0)

FY 2000:

Board of Healing Arts			
Add funding for attorney fees for outside counsel	0	50,000	0.0
Board of Nursing			
Reduce 1.0 FTE - Professional Nurse III Investigator position	0	0	(1.0)
Legislature			
Add \$500,000 for Senate Chamber repair and restoration	500,000	500,000	0.0
Division of Post Audit			
Add full-time computer data management specialist	40,202	40,202	1.0
Attorney General			
Change one unclassified temporary position to permanent status (death penalty unit)	0	0	1.0
Change one unclassified temporary position to permanent status (consumer protection division)	0	0	1.0
Secretary of State			
Shift \$206,847 for the agency's move from Other Funds to State General Fund	206,847	0	0.0
State Treasurer			
Change proviso to remove limit on bank fees paid by the Pooled Money Investment Board	0	0	0.0
Change current demand transfers to revenue transfers	(95,195,000)	0	0.0
Direct the PMIB to provide a loan of \$20.0 million to the Children's Health Care Programs Fund (tobacco settlement proceeds fund)	0	0	0.0
Judicial Council			
Add proviso to Publications Fee Fund stipulating that unencumbered balances at the end of FY2000 in excess of \$175,000 be transferred to the SGF	0	0	0.0
Delete proviso to the Publications Fee Fund that limits expenditures from the Fund to costs associated with legal publications	0	0	0.0
Board of Indigents' Defense Services			
Add \$150,000 to upgrade the salaries of unclassified attorneys	50,000	150,000	0.0
Judicial Branch			
Add \$128,103 for 3.0 FTE Central Research Attorneys I for Court of Appeals	128,103	128,103	3.0
Add \$107,500 to upgrade salaries of the clerks of the district court	107,500	107,500	0.0
Add 1.0 FTE Assistant Fiscal Officer to be paid for by shifting funds from grants to state operations	0	0	1.0
Add proviso to the Judicial Branch operations to allow justices of the Supreme Court, judges of the Court of Appeals and district courts, and district magistrates to receive salary increases in excess of statutorily-prescribed salaries	0	0	0.0
Delete 4.0 FTE district magistrate judge positions for Shawnee County (request withdrawn)	(208,228)	(208,228)	(4.0)

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**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Position
Kansas Public Employees Retirement System			
Add funding for unclassified incentive award program with proviso that expenditures are in addition to limit on account	0	75,000	0.0
Governmental Ethics Commission			
Add one temporary investigator	0	5,443	0.0
State Corporation Commission			
Delete \$400,000 revenue transfer from Abandoned Oil and Gas Well Fund to SGF	0	0	0.0
Department of Administration			
Add 1.5 FTE for Long Term Care Ombudsman - volunteer coordinator and clerical position	36,334	36,334	1.5
Add \$29,408 for temporary Statehouse maintenance staff	29,408	29,408	0.0
Delete exemption from review by historic preservation office for capital improvement projects at Cedar Crest, the Statehouse, and Dillon House	0	0	0.0
Delete proviso which authorized the transfer of up to \$10.0 million per year from the State General Fund to the State Emergency Fund on approval of the State Finance Council	0	0	0.0
Department of Revenue			
Add \$1,057,000 to expand statewide communications infrastructure	0	1,057,000	0.0
Add \$100,000 for agriculture property valuation consultant services	100,000	100,000	0.0
Add \$500,000 for development of Kansas tax model	0	500,000	0.0
Kansas Lottery			
Reduce State Gaming Revenue Fund transfer rate from 31.0 to 30.0 percent and assume sales of \$198 million with more prizes	0	0	0.0
Increase estimated no limit expenditures for prizes	0	2,000,000	0.0
Increase estimated no limit expenditures for cost of sales	0	796,237	0.0
Increase estimated transfer to State Gaming Revenue Fund and SGF by \$732,560	0	0	0.0
GBA not considered	0	80,000	0.0
Kansas Racing and Gaming Commission			
Correct omission in bill to add transfer for Fair Fund account	0	0	0.0
Department of Commerce and Housing			
Delete \$100,000 (EDIF) of Eisenhower Museum Grant	0	(100,000)	0.0
Add EDIF funding for Travel Information Centers rehab. and repair	0	20,000	0.0
Kansas, Inc.			
Add EDIF funding for NATO conference and analysis of Kansas laws for impact on free trade	0	20,000	0.0
Allow re-appropriation of operating funds	0	0	0.0
Kansas Technology Enterprise Corporation			
Allow for reallocation of funds from FY 1999 to FY 2000	0	490,804	0.0
Department of Human Resources			
Increase OSHA expenditure limitation	0	57,615	0.0
Increase travel funding for the Commission of Disability Concerns to current services level	5,000	5,000	0.0
Add funding for purchase of building on 400 block of SW Jackson, Topeka	0	20,000	0.0
Add funding for architectural study for renovation of 401 SW Topeka Blvd, Topeka	0	50,000	0.0
Commission on Veterans Affairs			
Add funding and 1.0 unclassified temporary position for Persian Gulf War program	50,000	50,000	0.0

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**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

Agency/Item	State General Fund	All Funds	FTE
Add funding for Chaplain at Fort Dodge	43,617	43,617	1.0
Add SIBF funding for rehab. and repair at Fort Dodge	0	35,000	0.0
Department of Health and Environment			
Shift \$50,000 SGF from operations to aid for primary health projects	0	0	0.0
Add FTE for Health Care Data Governing Board, to be funded with outside dollars	0	0	2.0
Add funding for temporary positions for Vital Statistics to correct error in Governor's budget	72,324	72,324	0.0
Shift \$1.8 million of Water Plan funds for the Local Environmental Protection Program from other assistance to aid to local units	0	0	0.0
Add funding for immunizations for local health departments for replacement of federal Immunization Action Plan grant, required to be used for expansion of immunization programs	500,000	500,000	0.0
Allow for re-appropriation of SGF aid to local units dollars from FY99 to FY 00	0	0	0.0
Remove expenditure limitation on two special revenue funds	0	0	0.0
Require nursing home inspection funds from Dept. on Aging to be shown as non-reportable	0	(3,895,768)	0.0
Reduce transfer from the Health Care Stabilization Fund to the Health Care Facilities Review Fund to bring it into compliance with statute	0	0	0.0
Delete Innovative Child Health Programs (tobacco money)	0	(456,626)	0.0
Department on Aging			
Correct Medicaid rate	0	(202,788)	0.0
Authorize KSIP funds for staff training	192,297	192,297	0.0
Add funding for Home and Community Based Services/Frail Elderly Waiver	500,000	1,250,000	0.0
Add funding for Retired Senior Volunteer Program to increase participation	12,500	12,500	0.0
Add funding for state match for Senior Legal Hotline	30,000	30,000	0.0
Add proviso allowing funds encumbered for the Senior Companion program to reappropriate	0	0	0.0
Department of Social and Rehabilitation Services			
Add funding for antipsychotic medications	120,000	120,000	0.0
Increase adult protective services in rural areas	0	600,000	0.0
Add funding for foster care, adoption, and adoption support	5,915,000	8,600,000	0.0
Add proviso to foster care funding which will allow any savings (up to 2.8 million) due to caseload reductions be spent on the permanent guardianship program	0	0	0.0
Add Rehabilitation and Repair funding	0	240,000	0.0
Add \$962,167 for the Family Centered System of Care from the tobacco settlement funds	0	962,167	0.0
Bundle supportive home care services in the Home and Community Based Services/Mental Retardation program and reduce the tiered reimbursement for administration	0	0	0.0
Department of Education			
Add \$150,000 for diagnostic reading tests for second graders as part of the student assessment program	150,000	150,000	0.0
Add \$50,000 from the EDIF (for a total of \$250,000) for technology innovation grants to community colleges, AVTSS, and technical colleges	0	50,000	0.0
Add \$100,000 (for a total of \$1.1 million) for adult basic education	100,000	100,000	0.0

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**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S PROPOSITION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

<u>Agency/Item</u>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positi</u>
Delete all funding for Skilled Workforce Enhancement Grants to community colleges, AVTSs, and technical colleges	(300,000)	(300,000)	0.0
Add \$450,000 for technology grants to community colleges and Washburn University	450,000	450,000	0.0
GBA not considered	21,000	21,000	0.0
Change demand transfer for school district capital improvements to revenue transfer	(26,882,000)	0	0.0
Delete tobacco money funding for discretionary grants	0	(250,000)	0.0
Kansas Arts Commission			
Add funding for long range plan consulting fees	50,000	50,000	0.0
Add funding for Grant Programs	100,000	100,000	0.0
State School for the Blind			
Increase funding for food and utilities	20,000	20,000	0.0
State School for the Deaf			
Increase funding for vocational class tuition	15,000	15,000	0.0
Increase funding for food and supplies	11,704	11,704	0.0
Fire and safety projects	0	200,000	0.0
State Historical Society			
Increase funding for Humanities Council "Barn Again!" exhibit	10,000	10,000	0.0
University of Kansas Medical Center			
Delete TeleKid Care Program (tobacco money)	0	(255,541)	(1.0)
Wichita State University			
Allow WSU to participate in tuition equity	148,000	148,000	0.0
Board of Regents			
Faculty salary enhancements	900,000	900,000	0.0
Modify faculty salary proviso to include public service and research faculty	0	0	0.0
Shift the portion of the grant to Washburn University characterized as an equity grant to the operating grant	0	0	0.0
Restore Honors Academy funding	60,000	60,000	0.0
Increase funding for systemwide rehabilitation and repair (Capital Improvement)	0	2,000,000	0.0
Department of Corrections			
Delete FTE and funding for transitional center at Topeka Correctional Facility	(399,965)	(399,965)	(15.0)
Adjutant General			
Add 1.0 FTE to assist Air National Guard to comply with Environmental Protection Agency regulations	0	40,294	1.0
State Fire Marshal			
Create the Hazardous Material Program Fund to separate costs associated with the Program from the Fire Marshal Fee Fund	0	0	0.0
Add 1.0 FTE Office Assistant position (last half of fiscal year)	0	12,161	1.0
Add proviso to allow Accounts and Reports to allocate SGF funding during months when the fee fund incurs a negative balance	0	0	0.0
Kansas Highway Patrol			
Add proviso to allow transfer of \$1.2 million from the Motor Vehicle Fund to SGF	0	0	0.0
Add proviso to allow agency to exceed FTE limitation for security service contracts with other agencies	0	0	0.0
Remove expenditure limitation on VIN Fund	0	0	0.0

**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)**

Agency/Item	State General Fund	All Funds	FTE
Kansas Bureau of Investigation			
Add 4.0 FTE positions (drug chemist, latent fingerprint examiner, office assistant, evidence technician) at Great Bend	118,662	118,662	4.0
Juvenile Justice Authority			
Add funding for new intervention and graduated sanctions programs to assist communities in responding to juvenile offender needs	1,381,292	1,381,292	0.0
Add funding for purchase of services capacity expansion and rate increases to meet the needs of additional juveniles	1,361,980	1,361,980	0.0
Add funding for purchase of services caseload increases to cover a higher than expected caseload projection	2,000,000	2,000,000	0.0
Emergency Medical Services Board			
Increase grants to regional councils	31,906	31,906	0.0
Add federal grant for Emergency Services for Children	0	249,999	0.0
Department of Agriculture			
Add funding for sericea lespedeza study	50,000	50,000	0.0
Add funding for computer technician services for Conservation Commission and Water Office	20,100	26,800	0.0
Add funding for pesticide use survey	0	100,000	0.0
Animal Health Department			
Add funding for computer upgrade	9,300	9,300	0.0
State Fair Board			
Add funding from the EDIF for interstate promotion	0	35,000	0.0
Add funding for ADA/EPA/fire code compliance	200,000	200,000	0.0
Change State Fair Capital Improvement Demand Transfer to a revenue transfer	(300,000)	0	0.0
Increase limitation on hospitality fund to \$5,000	0	0	0.0
Kansas Wheat Commission			
Add funding for promotion and market development	0	700,000	0.0
State Conservation Commission			
Add funding for DISC services	2,808	2,808	0.0
Reduce funding for Water Resource Cost-Share Program	0	(37,536)	0.0
Change Water Plan demand transfer to revenue transfer	(6,000,000)	0	0.0
Add funding for State Aid to Conservation Districts	0	9,500	0.0
Kansas Water Office			
Shift funding source for one half of GIS Coordinator's salary to State Water Plan Fund	(28,036)	0	0.0
Shift funds to Department of Agriculture for computer technician services provided	(13,400)	(13,400)	0.0
Department of Wildlife and Parks			
Delete funding for Local Government Outdoor Recreation Grants	(1,000,000)	(1,000,000)	0.0
Add funding from EDIF for Local Government Outdoor Recreation Grants	0	500,000	0.0
Delete FTE but leave funding for temporary seasonal wages	0	0	(2.5)
Delete \$100,000 of \$500,000 Wildlife Conservation Fund for land acquisition	0	(100,000)	0.0
Add proviso requiring wetland acquisition to be no more than 1.1 miles from existing state wetland property in Barton and McPherson counties	0	0	0.0
Add proviso requiring purchase of playa lakes property be adjacent to state-owned playa lakes and prohibit pumping of ground water	0	0	0.0
Department of Transportation			
Add funding for the Goodland tourist center's planning costs	0	110,000	0.0

SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 1999, FY 2000 and FY 2001)

Agency/Item	State General Fund	All Funds	FTE Positi
Reduce funding for computer and software purchases	0	(2,992,557)	0.0
Add funding for railroad mitigation in Marysville, Olathe, Salina and Wichita	0	50,000,000	0.0
Change SGF demand transfers to revenue transfers and authorize in FY 2000 to FY 2001; shift reportable expenditures from SGF to all other funds; and cap transfers at 1.7 percent in both FY 2000 and FY 2001	(140,107,000)	(39,531,607)	0.0
TOTAL CHANGE - FY 2000	(254,582,745)	30,507,941	(6.0)
FY 2001:			
Board of Nursing			
Reduce 1.0 FTE - Professional Nurse III Investigator position	0	0	(1.0)
TOTAL CHANGE - FY 2001	0	0	(1.0)