

MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson John Edmonds at 9:00 a.m. on February 12, 2003 in Room 519-S of the Capitol.

All members were present except: Representative Flora

Committee staff present: Chris Courtwright, Legislative Research Department
April Holman, Legislative Research Department
Gordon Self, Office of the Revisor
Carol Doel, Committee Secretary

Conferees appearing before the committee: Bill Yanek, Kansas Association of Realtors
Marth Neu Smith, Kansas Manufactured Housing Assn.
David Allison, Associated General Contractors
Gus Meyer, Rau Construction Company
Dan Foltz, Kansas Building Systems
Chris Wilson, Kansas Building Industry Association

Others attending: See attached list

Chairman Edmonds opened the meeting for bill introductions, and recognized T.C. Anderson, Executive Director of the Kansas Society of Certified Public Accountants. Mr. Anderson requested a bill that would reinstate the language to KSA 793603 that was stricken last year in Senate Bill 39 and it deals with an exemption for individuals and companies who deal with custom hardware design.

Without objection, that bill will be accepted for introduction.

Chairman Edmonds requested a house resolution memorializing the service of our former revisor, Mr. Don Hayward. Mr. Hayward retired.

With no objection, this will be accepted for introduction.

There were no other bill introductions and Chairman Edmonds opened the hearing on **HB 2048**. The Chairman also called attention to the fiscal note for FY 2004 in the amount \$124,760,000

With no proponents to testify, the first opponent, Bill Yanek, Association of Realtors addressed the committee on **HB 2048**. It is the opinion of this association that removing the sales tax exemption for construction and manufactured housing should not be part of the budget and policy solution for a slowing Kansas Economy. (Attachment 1)

Testimony before the committee by Martha Neu Smith, Executive Director of Kansas Manufactured Homes Association, in opposition to **HB 2048** stated that the present health of the manufactured housing industry is tied to the overall Kansas economy, but certain negative marketing factors such as the reinstatement of sales tax could only hinder their ability to provide affordable housing. (Attachment 2)

Next to appear before the committee in opposition to **HB 2048**, was David Allison, CPA for ACG (Associated General Contractors of Kansas). It is the opinion of ACG that the tax exemption should not be repealed for the following reasons:

1. No surrounding state taxes labor services involved in construction.
2. New residential construction is helping to drive the Kansas economy.
3. The tax gives an unfair advantage to out-of-state contractors
4. There would be an added administrative burden on many contractors to comply with a tax on original construction. (Attachment 3)

Also submitted by ACG, was a report, *The 3-Way Split in the Economy and Construction* which was compiled

CONTINUATION SHEET

MINUTES OF THE HOUSE TAXATION COMMITTEE at 9:00 a.m. on February 12, 2003 in Room 519-S of the Capitol.

by Ken Simonson, Chief Economist for the organization. ([Attachment 4](#))

Gus Meyer, representing Rau Construction Company presented their views in opposition to **HB 2048**. The viewpoint presented was that this tax not only affects developers, which have to contend with the costs of tax on rental rates, but also affects the decisions of owner' users. ([Attachment 5](#))

Appearing in opposition of **HB 2048**, was Dan Foltz, President of Kansas Building Systems, Inc. with the opinion that sales tax exemption on new construction is a significant item and if we elimination of this exemption will cost us growth and jobs. ([Attachment 6](#))

Chris Wilson, Direct of Governmental Affairs of the KBIA (Kansas Building Industry Association) testified opposing **HB 2048**. The opinion voiced in their testimony was that removal of the tax exemption would have a depressing effect on the housing market. ([Attachment 7](#))

With no others wishing to voice opposition to **HB 2048**, Chairman Edmonds closed the hearing on the bill.

Chairman Edmonds brought to the attention of the committee the written testimony submitted for review by Marlee Carpenter, Kansas Chamber of Commerce ([Attachment 8](#)); Van Witthuhn ([Attachment 9](#)); Schult Homes ([Attachment 10](#)); Lenexa Chamber of Commerce ([Attachment 11](#)); D&H Homes, Garden City ([Attachment 12](#)); and Cowley County Economic Development Agency ([Attachment 13](#)).

With no further business before the committee, Chairman Edmonds adjourned the meeting at 10:35 a.m.

GUEST LIST

DATE Feb 12, 2003

NAME	REPRESENTING
<i>Clare & Susan</i>	KTN
<i>Martha Jean Smith</i>	KMHA
<i>Chris Wilson</i>	KBIA
<i>Marilyn Jones</i>	Leadership Mitchell County
<i>Heather Hartman</i>	LMC
<i>Bud Ewert</i>	LMC
<i>Sheri Street</i>	LMC
<i>Doug McKinney</i>	Lead. M County
<i>Diane Albert</i>	KDOR - DOV
<i>DAN FOLTZ</i>	KANSAS BUILDING SYSTEMS, Inc.
<i>David Allison</i>	EBIZ Accounting, Tax & Advisory Services
<i>Tom & Lillian</i>	AGC / KS
<i>Stuart Little</i>	Wester
<i>B. McLandless</i>	myself
<i>Erik Sartorius</i>	City of Overland Park
<i>Deborah Sharp</i>	Leadership Lawrence
<i>Natalie Bujko</i>	WIBA
<i>Lequith J. Dejeu</i>	Leadership Lawrence
<i>Peter Beck</i>	Rep. from
<i>BILL YANEK</i>	KS Assn of REACTORS
<i>Jack Graves</i>	Wah - P & M
<i>Mark Leonard</i>	Kansas, Inc.

GUEST LIST

DATE 2-12-03

NAME	REPRESENTING
Ron GATES	GSA
Bob Vanorum	GKCC Commission
Bill Henn	KCHA
Brad T. Kohn	BT & Co.
John F. Berberich	✓
Fred Bevil	KPER >
John Berberich	AT&T Berberich & Tuley
Southwood	KPER
Glenn Dech	KPER
Vicque Burgen	Burgess & Assoc.



TO: HOUSE TAXATION COMMITTEE
FROM: BILL YANEK, KAR DIRECTOR OF GOVERNMENTAL RELATIONS
DATE: February 12, 2003
SUBJECT: House Bill 2148 – Repealing the sales tax exemption on construction and manufactured housing

Thank you for the opportunity to testify. On behalf of the Kansas Association of REALTORS®, I appear today to oppose House Bill 2148.

No doubt, with Kansas's projected budget shortfall and projected tax revenues dropping, our state's leaders will have difficult decisions to make in formulating a budget and implementing state tax policy. The Kansas Association of REALTORS® believes that removing the sales tax exemption for construction and manufactured housing should not be part of the budget and policy solution for a slowing Kansas economy. In fact, we believe that now more than ever, igniting growth, development, and construction should be a priority for Kansas.

The re-imposition of a sales tax on new construction and manufactured housing will damage the housing economy. One of the lynchpins bolstering our economy in recent years has been a robust building and real estate industry. As a result of record low interest rates, home ownership is at record levels. However, if Kansas re-imposes a sales tax on construction, even at 5%, moderate-income home buyers and builders will pay the price – and possibly be priced out of the market. Every cost barrier added at the construction level will add to the cost of housing and decrease housing affordability.

Expanding housing opportunity is key to vibrant rural and urban communities. One of the greatest challenges that Kansas rural communities face is the constant prospect of declining populations. One of the best tools that rural communities have to solve this trend is affordable housing and rural quality of life. It is important to recognize that homeowners of all price levels in communities more often than not become permanent citizens – the same permanent citizens who will support local schools and quality of life for years to come. In urban communities, expanding housing opportunity is critical as well. Our urban areas face the gambit of housing issues from urban blight to affordability. Expanding housing opportunity is critical to any solution of these issues.

The Kansas Association of REALTORS® urges that you not pass HB 2148.

House Taxation
Attachment 1
Date 2-12-03



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TESTIMONY BEFORE THE HOUSE COMMITTEE ON TAXATION

TO Representative John Edmonds, Chairman
And Members of the Committee

FROM: Martha Neu Smith, Executive Director

DATE: February 12, 2003

Chairman Edmonds and Members of the Committee, my name is Martha Neu Smith and I am the executive director of Kansas Manufactured Housing Association (KMHA). Thank you for the opportunity to comment on House Bill 2148.

KMHA opposes the provisions of House Bill 2148 that repeal the sales tax exemptions that apply to manufactured housing. In 1985 the Kansas Legislature passed Senate Bill 152, which granted a sales tax exemption for families who purchase a pre-owned manufactured home (K.S.A. 79-3606 (bb)). The rationale for exempting pre-owned homes was based on the fact that when a family buys a pre-owned site built home sales tax is not paid on that purchase. For many years manufactured home buyers were treated unfairly when compared to other homebuyers and Senate Bill 152 corrected that problem.

In 1987, Senate Bill 309 was passed by the Kansas Legislature granting a partial sales tax exemption for new manufactured homes. Specifically, 40% of the retail cost of a new manufactured home was exempted from sales tax (K.S.A. 79-3606 (ff)). This partial exemption was passed because site built housing paid sales tax only on the materials used to construct the home and not on labor. Therefore, the 40% exemption for manufactured housing represents the labor in the home.

While the major thrust behind the passage of Senate Bill 152 and Senate Bill 309 was based on equality between all housing products, the Legislature also recognized that manufactured housing provides quality affordable housing. Our homebuyers are often first time homebuyers, empty nesters and single parent families; either at the beginning of their earning career; at the end and are now retired and on a fixed income or trying to support a family on a very limited income. A recent survey found the annual medium household income of manufactured home buyers in Kansas to be \$30,900 and the average cost of a new manufactured home to be \$48,500. Clearly this group of homebuyers cannot afford to bare a larger tax burden.

House Taxation
Attachment 2
Date 2-12-03

Mr. Garrett Wright of D & H Homes, Garden City has submitted written testimony calculating what the reinstatement of the sales tax would do to a typical manufactured homebuyer.

The second point I would like to make is that the manufactured housing industry has been an important part of the Kansas economy. Currently, only 20 states produce HUD code manufactured housing and Kansas is one of them. In 2002 Kansas ranked 16th in the production of HUD code housing. There are three manufacturing companies with four plants in Kansas; all located in small communities where they play a major roll in employment (Skyline Corp. – Arkansas City; Skyline Corp. – Halstead; Oakwood/Schult Homes – Plainville; and Liberty Homes – Yoder). At this time none of the plants are working at capacity, most are on a day-to-day schedule. Of our surrounding states only Nebraska has operating HUD code plants, however they saw one of their three plants close last year.

Third, the current tax policies of the surrounding states are all very similar (with the exception of Nebraska), however their tax rates vary:

Missouri – 40% sales tax exemption on new
-0- on pre-owned
5.22% sales tax rate

Colorado 52% sales tax exemption on new
-0- on pre-owned
3% sales tax rate

Oklahoma 50% sales tax exemption on new
65% of half the selling price on pre-owned
3.25%

Nebraska 100% use tax is charged on the invoice price of new and used
5.5% sales tax rate

Regarding the calculation of the fiscal note for 2003 and 2004. The Department of Revenue's numbers project an increase in the number of homes shipped into Kansas; however, the number of homes shipped into Kansas has declined steadily since 1998:

1998	3885 homes shipped into Kansas
1999	3462 homes shipped into Kansas
2000	2133 homes shipped into Kansas
2001	1637 homes shipped into Kansas
2002	1417 homes shipped into Kansas

For 2003 the association is projecting a 20% decrease from 2002 shipments. If our prediction is correct it will be the lowest shipment year since 1977 when we started keeping shipment statistics.

The industry has also seen a decrease in the cost of our homes, which is not reflected in the Departments numbers. In 2000, as the Department reported the average cost of a manufactured home in Kansas was \$49,900. However, in 2001, the average cost dropped to \$48,500.

Within the last 12 months the industry has lost several retail centers and we are concerned that we may lose at least one of our factories unless sales pick up. Certainly the present health of the manufactured housing industry is tied to the overall Kansas economy, but certain negative marketing factors such as the reinstatement of sales tax could only hinder our ability to provide affordable housing.

I respectfully request that you oppose the passage of HB 2148.

**TESTIMONY OF
DAVID N. ALLISON, CPA
BEFORE HOUSE COMMITTEE ON TAXATION
ON HB 2148
February 12, 2003**

Mr. Chairman and Committee Members,

My name is David Allison and am here on behalf of the Associated General Contractors of Kansas to **respectfully oppose HB 2148, which would repeal the sales tax exemption on labor for new construction.**

I am a Kansas City, Kansas native, graduated from Kansas State University, and have been practicing public accounting since 1983 in Topeka. I am the Leader of the CBIZ Midwest Construction Industry Group of CBIZ Accounting, Tax & Advisory Services, a national business services firm. In this position, I oversee the needs of our contractor clients in the states of Kansas, Missouri, Nebraska, Oklahoma and Colorado. I am also a member of the attest firm of Mayer Hoffman McCann, P.C., a nationwide independent firm of certified public accountants.

In addition to being an active associate member and former board member of the AGC of Kansas, I am also a member of the AGC of America's Tax & Fiscal Affairs Committee, an active associate member of the Kansas Contractors Association, and a consultant to our firms' over 300 Midwest contractor clients.

I also participated in a multi-industry group led by the Kansas Chamber of Commerce and Industry that successfully led the effort to ease the administrative and financial burden of sales taxation of construction activities. This group worked closely with the Kansas Legislature to eliminate the sales tax on original construction and to allow for the designation of "contractor/retailer".

The majority of our contractor clients are family-owned and operated businesses with annual revenues of less than \$10 million. Our firm has represented and consulted with these companies regarding the application of sales tax on construction projects, including original construction and remodeling issues, as well as owners of businesses who are the purchasers of contractor services.

After 20 years of working with contractors and homebuilders, I wholeheartedly support existing law that provides for the sales tax exemptions currently available to owners and contractors in Kansas. I believe the tax exemption on labor services involved in construction should not be repealed for the following reasons:

- **No surrounding state taxes labor services involved in construction.** The additional cost to homeowners and business owners would be a significant economic disadvantage to Kansas in trying to attract new businesses to move to Kansas and build new buildings or facilities. Close border municipalities could actually see homeowners and businesses relocate out-of-state to avoid the additional cost of developing homes, retail shops, commercial, wholesale and other businesses. Our accounting firm (CBIZ) is in the process of moving nearly 500 employees from Kansas City, Missouri to Leawood, Kansas into a newly constructed building. The tax incentives offered by the State of Kansas were a significant reason for making this move, and an additional sales tax on the labor services in construction of the building could have led us to reconsider moving across the border into Kansas.
- As noted in the attached memo from the Chief Economist for the AGC of America, **new residential construction is helping to drive the Kansas economy.** Government supported construction activities (highways, schools, etc.) are drawing many more bidders than previously because of the declining private sector non-residential construction market. A new tax on original construction could stifle the recovery of Kansas' construction industry and economy.
- This tax gives an **unfair advantage to out-of-state contractors** on contracts less than \$10,000. The Kansas law reads that a contract less than or equal to \$10,000 is to be taxed at the local rate where the contractor's office is located. As an out-of-state contractor, this contractor would not be required to collect local municipal sales tax on the labor services performed, while a Kansas contractor would be required to collect the local municipal tax.
- There would be an **added administrative burden** on many contractors to comply with a tax on original construction. Currently, many homebuilders and contractors do not currently perform any work subject to sales tax. If this change in the law were passed, I would expect significant instances of a noncompliance in billing and collecting this new sales tax, just like when the 2.5% sales tax on original construction was tried and failed.

On behalf of AGC of Kansas and my firm's many clients, I respectfully ask that you vote HB 2148 unfavorably. Thank you for your consideration on this important issue.



From the Chief Economist—

Ken Simonson
Chief Economist
Associated General Contractors of America
703-837-5313 simonsonk@agc.org

January 24, 2003

Up, Down and Sideways: The 3-Way Split in the Economy and Construction

There are two key national indicators of construction industry health: employment and value put in place. At the moment both suggest relative stagnation in construction nationally and in Kansas.

Nationally, seasonally adjusted total nonfarm employment slipped by 101,000 jobs from November to December and by 181,000 jobs, or 0.1%, from December 2001 to December 2002. (Seasonal adjustment is a statistical process to remove normal month-to-month variation and is the best way to compare different months in the same year.) Construction has fared worse, losing 91,000 jobs, or 1.4%, over the year. The Bureau of Labor Statistics (BLS) divides construction into three groupings. Of these, general building contractor employment was *up* by 1.2% compared to November 2001; heavy construction, except building, was *down* by 4.9%; special trade contractors were *down* by 1.5%.

The story is somewhat different in Kansas. Total nonfarm employment rose by 2,200 (0.2%) over the year ending in November (the latest month available), and construction accounted for an astounding 1,900 of that. Kansas's construction employment has been volatile, however: it is down by 2,100 from the all-time high last July.

Nationwide, construction put in place for the first 11 months of 2002 was up by 0.3% from the same period of 2001, and the seasonally adjusted total for November, at an annual rate of \$843 billion, was also 0.3% above the revised figure for October, according to the Census Bureau. A less comprehensive measure, McGraw-Hill's Dodge index, showed the same tiny change in new construction contracts for the first 11 months of 2002 compared to January-November 2001. (Dodge measures the full value of new construction contracts in the month they begin. Census attempts to measure the value spent in each month for ongoing projects.)

The Census numbers show private residential building (including improvements to existing structures) and public construction each climbed by 6%, in the first 11 months of 2002 compared to January-November 2001, while private nonresidential buildings fell by almost 17%.

Nationally the public side had the best year-to-year comparisons, but it has the most uncertain outlook. Highway and street construction for the first 11 months was unchanged from the prior year; most of the growth has occurred in educational construction (+14%), conservation and development (+9%), and sewer systems (+7%). Many contractors say they are still busy with projects approved years ago, when states had plenty of tax and bond receipts, but that their order books are empty. Like Kansas, nearly every state has reported that revenues are down from the budgets adopted just a few months ago, many of which already incorporated scaled-back revenues. Cutbacks are likely before the legislature adjourns. Because of the long lag on public projects, once a downturn in construction occurs, returning to present levels may take two years or more.

As for federal funds, Congress has passed only two of the 13 annual appropriations bills for the year that began October 1. As a result, the government is now operating on a short-term "continuing resolution" that generally keeps spending at the lower of a House or Senate number. That adds to the pinch on state budgets. Democrats have proposed increasing highway disbursements to the states as a temporary stimulus measure, but President Bush has recommended permanent tax cuts as a better way to improve the economy over the long run.

Within the residential side, both single- and multi-unit housing construction have been running at record or near-records levels nationally. Prices for single-family homes have also performed very well, moving up by about 6.2% in the year ending September 30, according the Office of Federal Housing Enterprise Oversight (OFHEO). However, price increases have apparently been slowing down; the July-September quarter showed a national increase of just 0.84%, or about 3.4% annualized.

In Kansas, prices rose by a slower but respectable 4.2% for the year (25th in the nation) but fell by a tiny 0.03% in the third quarter. The bi-state Kansas City area had a 5.2% price increase over the year, followed by Topeka (4.8%), Lawrence (4%) and Wichita (2.8%).

House Taxation
Attachment 4
Date 2-12-04

Several factors should keep single-family construction strong in 2003, although it will be hard to improve on last year's numbers. Mortgage rates should stay low, if not quite at the 40-year low of 5.85% set in the first week of the year. Personal income should continue rising fast enough to outpace inflation, which will remain in the 1-2% range, giving people the wherewithal to buy homes. And now Freddie Mac and Fannie Mae have raised the limit on mortgages they finance by 7%, to \$322,700. These factors will keep resales healthy, too.

All of that is good news for a variety of nonresidential contractors as well. A strong new- and existing-housing market helps grading, paving and utilities contractors, in addition to other businesses that in turn spend more on construction: landscapers, furniture and furnishings stores, residential contractors themselves, real estate and mortgage brokers.

However, the high level of housing sales is helping to draw tenants out of multi-family housing. Vacancy rates are rising and rents are softening in a number of markets, and multi-unit construction seems poised for a fall.

The most mixed picture is within the broad private nonresidential segment. Census now provides more detailed information (in supplemental tables on the same website) than in its printed release. The detailed tables show some winners among the devastation. Understandably—given the jump in spending on health-related items—drug store construction is up by 40% so far this year and health care (itself subdivided into hospital, medical building and special care) by 15%. Outweighing these positives are: factories (-45%), lodging (-29%), offices (-30%), warehouses (-25%), shopping malls (-31%), and shopping centers (-10%).

On the plus side, agricultural spending should turn up in 2003, thanks in part to last year's farm bill, and some of that income growth will spill over into construction related to farms, farm suppliers and food processing and transportation. Employers, consumers and governments will all pour money into health care, which in turn means more construction of hospitals, clinics and doctors' offices, laboratories and manufacturing facilities, and even pharmacies.

Construction costs, including wages, should remain well-behaved for the most part. With construction employment down and inflation running at only about 2%—one of the lowest levels in nearly 40 years—wage pressures should be minimal.

Most producer prices are flat or falling and there is capacity to spare throughout the manufacturing sector. The cost category most likely to go up by large amounts is insurance of any type. Premiums for all types of insurance have increased by an average of 30% and in some cases much more, and coverage has been substantially reduced.

Finally, it is necessary to consider what war with Iraq would mean for the economy and the industry. The immediate effect of a war is likely to be negative on two counts. Uncertainty will cause businesses and perhaps consumers to put off spending, particularly for major investments such as heavy equipment, buildings and homes. Any call-up of reservists will deprive companies of workers on short notice, and construction is probably an industry employing a disproportionate share of these. One negative may not occur, however: oil prices could actually fall if Saudi Arabia increases production or major oil-consuming countries release their strategic reserves. The longer-term impact of a war is even harder to foresee. In the best-case scenario, the U.S. would achieve its military objectives at little cost and would convince would-be terrorists, or the states that harbor them, to curb their activities. In that case, the medium-to-long run impact on the economy would be positive. However, any number of other possible outcomes would mean slower growth and more spending diverted to defense and security.

In sum, the next several months will be very uneven for construction, both nationally and in Kansas. Construction related in some way to consumer activity should remain strong, business-related construction will pick up gradually in the second half of 2003 if the economy keeps strengthening, but it will be tough to hold the line on government-funded projects once current jobs are completed.

- *To receive the Data DIGest, AGC's weekly summary of economic news and their implications for construction, as well as other analyses, click on [www.agc.org/NewsBulletins/Data DIGest](http://www.agc.org/NewsBulletins/Data_DIGest)*

**TESTIMONY BEFORE THE HOUSE
TAXATION COMMITTEE**

**ARGUMENTS AGAINST THE REPEAL OF THE
SALES TAX EXEMPTION ON CONSTRUCTION SERVICES
BY GUS RAU MEYER
RAU CONSTRUCTION COMPANY
FEBRUARY 12, 2003**

I am writing to provide you my comments in opposition to HB 2148, the repeal of sales tax exemption on new construction services. Rau Construction Company is a middle to large volume construction company, founded in 1870, and doing business in the Kansas City Metropolitan area since the early 1900's. Our headquarters for 40 years has been in Overland Park, being a pioneer during the growth in this area. Our main focus is in the construction of new commercial and industrial projects on a negotiated or design/build bases. This work is done almost without exception in the private sector.

Over the past 5 years, our average annual billings have been approximately \$30,000,000. The last time the sales tax exemption on new construction services was removed, we say our workload in Kansas drop from approximately 1/3 of our total volume, to around 15% of our total volume.

I am submitting with this testimony a projection of what the effect of removing the Sales Tax Exemption on Construction Services for a 15,000 square foot office building we are just starting construction on. The labor provided by all Contractors on this job amounts to 44.07% of the "hard" construction cost or \$773,784. The Subcontractor and General Contractor Overhead and Profit, and Permits amount to \$233,797 of the hypothetical project. The additional amount of costs (costs in addition to those previously under the Tax on Materials) subject to the repealed Sales Tax on Construction Services is \$1,007,581; or over 53% of this \$1,884,537 project. The 5.3% Tax generates additional tax receipts of \$53,402 or 2.83% of the cost of the project over the previously enacted Sales Tax. Based on 15,000 gross square feet, this equates to an additional \$3.56 per square foot of construction cost. Using a factor of; 90% rentable square footage, 8% financing and 20 year amortization, this would cause a \$0.40 per square foot per year increase in rents to cover this cost. This is a tremendous burden in any real estate market, let alone a depressed real estate market that we are currently in; be it a commercial, retail, or industrial application.

This Tax not only affects developers, which have to contend with the costs of this Tax on rental rates, but it also affects the decisions of owner/users. The building I used in my first example is on Highway 150 in Johnson County, barely 1 mile West of the Missouri State line. If the Owner decided that the repeal of this tax, coupled with the ability to have lower land costs and Sales Tax costs just across the state line in Missouri, moved his project to that State, it would mean the loss of 60 jobs (based on the industry accepted average of at least 4 workers per 1,000 square feet of space).

**TESTIMONY BEFORE THE HOUSE
TAXATION COMMITTEE**

**ARGUMENTS AGAINST THE REPEAL OF THE
SALES TAX EXEMPTION ON CONSTRUCTION SERVICES
BY GUS RAU MEYER
RAU CONSTRUCTION COMPANY
FEBRUARY 12, 2003**

Another example for a similar "hypothetical" 15,000 square foot project that could be found in any area of the State would be a medium size "strip" shopping center about 1/3 the size of the typical area grocery store of 1/6 the size of the latest K-Mart or Wal-Mart Super Stores. If this project were cancelled, the cost to Kansas for losing this project would mean the loss of Sales Tax sales receipts of that project that would easily be in excess of \$3,000,000 per year; as well as over 10 jobs.

Although I am not an economist or an actuary, the shift of projects from Kansas to other states, combined with the analysis of the impact of this Tax on a example project, makes me believe that the Taxes (Sales Tax on Materials, Property, Income, etc) and other revenues that would be lost by a project being cancelled or relocated to another state far outweigh the gains realized by the Sales Tax on Construction Services.

As a life long resident of Kansas, and a backer of it's high quality of life and standard of living, I feel is Tax is a disaster to economic development in the State. It will hurt the people who do not have a choice as to where to build their business by significantly increasing their cost. It will also, and more importantly, potentially drive the people who do have a choice away from Kansas. Repeal of this exemption is a nearsighted move. The Tax revenues that may materialize if the project is built do not offset the risk to economic revenue the State will see in Sales Tax, Property Tax, Income Tax, and other revenues in the future if the project is built. Please do not take the risk of making Owners and Developers decide to move their projects elsewhere. The repeal of this Tax exemption may drive away the economic growth that we need right now to bring our State back to prosperity.

I thank you, and members of your committee, for holding hearings on this Bill. I appreciate your consideration and ask for your opposition to HB 2184 in preventing the repeal of this Tax. If you have any questions, I would be glad discuss them with you at any time.

TESTIMONY BEFORE THE HOUSE TAXATION COMMITTEE
 ARGUEMENTS AGAINST THE REPEAL OF THE SALES TAX ON
 CONSTRUCTION SERVICES - HB 2148

By Gus Rau Meyer
 February 12, 2003

Description	Project		
	Cost	% Labor	\$ Labor
General Conditions	\$117,420	85.00%	\$99,807
Sitework	\$152,874	40.00%	\$61,150
Footings & Flat Concrete	\$145,635	42.00%	\$61,167
Masonry	\$99,000	55.00%	\$54,450
Structural Steel	\$103,288	44.00%	\$45,447
Carpentry	\$44,798	65.00%	\$29,119
Millwork	\$44,860	27.00%	\$12,112
Insulation	\$2,954	50.00%	\$1,477
Roofing	\$70,201	27.00%	\$18,954
Sheetmetal	\$33,205	40.00%	\$13,282
Caulking	\$8,479	75.00%	\$6,359
Doors, Frames & Hardware	\$82,265	42.00%	\$34,551
Glass & Glazing	\$82,900	33.00%	\$27,357
Drywall & Ceilings	\$273,614	42.00%	\$114,918
Floor Coverings	\$30,367	25.00%	\$7,592
Ceramic Tile	\$25,828	33.00%	\$8,523
Painting & Wall Coverings	\$51,798	75.00%	\$38,849
Toilet Accessories	\$2,068	62.00%	\$1,282
Specialties	\$20,382	30.00%	\$6,115
Plumbing	\$73,134	45.00%	\$32,910
Fire Sprinklers	\$17,650	62.50%	\$11,031
HVAC	\$126,955	25.00%	\$31,739
Electrical	\$146,300	38.00%	\$55,594
	<u>\$1,755,975</u>		<u>\$773,784</u>
Permits	\$38,822	100.00%	\$38,822
Sub Total	<u>\$1,794,797</u>		<u>\$812,606</u>
OH&P	\$89,740	100.00%	\$89,740
	<u>\$1,884,537</u>		<u>\$902,346</u>

Amount Taxable by Remodel Tax

Labor	\$773,784
Subcontractor OH&P	\$105,235 12% of materials
Permits	\$38,822
General Contractor OH&P	\$89,740
Total	<u>\$1,007,581</u>

Additional Sales Tax - State	5.30%	\$53,402
% of project cost		2.83%



**TESTIMONY
BEFORE HOUSE COMMITTEE ON TAXATION
ON HB 2148**

February 12, 2003

By Dan Foltz, President
Kansas Building Systems, Inc.

Mr. Chairman and members of the committee, my name is Dan Foltz, President of Kansas Building Systems, Inc., a commercial building contractor located in Topeka. I strongly oppose HB 2148

Cities, counties, and communities all across our state have people pouring out their hearts, minds and dollars into economic development efforts to improve the lives of Kansans. Eliminating the sales tax exemption on new construction would deal a very damaging blow to all their efforts.

I have witnessed first hand how the economic analysis is performed by major companies when deciding where to expand their operations. I have seen successes in bringing new business operations and jobs to Wichita, Topeka, Lawrence and Overland Park, when they narrowly won out over other Midwestern states.

I've also been involved in projects that landed in Lee Summit, Mo., Springfield, Mo., and Oklahoma City, OK., when Kansas narrowly lost. The analysis is very thorough and competitive. Sales tax exemption on new construction is a significant item and if we eliminate it.....it will cost us growth and jobs!

I hope this information is useful and again ask you to oppose HB 2148.

Thank You!

House Taxation
Attachment 6
Date 2-12-03





STATEMENT OF THE KANSAS BUILDING INDUSTRY ASSOCIATION

TO THE HOUSE TAXATION COMMITTEE

REP. JOHN EDMONDS, CHAIR

REGARDING H.B. 2148

FEBRUARY 12, 2003

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Governmental Affairs of the Kansas Building Industry Association (KBIA). KBIA is the state professional and trade organization of the home building industry, with approximately 1800 members.

KBIA is opposed to removal of the sales tax exemption for labor used in construction and remodeling. During the last decade, this exemption was removed in order to generate revenue. The projections for revenue were not realized, and within a couple of years, the Legislature returned the exemption to the statute.

Removal of the exemption again would have a depressing effect on the housing market. Affordability of housing is a nationwide issue, and affordable housing advocates are calling on Congress to take steps to alleviate this worsening situation. To narrow the massive affordability gap afflicting millions of America's households, the National Housing Conference is seeking economic incentives, such as a homeownership tax credit.

H.B. 2148 would to the contrary add to the cost of housing. The affordable housing crunch affects millions of America's families, many of whom currently spend more than half of their incomes to pay the rent or mortgage. A 2002 study by the Congressionally-appointed Millennial Housing Commission found that almost 28 million households spend "more on housing than the federal government consider affordable and appropriate." Kansans would have a more difficult time qualifying for home mortgage loans or be unable to qualify for home ownership due to the added cost that would be imposed under H.B. 2148. A few hundred dollars can make the difference for many people.

"We are in the midst of a housing-led economic recovery. Home values are up, refinancings have put money back into the economy, and new home sales and housing starts are hovering at record levels," said Jerry Howard, National Association of Home Builders CEO recently. "However, as President Bush noted in his address to the nation, the recovery remains uneven, unemployment is rising and we need more small businesses to open and help create job growth." What we believe is needed is economic stimulus.

House Taxation
Attachment 7

Date 2-12-03

Further taxation would serve to depress the housing market, which is having such a positive effect on the economy currently.

Economic projections for the remainder of this year do expect higher interest rates and a slowing of the housing market as a result. If the Legislature chooses to once again remove the sales tax exemption for labor used in residential construction, we would expect that the revenues generated would again fall far below expectations.

Housing is playing a significant role in stabilizing the economy, and we would urge you to not take an action that would depress that economic force by increasing taxes for prospective homebuyers and homeowners.

LEGISLATIVE TESTIMONY



The Unified Voice of Business

835 SW Topeka Blvd. • Topeka, KS 66612-1671 • 785-357-6321 • Fax: 785-357-4732 • E-mail: kcci@kansaschamber.org • www.kansaschamber.org

HB 2148

February 12, 2003

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony before the House Taxation Committee
By Marlee Carpenter, Director of Taxation and Small Business

Chairman Edmonds and members of the Committee:

I am Marlee Carpenter with the Kansas Chamber of Commerce and Industry testifying in opposition to HB 2148. We believe that in order to keep Kansas competitive, the cost of doing business in the state cannot be increased. KCCI opposes the blanket repeal of sales tax exemptions. Each exemption was justified at the time of enactment and voted on by legislators like you. Sales tax exemptions should be looked at as a whole, within the context of the entire tax structure. Sales tax exemptions make Kansas competitive with other states and/or avoid the double taxation of goods and services. HB 2148 would eliminate the sales tax exemption on construction services and the sale of manufactured homes.

Construction Services

Removing the sales tax exemption on construction services would add additional costs to the construction process. This sales tax exemption not only touches businesses, but original construction for residences as well. Currently, sales tax is charged on the materials, but not on the construction services. Construction services have been estimated to make up approximately 40% of the price of a new building or home. An additional 5% to 8% on the labor services can mean the postponement or cancellation of a construction deal. This is the time to encourage business expansion, not charge an additional fee on these services.

Manufactured Homes

The purpose of this sales tax exemption is to put manufactured housing on a level playing field. The state of Kansas does not tax the sale of site-built homes or labor involved in building a site-built home. These sales tax exemptions are ones of fairness and equity within this business segment.

House Taxation
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Date 2-12-03

KCCI opposes the repeal of the sales tax exemption in HB 2148. KCCI believes that in order to keep Kansas competitive, the cost of doing business in the state cannot be increased. Thank you for your time and I will be happy to answer any questions.

About the Kansas Chamber of Commerce and Industry

The Kansas Chamber of Commerce and Industry (KCCI) is the leading broad-based business organization in Kansas. KCCI is dedicated to the promotion of economic growth and job creation and to the protection and support of the private competitive enterprise system.

KCCI is comprised of nearly 2,000 businesses, which includes 200 local and regional chambers of commerce and trade organizations that represent more than 161,000 business men and women. The organization represents both large and small employers in Kansas. 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.

**WRITTEN TESTIMONY
BEFORE THE**

HOUSE COMMITTEE ON TAXATION

TO: Representative John Edmonds and
Members of the Committee
FROM: Van Witthuhn
DATE: February 12, 2003

Re: HB 2148

It is of great concern that the Kansas Legislature is considering a change to the treatment of sales tax on manufactured homes. There are many considerations regarding this issue but two issues seem to stand out above the rest.

1.) Parity with other housing forms

When you build a traditional home on site you pay sales tax on the material purchased to build the home. The material cost is traditionally about 60% of the total cost of constructing a new home. After that, regardless of how many times the home is resold, it is never subject to sales tax again. So why then does it seem justifiable to tax the entire selling price of a factory built home, and then continue to tax it again and again each time there is a change of ownership?

2.) Financial impact on manufactured home buyer

Manufactured homes are the only affordable housing option for many Kansas families. These are working families who can least afford the additional burden of a sales tax that their friends, who buy site built homes, don't have to pay. The inequitable addition of sales tax on new or pre-owned manufactured homes will have a significant financial impact on the family that makes such a purchase as illustrated below:

	NEW HOME	PRE-OWNED HOME
Selling Price -	\$60,000	\$30,000
Current sales tax -	\$ 2,448	0
Sales tax with exemption removed -	\$ 4,080	\$2,040
Differential as a result of tax change -	\$ 1,632	\$2,040
Loan term -	30 YEARS	15 YEARS
Interest rate -	14.25%	15.75%
Additional monthly payment amount -	\$19.66	\$29.61
Total additional cost of tax -	\$7,077.60	\$5,529.80

This additional monthly financial burden could very well put the total payment out of reach for many Kansas families.

We are certainly sympathetic to the financial challenges that face the State of Kansas; but additional taxes should be raised fairly and not unduly imposed on these Kansas families that can least afford it. Removal of the current sales tax exemption on manufactured homes will pose an **unfair** financial burden both to current and future owners of manufactured homes.

Respectively,

Van Witthuhn

House Taxation
Attachment 9
Date 2-12-03



SCHULT HOMES MEMORANDUM

TO: Representative John Edmonds and Members of the Committee DATE: February 7, 2003

FROM: Rod Cellmer

SUBJECT: Manufactured Housing Sales Tax Exemption

I am the General Manager of Schult Homes of Plainville, Ks. We are a manufactured housing plant and have over 220 employees. Our plant has been in Plainville since 1968.

Plainville is a small town in western Kansas, and Schult plays a major role in the area's economy. The manufactured housing industry is in a slump, as many other businesses are these days. We need every opportunity for our product to be sold, which keeps our plant open.

We have been working short work weeks for several months (from 24 to 32 hours). We have not laid off any employees; however, if it gets much slower, that may have to happen.

There are currently two sales tax exemptions on the sale of manufactured homes.

- No sales tax on used homes
- 40% on the price of new homes

The repeal of either of these exemptions will have an adverse effect on sales of manufactured housing.

If sales are slowed up at retail, it has the domino effect on our business. I strongly urge your committee to recommend keeping these exemptions in place.

If you have any questions, please call me at: 800-255-0323.

House Taxation
Attachment 10
Date 2-12-03

Thank y
Rod Ce.



The Historic Lackman-Thompson Estate

11180 Lackman Road
Lenexa, KS 66219-1236
913.888.1414
Fax 913.888.3770

TO: Representative John Edmonds, Chairman
Members, House Taxation Committee

FROM: Ashley Sherard, Vice-President
Lenexa Chamber of Commerce

DATE: February 12, 2003

RE: **HB 2148—Repeal of Sales Tax Exemption for Original
and Remodeling Construction**

The Lenexa Chamber of Commerce would like to express its strong opposition to House Bill (HB) 2148, which repeals the existing sales tax exemptions on original construction and remodeling.

Construction services and real estate are critical components of the Kansas economy. The latest U.S. Census of Construction revealed that **construction is an \$8.8 billion industry in Kansas.** In addition, construction businesses contribute to the Kansas economy through capital investment, payroll, and other taxes. In 2000, construction establishments in Kansas provided **almost 70,000 jobs with a payroll of more than \$2.2 billion.**

Removing the sales tax exemptions as proposed in HB 2148 would not be good long-term economic policy for the state. **By increasing construction costs, the competitive position of Kansas' construction-related businesses would be worsened against competitors located in states granting the exemptions. This would make it more difficult for Kansas' construction-related businesses to compete for projects and to remain in Kansas, potentially resulting in lost sales, investment, jobs, and taxes.**

Further, any resulting loss of output and employment in the construction sector would cause not only direct economic losses to the state, but would also ripple throughout the Kansas economy, generating negative impacts in other sectors. For example, according to the "direct effect job multipliers" calculated for Kansas by the U.S. Bureau of Economic Analysis:

- For every 100 jobs lost in the Kansas construction industry, another 115 jobs would be lost in the balance of the state's economy.
- For every \$100,000 of earnings lost by Kansas households working in the construction industry, another \$105,950 would be lost by households working in other sectors

House Taxation
Attachment 11
Date 2-12-03

In addition, the elimination of the sales tax exemptions on construction materials and labor will increase the costs of commercial and residential real estate projects in Kansas communities relative to competing markets. These additional costs would create a strong disincentive for businesses and residents to build, expand or remodel in Kansas — circumstances that are counterproductive to promoting a growing and healthy state economy.

These potential consequences are particularly onerous in the state's forty border counties (please see the attached information compiled by the County Economic Research Institute.) This concern is especially true in the Kansas City metropolitan area, where labor and capital flow freely across the state line and competing business opportunities abound on the Missouri side of the border.

In short, we believe the short-term revenue gains Kansas might realize from repealing these exemptions would be outweighed by long-term losses in sales, capital investment, payroll, taxes, and other economic factors. Therefore, because it would not be good long-term economic policy for the state, the Lenexa Chamber of Commerce strongly urges the committee not to recommend HB 2148 for passage. Thank you for your time and attention to this issue.

COUNTY ECONOMIC RESEARCH INSTITUTE

11111 WEST 95TH STREET, SUITE 210 * OVERLAND PARK, KANSAS 66214

The businesses located in the state's border tier counties, especially those located in the Kansas City Metropolitan Area, are most vulnerable to the negative impacts of HB 2148. The following illustrates the relative importance of these counties to the state's economy.

Population

- According to the U.S. Census Bureau, the state's 40 border counties had a **combined population of 1,087,137 in 2000 – 40.4% of the total Kansas population**. Johnson County made up 16.9% of the state's population.
- The border counties accounted for **48.2% of the state's total net population growth** of 210,401 between 1990 and 2000. With an increase of 96,653, Johnson County accounted for 45.9% of the state's growth.

Business Establishments

- In 2000, **31,198 (41.6%) of the state's 74,939 private sector business establishments with employees** were located in the state's 40 border counties. Johnson County was home to 15,894 establishments in 2000—21.2% of the state's total.
- Border counties accounted for **52.5% of the state's net growth in establishments** of 9,081 between 1990 and 2000. A net total of 4,293 new firms were created in the Johnson County economy during the decade – 47.3% of the state's total growth.

Jobs

- In 2000, **483,270 (42.8%) of the state's 1,128,732 private sector jobs** were located in border counties. A total of 282,652 jobs (25%) were located in Johnson County.
- The 40 border counties accounted for **50.6% of the net increase in employment** in the Kansas economy between 1990 and 2000. During the decade, there were 104,835 net new jobs created in Johnson County, 44.6% of the state's total job growth of 234,902.

Payroll

- In 2000, private sector firms in the state's 40 border counties provided a **total payroll of \$15,189,576,000, accounting for 47.5% of the Kansas economy's total**. In Johnson County, employers provided a payroll of approximately \$9.9 billion, the largest in the state's border counties and 30.9% of the state's total.
- The state's border counties accounted for **53.7% of the state's total increase in private sector payroll** between 1990 and 2000. Johnson County's private sector payroll grew by over \$5.9 billion between 1990 and 2000, accounting for 40.7% of the state's total growth.

Construction Firms

- In 2000, there were **7,703 construction firms located in Kansas—approximately 40% (3,059) were located in border counties**.
- Over one-fourth of the state's construction industry was located in the four counties making up the Kansas side of the Kansas City Metropolitan Area. Johnson County was home to 1,584 construction firms—over 20% of the Kansas total.

Construction Jobs

- Construction provided a total of 69,180 jobs in Kansas during 2000 and 44% (30,461) were located in the border counties.
- In 2000 nearly 40% of the state's construction jobs were located in the Kansas side of the Kansas City Metropolitan Area—17,584 in Johnson County alone.

Construction Payroll

- The Kansas construction industry provided a payroll that exceeded \$2.2 billion during 2000 and over 49% of that total was in firms located in border counties.
- Forty-four percent of the state's total construction payroll—over \$997 million—was paid out by firms in the four Kansas counties in the Kansas City Metropolitan Area. Johnson County firms alone accounted for 29% of the state's total.

**KANSAS BORDER COUNTIES
POPULATION**

No.	County	1990 Population	Percent State	2000 Population	Percent State	Growth	Percent State Growth
1	Atchison	16,904	0.7%	16,755	0.6%	-149	-0.1%
2	Barber	5,866	0.2%	5,293	0.2%	-573	-0.3%
3	Bourbon	14,948	0.6%	15,400	0.6%	452	0.2%
4	Brown	11,132	0.4%	10,707	0.4%	-425	-0.2%
5	Chautauqua	4,384	0.2%	4,349	0.2%	-35	0.0%
6	Cherokee	21,316	0.9%	22,558	0.8%	1,242	0.6%
7	Cheyenne	3,226	0.1%	3,150	0.1%	-76	0.0%
8	Clark	2,420	0.1%	2,382	0.1%	-38	0.0%
9	Comanche	2,297	0.1%	1,948	0.1%	-349	-0.2%
10	Cowley	36,933	1.5%	36,248	1.3%	-685	-0.3%
11	Crawford	35,578	1.4%	38,202	1.4%	2,624	1.2%
12	Decatur	4,011	0.2%	3,461	0.1%	-550	-0.3%
13	Doniphan	8,123	0.3%	8,252	0.3%	129	0.1%
14	Greeley	1,763	0.1%	1,539	0.1%	-224	-0.1%
15	Hamilton	2,389	0.1%	2,657	0.1%	268	0.1%
16	Harper	7,105	0.3%	6,504	0.2%	-601	-0.3%
17	Jewell	4,233	0.2%	3,764	0.1%	-469	-0.2%
18	Labette	23,618	1.0%	22,766	0.8%	-852	-0.4%
19	Leavenworth	64,610	2.6%	68,913	2.6%	4,303	2.0%
20	Linn	8,258	0.3%	9,605	0.4%	1,347	0.6%
21	Marshall	11,670	0.5%	10,936	0.4%	-734	-0.3%
22	Meade	4,235	0.2%	4,636	0.2%	401	0.2%
23	Miami	23,577	1.0%	28,500	1.1%	4,923	2.3%
24	Montgomery	38,758	1.6%	36,161	1.3%	-2,597	-1.2%
25	Morton	3,482	0.1%	3,481	0.1%	-1	0.0%
26	Nemaha	10,447	0.4%	10,702	0.4%	255	0.1%
27	Norton	5,923	0.2%	5,944	0.2%	21	0.0%
28	Phillips	6,554	0.3%	5,983	0.2%	-571	-0.3%
29	Rawlins	3,383	0.1%	2,959	0.1%	-424	-0.2%
30	Republic	6,466	0.3%	5,801	0.2%	-665	-0.3%
31	Seward	18,725	0.8%	22,568	0.8%	3,843	1.8%
32	Sherman	6,929	0.3%	6,736	0.3%	-193	-0.1%
33	Smith	5,045	0.2%	4,517	0.2%	-528	-0.3%
34	Stanton	2,334	0.1%	2,407	0.1%	73	0.0%
35	Stevens	5,060	0.2%	5,476	0.2%	416	0.2%
36	Sumner	25,845	1.0%	25,967	1.0%	122	0.1%
37	Wallace	1,813	0.1%	1,734	0.1%	-79	0.0%
38	Washington	7,042	0.3%	6,465	0.2%	-577	-0.3%
39	Wyandotte	161,973	6.5%	157,749	5.9%	-4,224	-2.0%
40	Johnson	357,309	14.4%	453,962	16.9%	96,653	45.9%
	Total Border Counties	985,684	39.7%	1,087,137	40.4%	101,453	48.2%
	Balance of State	1,495,665	60.3%	1,604,613	59.6%	108,948	51.8%
	Kansas	2,481,349	100.0%	2,691,750	100.0%	210,401	100.0%

**KANSAS BORDER COUNTIES
BUSINESS ESTABLISHMENTS**

No.	County	1990		2000		Growth	Percent
		Establishments	State	Establishments	State		State
1	Atchison	361	0.5%	400	0.5%	39	0.4%
2	Barber	192	0.3%	213	0.3%	21	0.2%
3	Bourbon	634	1.0%	437	0.6%	-197	-2.2%
4	Brown	278	0.4%	269	0.4%	-9	-0.1%
5	Chautauqua	81	0.1%	90	0.1%	9	0.1%
6	Cherokee	346	0.5%	401	0.5%	55	0.6%
7	Cheyenne	114	0.2%	114	0.2%	0	0.0%
8	Clark	95	0.1%	76	0.1%	-19	-0.2%
9	Comanche	84	0.1%	70	0.1%	-14	-0.2%
10	Cowley	808	1.2%	836	1.1%	28	0.3%
11	Crawford	870	1.3%	1,017	1.4%	147	1.6%
12	Decatur	137	0.2%	127	0.2%	-10	-0.1%
13	Doniphan	143	0.2%	181	0.2%	38	0.4%
14	Greeley	67	0.1%	60	0.1%	-7	-0.1%
15	Hamilton	79	0.1%	84	0.1%	5	0.1%
16	Harper	222	0.3%	229	0.3%	7	0.1%
17	Jewell	113	0.2%	109	0.1%	-4	0.0%
18	Labette	537	0.8%	525	0.7%	-12	-0.1%
19	Leavenworth	921	1.4%	1,123	1.5%	202	2.2%
20	Linn	189	0.3%	193	0.3%	4	0.0%
21	Marshall	356	0.5%	388	0.5%	32	0.4%
22	Meade	135	0.2%	149	0.2%	14	0.2%
23	Miami	476	0.7%	618	0.8%	142	1.6%
24	Montgomery	1,029	1.6%	1,023	1.4%	-6	-0.1%
25	Morton	94	0.1%	121	0.2%	27	0.3%
26	Nemaha	353	0.5%	390	0.5%	37	0.4%
27	Norton	188	0.3%	217	0.3%	29	0.3%
28	Phillips	220	0.3%	237	0.3%	17	0.2%
29	Rawlins	98	0.1%	99	0.1%	1	0.0%
30	Republic	197	0.3%	213	0.3%	16	0.2%
31	Seward	654	1.0%	678	0.9%	24	0.3%
32	Sherman	260	0.4%	283	0.4%	23	0.3%
33	Smith	172	0.3%	165	0.2%	-7	-0.1%
34	Stanton	52	0.1%	73	0.1%	21	0.2%
35	Stevens	144	0.2%	170	0.2%	26	0.3%
36	Sumner	551	0.8%	545	0.7%	-6	-0.1%
37	Wallace	52	0.1%	61	0.1%	9	0.1%
38	Washington	232	0.4%	239	0.3%	7	0.1%
39	Wyandotte	3,292	5.0%	3,081	4.1%	-211	-2.3%
40	Johnson	11,601	17.6%	15,894	21.2%	4,293	47.3%
	Total Border Counties	26,427	40.1%	31,198	41.6%	4,771	52.5%
	Balance of State	39,431	59.9%	43,741	58.4%	4,310	47.5%
	Kansas	65,858	100.0%	74,939	100.0%	9,081	100.0%

**KANSAS BORDER COUNTIES
TOTAL JOBS**

No.	County	1990 Jobs	Percent State	2000 Jobs	Percent State	Growth	Percent State Growth
1	Atchison	4,724	0.5%	5,972	0.5%	1,248	0.5%
2	Barber	1,437	0.2%	1,389	0.1%	-48	0.0%
3	Bourbon	5,276	0.6%	6,723	0.6%	1,447	0.6%
4	Brown	2,908	0.3%	3,250	0.3%	342	0.1%
5	Chautauqua	690	0.1%	593	0.1%	-97	0.0%
6	Cherokee	4,333	0.5%	5,206	0.5%	873	0.4%
7	Cheyenne	586	0.1%	555	0.0%	-31	0.0%
8	Clark	340	0.0%	448	0.0%	108	0.0%
9	Comanche	423	0.0%	423	0.0%	0	0.0%
10	Cowley	10,908	1.2%	10,813	1.0%	-95	0.0%
11	Crawford	10,819	1.2%	14,598	1.3%	3,779	1.6%
12	Decatur	896	0.1%	796	0.1%	-100	0.0%
13	Doniphan	1,620	0.2%	2,047	0.2%	427	0.2%
14	Greeley	349	0.0%	353	0.0%	4	0.0%
15	Hamilton	346	0.0%	906	0.1%	560	0.2%
16	Harper	1,414	0.2%	1,438	0.1%	24	0.0%
17	Jewell	435	0.0%	543	0.0%	108	0.0%
18	Labette	8,023	0.9%	8,183	0.7%	160	0.1%
19	Leavenworth	11,837	1.3%	15,044	1.3%	3,207	1.4%
20	Linn	1,339	0.1%	1,381	0.1%	42	0.0%
21	Marshall	2,919	0.3%	3,412	0.3%	493	0.2%
22	Meade	550	0.1%	892	0.1%	342	0.1%
23	Miami	4,863	0.5%	6,868	0.6%	2,005	0.9%
24	Montgomery	13,300	1.5%	14,866	1.3%	1,566	0.7%
25	Morton	540	0.1%	877	0.1%	337	0.1%
26	Nemaha	3,270	0.4%	3,916	0.3%	646	0.3%
27	Norton	1,541	0.2%	1,851	0.2%	310	0.1%
28	Phillips	1,563	0.2%	1,723	0.2%	160	0.1%
29	Rawlins	484	0.1%	560	0.0%	76	0.0%
30	Republic	1,720	0.2%	1,891	0.2%	171	0.1%
31	Seward	7,658	0.9%	9,834	0.9%	2,176	0.9%
32	Sherman	1,728	0.2%	2,121	0.2%	393	0.2%
33	Smith	1,077	0.1%	1,092	0.1%	15	0.0%
34	Stanton	273	0.0%	421	0.0%	148	0.1%
35	Stevens	815	0.1%	1,226	0.1%	411	0.2%
36	Sumner	4,215	0.5%	4,861	0.4%	646	0.3%
37	Wallace	232	0.0%	348	0.0%	116	0.0%
38	Washington	1,303	0.1%	1,610	0.1%	307	0.1%
39	Wyandotte	69,787	7.8%	61,588	5.5%	-8,199	-3.5%
40	Johnson	177,817	19.9%	282,652	25.0%	104,835	44.6%
	Total Border Counties	364,358	40.8%	483,270	42.8%	118,912	50.6%
	Balance of State	529,472	59.2%	645,462	57.2%	115,990	49.4%
	Kansas	893,830	100.0%	1,128,732	100.0%	234,902	100.0%

**KANSAS BORDER COUNTIES
ANNUAL PAYROLL**

No.	County	1990 Payroll	Percent State	2000 Payroll	Percent State	Growth	Percent State Growth
1	Atchison	\$85,376,000	0.5%	\$140,515,000	0.4%	\$55,139,000	0.4%
2	Barber	\$21,790,000	0.1%	\$28,654,000	0.1%	\$6,864,000	0.0%
3	Bourbon	\$71,674,000	0.4%	\$158,990,000	0.5%	\$87,316,000	0.6%
4	Brown	\$41,586,000	0.2%	\$68,653,000	0.2%	\$27,067,000	0.2%
5	Chautauqua	\$9,356,000	0.1%	\$9,268,000	0.0%	-\$88,000	0.0%
6	Cherokee	\$72,986,000	0.4%	\$123,194,000	0.4%	\$50,208,000	0.3%
7	Cheyenne	\$7,417,000	0.0%	\$9,925,000	0.0%	\$2,508,000	0.0%
8	Clark	\$6,351,000	0.0%	\$9,556,000	0.0%	\$3,205,000	0.0%
9	Comanche	\$4,150,000	0.0%	\$6,833,000	0.0%	\$2,683,000	0.0%
10	Cowley	\$182,171,000	1.0%	\$274,885,000	0.9%	\$92,714,000	0.6%
11	Crawford	\$173,876,000	1.0%	\$316,291,000	1.0%	\$142,415,000	1.0%
12	Decatur	\$11,184,000	0.1%	\$12,326,000	0.0%	\$1,142,000	0.0%
13	Doniphan	\$29,714,000	0.2%	\$53,375,000	0.2%	\$23,661,000	0.2%
14	Greeley	\$3,982,000	0.0%	\$6,716,000	0.0%	\$2,734,000	0.0%
15	Hamilton	\$4,439,000	0.0%	\$16,518,000	0.1%	\$12,079,000	0.1%
16	Harper	\$21,618,000	0.1%	\$27,396,000	0.1%	\$5,778,000	0.0%
17	Jewell	\$5,216,000	0.0%	\$7,548,000	0.0%	\$2,332,000	0.0%
18	Labette	\$132,875,000	0.8%	\$176,716,000	0.6%	\$43,841,000	0.3%
19	Leavenworth	\$194,424,000	1.1%	\$379,234,000	1.2%	\$184,810,000	1.3%
20	Linn	\$27,715,000	0.2%	\$37,772,000	0.1%	\$10,057,000	0.1%
21	Marshall	\$43,661,000	0.2%	\$71,105,000	0.2%	\$27,444,000	0.2%
22	Meade	\$8,005,000	0.0%	\$18,216,000	0.1%	\$10,211,000	0.1%
23	Miami	\$73,382,000	0.4%	\$146,286,000	0.5%	\$72,904,000	0.5%
24	Montgomery	\$219,014,000	1.3%	\$343,586,000	1.1%	\$124,572,000	0.9%
25	Morton	\$8,472,000	0.0%	\$21,761,000	0.1%	\$13,289,000	0.1%
26	Nemaha	\$46,381,000	0.3%	\$87,342,000	0.3%	\$40,961,000	0.3%
27	Norton	\$22,532,000	0.1%	\$37,371,000	0.1%	\$14,839,000	0.1%
28	Phillips	\$27,198,000	0.2%	\$35,117,000	0.1%	\$7,919,000	0.1%
29	Rawlins	\$6,244,000	0.0%	\$10,578,000	0.0%	\$4,334,000	0.0%
30	Republic	\$23,486,000	0.1%	\$34,986,000	0.1%	\$11,500,000	0.1%
31	Seward	\$137,271,000	0.8%	\$255,022,000	0.8%	\$117,751,000	0.8%
32	Sherman	\$22,163,000	0.1%	\$39,815,000	0.1%	\$17,652,000	0.1%
33	Smith	\$11,503,000	0.1%	\$17,641,000	0.1%	\$6,138,000	0.0%
34	Stanton	\$5,257,000	0.0%	\$9,293,000	0.0%	\$4,036,000	0.0%
35	Stevens	\$15,237,000	0.1%	\$27,501,000	0.1%	\$12,264,000	0.1%
36	Sumner	\$63,446,000	0.4%	\$102,358,000	0.3%	\$38,912,000	0.3%
37	Wallace	\$2,809,000	0.0%	\$5,834,000	0.0%	\$3,025,000	0.0%
38	Washington	\$14,550,000	0.1%	\$22,598,000	0.1%	\$8,048,000	0.1%
39	Wyandotte	\$1,570,596,000	9.0%	\$2,155,170,000	6.7%	\$584,574,000	4.0%
40	Johnson	\$3,976,492,000	22.7%	\$9,883,631,000	30.9%	\$5,907,139,000	40.7%
	Total Border Counties	\$7,405,599,000	42.3%	\$15,189,576,000	47.5%	\$7,783,977,000	53.7%
	Balance of State	\$10,081,716,000	57.7%	\$16,801,186,000	52.5%	\$6,719,470,000	46.3%
	Kansas	\$17,487,315,000	100.0%	\$31,990,762,000	100.0%	\$14,503,447,000	100.0%

**KANSAS BORDER COUNTIES
CONSTRUCTION ESTABLISHMENTS**

No.	County	1998		2000		Growth	Percent State Growth
		Establishments	Percent State	Establishments	Percent State		
1	Atchison	43	0.6%	37	0.5%	-6	-7.8%
2	Barber	19	0.2%	23	0.3%	4	5.2%
3	Bourbon	39	0.5%	35	0.5%	-4	-5.2%
4	Brown	18	0.2%	17	0.2%	-1	-1.3%
5	Chautauqua	5	0.1%	4	0.1%	-1	-1.3%
6	Cherokee	34	0.4%	33	0.4%	-1	-1.3%
7	Cheyenne	6	0.1%	11	0.1%	5	6.5%
8	Clark	4	0.1%	2	0.0%	-2	-2.6%
9	Comanche	6	0.1%	6	0.1%	0	0.0%
10	Cowley	64	0.8%	70	0.9%	6	7.8%
11	Crawford	102	1.3%	103	1.3%	1	1.3%
12	Decatur	15	0.2%	17	0.2%	2	2.6%
13	Doniphan	13	0.2%	14	0.2%	1	1.3%
14	Greeley	5	0.1%	3	0.0%	-2	-2.6%
15	Hamilton	6	0.1%	6	0.1%	0	0.0%
16	Harper	17	0.2%	13	0.2%	-4	-5.2%
17	Jewell	6	0.1%	6	0.1%	0	0.0%
18	Labette	30	0.4%	29	0.4%	-1	-1.3%
19	Leavenworth	171	2.2%	180	2.3%	9	11.7%
20	Linn	39	0.5%	36	0.5%	-3	-3.9%
21	Marshall	42	0.6%	35	0.5%	-7	-9.1%
22	Meade	14	0.2%	16	0.2%	2	2.6%
23	Miami	119	1.6%	124	1.6%	5	6.5%
24	Montgomery	80	1.0%	72	0.9%	-8	-10.4%
25	Morton	10	0.1%	8	0.1%	-2	-2.6%
26	Nemaha	36	0.5%	32	0.4%	-4	-5.2%
27	Norton	21	0.3%	20	0.3%	-1	-1.3%
28	Phillips	24	0.3%	26	0.3%	2	2.6%
29	Rawlins	10	0.1%	8	0.1%	-2	-2.6%
30	Republic	12	0.2%	9	0.1%	-3	-3.9%
31	Seward	42	0.6%	33	0.4%	-9	-11.7%
32	Sherman	22	0.3%	24	0.3%	2	2.6%
33	Smith	18	0.2%	15	0.2%	-3	-3.9%
34	Stanton	7	0.1%	8	0.1%	1	1.3%
35	Stevens	17	0.2%	13	0.2%	-4	-5.2%
36	Sumner	53	0.7%	55	0.7%	2	2.6%
37	Wallace	5	0.1%	4	0.1%	-1	-1.3%
38	Washington	29	0.4%	31	0.4%	2	2.6%
39	Wyandotte	307	4.0%	297	3.9%	-10	-13.0%
40	Johnson	1,523	20.0%	1,584	20.6%	61	79.2%
	Total Border Counties	3,033	39.8%	3,059	39.7%	26	33.8%
	Balance of State	4,593	60.2%	4,644	60.3%	51	66.2%
	Kansas	7,626	100.0%	7,703	100.0%	77	100.0%

**KANSAS BORDER COUNTIES
CONSTRUCTION JOBS**

No.	County	1998 Jobs	Percent State	2000 Jobs	Percent State	Growth	Percent State Growth
1	Atchison	199	0.3%	207	0.3%	8	0.1%
2	Barber	60	0.1%	62	0.1%	2	0.0%
3	Bourbon	275	0.5%	457	0.7%	182	2.2%
4	Brown	54	0.1%	54	0.1%	0	0.0%
5	Chautauqua	35	0.1%	27	0.0%	-8	-0.1%
6	Cherokee	383	0.6%	595	0.9%	212	2.6%
7	Cheyenne	10	0.0%	19	0.0%	9	0.1%
8	Clark	8	0.0%	10	0.0%	2	0.0%
9	Comanche	10	0.0%	12	0.0%	2	0.0%
10	Cowley	279	0.5%	326	0.5%	47	0.6%
11	Crawford	472	0.8%	563	0.8%	91	1.1%
12	Decatur	52	0.1%	45	0.1%	-7	-0.1%
13	Doniphan	94	0.2%	111	0.2%	17	0.2%
14	Greeley	10	0.0%	7	0.0%	-3	0.0%
15	Hamilton	28	0.0%	44	0.1%	16	0.2%
16	Harper	47	0.1%	43	0.1%	-4	0.0%
17	Jewell	6	0.0%	16	0.0%	10	0.1%
18	Labette	250	0.4%	219	0.3%	-31	-0.4%
19	Leavenworth	1,398	2.3%	1,954	2.8%	556	6.7%
20	Linn	143	0.2%	169	0.2%	26	0.3%
21	Marshall	126	0.2%	137	0.2%	11	0.1%
22	Meade	141	0.2%	94	0.1%	-47	-0.6%
23	Miami	652	1.1%	905	1.3%	253	3.1%
24	Montgomery	392	0.6%	413	0.6%	21	0.3%
25	Morton	21	0.0%	10	0.0%	-11	-0.1%
26	Nemaha	152	0.2%	162	0.2%	10	0.1%
27	Norton	98	0.2%	96	0.1%	-2	0.0%
28	Phillips	56	0.1%	49	0.1%	-7	-0.1%
29	Rawlins	24	0.0%	17	0.0%	-7	-0.1%
30	Republic	110	0.2%	127	0.2%	17	0.2%
31	Seward	416	0.7%	213	0.3%	-203	-2.5%
32	Sherman	91	0.1%	65	0.1%	-26	-0.3%
33	Smith	38	0.1%	29	0.0%	-9	-0.1%
34	Stanton	19	0.0%	18	0.0%	-1	0.0%
35	Stevens	99	0.2%	56	0.1%	-43	-0.5%
36	Sumner	171	0.3%	203	0.3%	32	0.4%
37	Wallace	5	0.0%	4	0.0%	-1	0.0%
38	Washington	111	0.2%	137	0.2%	26	0.3%
39	Wyandotte	4,854	8.0%	5,202	7.5%	348	4.2%
40	Johnson	15,251	25.0%	17,584	25.4%	2,333	28.2%
	Total Border Counties	26,640	43.7%	30,461	44.0%	3,821	46.1%
	Balance of State	34,256	56.3%	38,719	56.0%	4,463	53.9%
	Kansas	60,896	100.0%	69,180	100.0%	8,284	100.0%

KANSAS BORDER COUNTIES
CONSTRUCTION PAYROLL

No.	County	1998 Payroll	Percent State	2000 Payroll	Percent State	Growth	Percent State Growth
1	Atchison	\$5,158,000	0.3%	\$5,048,000	0.2%	-\$110,000	0.0%
2	Barber	\$1,228,000	0.1%	\$1,228,000	0.1%	\$0	0.0%
3	Bourbon	\$9,585,000	0.5%	\$13,715,000	0.6%	\$4,130,000	1.3%
4	Brown	\$1,068,000	0.1%	\$1,523,000	0.1%	\$455,000	0.1%
5	Chautauqua	\$531,000	0.0%	\$373,000	0.0%	-\$158,000	-0.1%
6	Cherokee	\$10,692,000	0.5%	\$15,933,000	0.7%	\$5,241,000	1.7%
7	Cheyenne	\$123,000	0.0%	\$184,000	0.0%	\$61,000	0.0%
8	Clark	\$59,000	0.0%	\$0	0.0%	-\$59,000	0.0%
9	Comanche	\$126,000	0.0%	\$183,000	0.0%	\$57,000	0.0%
10	Cowley	\$6,533,000	0.3%	\$7,898,000	0.4%	\$1,365,000	0.4%
11	Crawford	\$9,972,000	0.5%	\$13,260,000	0.6%	\$3,288,000	1.1%
12	Decatur	\$576,000	0.0%	\$605,000	0.0%	\$29,000	0.0%
13	Doniphan	\$2,542,000	0.1%	\$3,288,000	0.1%	\$746,000	0.2%
14	Greeley	\$128,000	0.0%	\$128,000	0.0%	\$0	0.0%
15	Hamilton	\$718,000	0.0%	\$1,388,000	0.1%	\$670,000	0.2%
16	Harper	\$952,000	0.0%	\$1,018,000	0.0%	\$66,000	0.0%
17	Jewell	\$134,000	0.0%	\$156,000	0.0%	\$22,000	0.0%
18	Labette	\$7,088,000	0.4%	\$7,625,000	0.3%	\$537,000	0.2%
19	Leavenworth	\$52,372,000	2.7%	\$68,092,000	3.0%	\$15,720,000	5.1%
20	Linn	\$2,924,000	0.2%	\$3,659,000	0.2%	\$735,000	0.2%
21	Marshall	\$3,567,000	0.2%	\$3,510,000	0.2%	-\$57,000	0.0%
22	Meade	\$2,107,000	0.1%	\$2,107,000	0.1%	\$0	0.0%
23	Miami	\$20,255,000	1.0%	\$25,442,000	1.1%	\$5,187,000	1.7%
24	Montgomery	\$7,923,000	0.4%	\$9,073,000	0.4%	\$1,150,000	0.4%
25	Morton	\$0	0.0%	\$0	0.0%	\$0	0.0%
26	Nemaha	\$2,988,000	0.2%	\$3,753,000	0.2%	\$765,000	0.2%
27	Norton	\$2,132,000	0.1%	\$2,167,000	0.1%	\$35,000	0.0%
28	Phillips	\$609,000	0.0%	\$751,000	0.0%	\$142,000	0.0%
29	Rawlins	\$286,000	0.0%	\$268,000	0.0%	-\$18,000	0.0%
30	Republic	\$3,274,000	0.2%	\$3,771,000	0.2%	\$497,000	0.2%
31	Seward	\$9,610,000	0.5%	\$5,529,000	0.2%	-\$4,081,000	-1.3%
32	Sherman	\$1,514,000	0.1%	\$1,312,000	0.1%	-\$202,000	-0.1%
33	Smith	\$607,000	0.0%	\$547,000	0.0%	-\$60,000	0.0%
34	Stanton	\$231,000	0.0%	\$228,000	0.0%	-\$3,000	0.0%
35	Stevens	\$2,823,000	0.1%	\$1,235,000	0.1%	-\$1,588,000	-0.5%
36	Sumner	\$3,232,000	0.2%	\$3,309,000	0.1%	\$77,000	0.0%
37	Wallace	\$50,000	0.0%	\$16,000	0.0%	-\$34,000	0.0%
38	Washington	\$1,924,000	0.1%	\$2,433,000	0.1%	\$509,000	0.2%
39	Wyandotte	\$219,506,000	11.3%	\$250,444,000	11.1%	\$30,938,000	10.0%
40	Johnson	\$556,289,000	28.6%	\$653,284,000	29.0%	\$96,995,000	31.5%
	Total Border Counties	\$951,436,000	48.8%	\$1,114,483,000	49.4%	\$163,047,000	52.9%
	Balance of State	\$996,342,000	51.2%	\$1,141,574,000	50.6%	\$145,232,000	47.1%
	Kansas	\$1,947,778,000	100.0%	\$2,256,057,000	100.0%	\$308,279,000	100.0%



4103 East Hwy. 50
GARDEN CITY, KANSAS 67846
Phone: (620) 275-1067
www.dandhhomes.com

February 2, 2003

RE: HB2148

To: Representative John Edmonds and Members of the Committee

Loosing our tax exemption would harm the low-income housing consumers of Kansas. The following is a break down on what it would cost a consumer in Garden City, Kansas on a home that sells for \$50,000. The consumer would pay \$1,421.00 more in sales tax, \$141.00 more on down payment and \$11.56 more per month in payment. This make the total cost to the consumer over a Twenty Year Loan \$4,325.40. This may not sound like much money to you and me, but to someone that is trying to support his or her family on \$25,000.00 per year it does matter. (See attachment on second page for break down)

At a time when our factories in Kansas are only building homes one to three days per week and facing lay offs or worse yet closing the factories. There are numerous jobs that depend on our industry. Starting at the factory and their suppliers, then trickling down to the Dealers, Transporters, Manufactured Housing Communities and even the Finance/Insurance providers.

If you have any questions or would like to discuss this further please call me at 620-275-1067.

Sincerely,

A handwritten signature in black ink, appearing to read 'Garrett L. Wright', is written over a large, stylized initial 'G'.

Garrett L. Wright
Vice President
D&H Homes

House Taxation
Attachment 12
Date 2-12-03

12-2

ATTACHMENT FOR LETTER WRITTEN TO HOUSE COMMITTEE ON TAXATION

	Exemption	No Exemption	Difference
New manufactured homes selling price :	\$50,000.00	\$50,000.00	
Sale Tax Figured for Garden City, KS: (Tax rate 7.05%)	<u>\$2,115.00</u>	<u>\$3,525.00</u>	\$1,410.00
Total Home and Sales Tax:	\$52,115.00	\$53,525.00	
10% Down Payment	<u>\$5,211.50</u>	<u>\$5,352.50</u>	\$141.00
Amount Financed	\$46,903.50	\$48,172.48	
Total extra expenses to consumer-----			<u>\$1,551.00</u>
Monthly Payment to consumer	\$465.21	\$476.77	\$11.56 per month

Payments are figured on a 240-month loan at an interest rate of 10.50%:

Total extra expense over the life of the loan: \$4325.40

From: cceda2@skyrock.net
To: "Joe Shriver" <shriver@house.state.ks.us>, <edmonds@house.state.ks.us>
Date: Tue, Feb 11, 2003 2:32 PM
Subject: Opposing HB 2148 February 2003

February 10, 2003

The Honorable John Edmonds
House Taxation Committee
State Capitol
Topeka, KS 66612

Dear Representative Edmonds and members of the House Taxation Committee:

It has come to my attention that the matter of House Bill 2148 will be discussed in committee on Wednesday. I would like you to oppose any change to the sales tax exemptions discussed in this bill.

With the current state of the Kansas business economy, we need to do everything in our power to support our current Kansas businesses and keep Kansas competitive. Cowley County has been home to a longstanding manufactured housing builder, Skyline Corporation, for over 50 years. In a struggling market the added cost to this Kansas manufactured product would be a major blow in competing with similar products manufactured elsewhere. Products that are built in Kansas should not be subject to the double taxation that the proposed bill would impose. For Kansas to grow and expand its business base, the cost of doing business in the state must not be increased.

Representative Edmonds, we ask your assistance in keeping Kansas competitive through your support of the manufacturers that bring jobs to the State of Kansas. Repealing these sales tax exemptions is bad for business and would be detrimental to our entire State economy.

Thank you for your consideration and I urge you to oppose HB 2148 for the good of the State of Kansas and Cowley County.

Sincerely,

George McCune, Executive Director
Cowley County Economic Development Agency
P.O. Box 747
Winfield, KS 67156

620-221-9951
Fax 620-221-7782

geo@cowleykansas.com
www.cowleykansas.com

House Taxation
Attachment 13
Date 2-12-03