

Greetings:

On behalf of the City of Wichita, I would like to send my best wishes to all for a successful legislative session this year. The 2005 Legislative Session presents many challenges and opportunities for legislators and we are excited about having your presence in Topeka fighting for issues important to the City of Wichita, South-Central Kansas, and the entire State.

The City of Wichita's adopted 2005 Legislative Agenda was developed with the mission to enhance the quality of life for all its citizens. I urge that the urban areas, suburban areas and rural areas continue to work together to maintain a strong partnership for all citizens in the State of Kansas. This common bond can help create a strong economic development initiative for Kansas and maintain its stature as a pre-eminent place to live, work and raise a family.

The City of Wichita continues to exemplify that it is an exceptional mid-sized city dedicated to providing quality government services. The City of Wichita's 2005 Legislative Agenda reflects issues that will help this City and all of Kansas continue to prosper.

Success is created when critical issues are addressed, debated and resolved for a sustainable quality of life results. We look forward to working with you this coming legislative session in a mutual effort to serve the citizens of Wichita and the State of Kansas.

Sincerely,

*George R. Kolb
City Manager*

**CITY OF WICHITA
2005 LEGISLATIVE PROGRAM**

PRIORITY ISSUES

1) Eminent Domain

The City of Wichita's ability to acquire property for a public purpose through condemnation proceedings is critical for public improvement projects as well as sound economic development policy. Eminent domain is a fundamental power for all levels of government, including municipalities. The City of Wichita believes that the current laws adequately protect this governmental power while balancing private property interests.

2) Annexation

The City of Wichita's ability to grow by annexation is necessary for the economic well being of the region, and it is a matter of equity and fairness in financing the costs of services used by residents living on the fringes of the urban city. The City of Wichita believes that the current laws adequately protect this municipal power while balancing the interests of private citizens and surrounding communities.

3) Downtown Arena Ratification

The City of Wichita supports legislation to permit Sedgwick County to establish a special one percent (1%) countywide retailers' sales tax. On November 2, 2004, the voters of Sedgwick County approved a ballot question supporting a *Downtown Arena* by authorizing Sedgwick County to implement the sales tax when permitted by the Kansas Legislature. The Downtown Arena will be a multi-purpose regional events center owned and operated by Sedgwick County. The collection of the "*Arena Sales Tax*" is to commence on July 1, 2005, or as soon thereafter as may be permitted by the legislation, and terminate not later than 30 months after the commencement of the Arena Sales Tax. The proceeds from this sales tax would be used to pay the costs of acquisition of a Downtown Wichita site, construction and equipping the Downtown Arena and appurtenances, and construction of improvements at the Kansas Coliseum.

4) Homeland Security Grant Funding

The City of Wichita recommends a review of the current process for determination of funding and distribution of the Office of Domestic Preparedness Homeland Security Grant in Kansas. The current process for determining the distribution of Homeland Security Grant funds to the local level is in the control of the Governor and has been delegated to the Kansas Highway Patrol. As the state administrative agency, the Kansas Highway Patrol has authority to determine how funds will be spent at the local level and may require that funds be spent through specific sources. The City of Wichita believes that the current funding formula discriminates against the large population centers as a significant percentage of the weighted formula is centered on factors other than population. Population centers are the primary focus of both domestic and international extremists and should likewise receive the focus of our efforts to secure the nation. No locations in Kansas will benefit from the Urban Area Initiative that provides nearly half of the national grant funding to the top fifty population centers. It is recommended that the Kansas funding formula be reviewed and adjusted to

reflect a more realistic approach to protecting the vulnerabilities in our state. These adjustments should include the ability of local communities to have flexibility in local spending and reassessment of the requirement that money be spent through a single source vendor. It is recommended that the control of funding and purchasing decisions be left up to the local level of government.

5) Redevelopment Authority

The City of Wichita supports the ability of municipalities to have flexibility in the governance and financing of efforts to conserve or redevelop commercial centers and residential neighborhoods. Authority available under the Urban Renewal Act, Neighborhood Revitalization Act, and the Downtown Redevelopment Act has been important in past development efforts, but the existing laws are cumbersome at times and do not reflect current realities and needs. Authority should be expanded to allow cities to address more residential and commercial neighborhoods and provide opportunities that will eliminate slum and blight and allow for conservation and redevelopment of additional types of neighborhoods.

6) Municipal Courts

The City of Wichita supports local control of Municipal Courts but seeks to work in partnership with the Legislature to make Municipal Courts as effective as possible for the benefit and fairness of all citizens. The City of Wichita requests several changes in the Municipal Court Procedures Act regarding the authority of Municipal Courts to enforce the law:

- **Civil judgments.** Municipal Courts should be allowed the same authority as District Courts to convert fines to civil judgments when those fines have been declared non-collectable.
- **Collection fees.** Municipal Courts should be allowed the same authority as District Courts for collecting unpaid fines by requiring delinquent defendants to pay the cost of the collection fee as well as the fine owed.
- **Mailed notice.** When a person fails to comply with a traffic citation, the Municipal Court is required to “mail” a notice stating that if the person does not appear or pay the fine within 30 days, that person’s driver’s license will be suspended (KSA 8-2110). One-half of these “failure to comply” notices are returned undeliverable. If the officer giving a moving violation ticket could also “give” this notice, it would save the cost of postage. It would also reduce the perception that violators are not being given a notice of the suspension.

7) Domestic Violence

The City of Wichita supports changes in the domestic violence statutes in an effort to make the law more effective and workable. The City of Wichita supports narrowing the definition of domestic battery to family members or those involved in intimate relationships. Deleting the reference to “persons who are presently living together or have resided together in the past” will strengthen enforcement efforts. Limiting the definition to people with intimate relationships and family members will allow law enforcement and court resources to concentrate on the most prevalent and troublesome cases of domestic violence.

OTHER ISSUES OF IMPORTANCE

8) Electronic Signature Confirmation

The United States Postal Service provides electronic signature confirmation service in place of certified and restricted delivery. This service provides a printable electronic signature stored in a postal database. Use of this feature could save the City significant postal costs in large mailings such as environmental health notices, assessments, and condemnations. Under current State law, the City cannot make use of the cost-savings elements of this service. The City of Wichita supports an amendment to KSA 60-103, 60-304, and other statutes to allow such electronic confirmations to meet restricted mail requirements.

9) Aviation

Transportation drives economic development, expansion, and quality of life opportunities. Wichita/South Central Kansas serves as a business, entertainment, and transportation hub to approximately 2/3 of the State of Kansas and a portion of northern Oklahoma. The City of Wichita supports transportation options for South Central Kansas' residents, including affordable airfares out of Wichita Mid-Continent Airport. The City encourages the Governor, Legislature, and State agencies to work in partnership with Wichita and other communities to implement a transportation master plan for the region. This includes providing Economic Development Initiative Funds to help sustain the Fair Fares air service campaign.

10) Historic Preservation

The City of Wichita supports changes to the Historic Preservation Law to ensure careful review of actions that may impact historic properties. These changes would reduce environs review from 500 ft to 250 ft., provide legal notification to property owners of the 250 ft environs area, and require environs reviews for demolition, infill construction, signage, and major additions. (Major additions are those that are more than half the footprint of the original structure.)

11) Methamphetamines

The City of Wichita supports law enforcement efforts to stop the production and sale of Methamphetamines. The Legislature could assist in this effort by continuing education and training programs directed at retailers, enacting restriction on the availability and sale of certain over-the-counter medicines used in its production, provide additional funding and training to law enforcement agencies, and shift the responsibility for costs of clean-up to the offender or property owner where the drugs are manufactured.

12) Sales Taxes

The City of Wichita continues to support the ability of locally elected officials and their citizens to determine local sales and use taxes and their rates. In addition, the State sales tax should be applied to local communities and local government operations in a fair, practical, and nondiscriminatory manner. The City of Wichita supports continuation of laws allowing cities to effectively utilize sales taxes for STAR bonds in order to promote economic development. The City of Wichita supports changes to State sales tax policies in several areas:

- **Sales Tax Exemption for Railroad Corridor Project**

Although the City of Wichita is generally exempt from paying sales tax on City capital construction projects, the City will have to pay sales tax on the Central Rail Corridor project, according to a Department of Revenue ruling. This would amount to “re-circulation” of \$2 Million to \$3 Million (on the \$67 Million project) in tax dollars. The City of Wichita supports the clarification of the Sales Tax law to exempt this project from sales taxes.

- **Water Sales Tax Exemption Procedures**

Because transactions of the Water Utility are subject to retailer’s sales tax, the City of Wichita has determined the portions of citywide purchases that are attributable to the Water Utility, such as the percentage of electricity used in City Hall. Prior to 1996, there was 100% exemption for electricity used at City Hall, but this was changed to 98% based upon the 2% use of the building area by the Water Utility. In 2004 the Kansas Department of Revenue shifted the burden of allocation of usage and now is imposing upon the City a significant degree of expense and administrative effort. The practical result is that all electricity purchased for City Hall is subject to sales tax. The City of Wichita supports legislation to allow sales tax exemptions to be maintained when it is obvious that a portion of the usage is exempt.

- **Streamlined Sales Tax Implementation**

The City of Wichita supports development and growth of electronic commerce over the Internet, but not at the expense of Main Street businesses and local government revenues. Continued exemption of all Internet transactions from the sales tax will have a dramatic impact on state and local sales tax structures. State and local sales taxes should apply to Internet sales the same as they do to traditional business transactions. Any federal Internet tax legislation should not preempt state and local sales tax authority. Local sales tax should be included in any formula developed to collect sales tax on Internet, mail order and other remote sales. A number of changes have already been made related to this topic, including a controversial destination-sourcing rule. It is important we monitor and have input to make sure local government is not left out.

- **Local Sales Tax Uniformity.**

The City of Wichita intends to monitor any legislative evaluation of the current status of local sales tax statutes with respect to uniformity and home rule power of cities and counties. The evaluation may determine whether uniformity should be assured or reestablished in the wake of multi-state streamlined sales tax simplification efforts.

13) Clean Drinking Water Fee

The City of Wichita supports the amendment and clarification of the statutory provisions establishing this fee on water service. The Water Utility has not been able to use offsetting tax exemptions under this law because of the condition that the fee cannot be passed on to utility customers. To address the problem for Water Utility, the City of Wichita supports a clarification in the statutes on Clean Drinking Water Fee, to allow the fee to be passed on in the rate base.

14) Alcohol Regulation

The City of Wichita supports the authority of cities to license and regulate alcoholic liquor and cereal malt beverage retailers and establishment.

15) State Funding for Libraries

The City of Wichita supports continued State funding for local public libraries. The Wichita Public Library, along with all other public libraries in Kansas, relies on state funding to help offset the cost of delivering service to residents from outside our local taxing districts. Approximately 15% of the active customer base of the Wichita Public Library resides outside our city limits. These customers receive all of the same programs, activities and services enjoyed by Wichita residents, but contribute to the operational revenues of our library only through the funding received from state contracts and grants. Wichita currently receives approximately \$450,000 per year from state funds: \$250,000 in state grants-in-aid (population based); \$100,000 from the interlibrary loan development grant program (restricted for cooperative materials purchases); and \$100,000 to delivery library service to blind and physically handicapped residents of Sedgwick County and fifteen counties in Southeast Kansas. This equates to 7% of the department's 2004 revised general fund budget.

16) Protecting the Authority of Local Libraries

The City of Wichita continues to support local decision-making authority for public libraries. In each community in Kansas, local library boards oversee the development and delivery of public library service. These boards, working with city councils and commissions, know what guidelines and rules for service delivery will best meet the needs of their individual communities. During the last legislative session, initiatives were offered to preclude this decision-making at the community level by mandating rules specific to Internet access and loans of library materials. Local government must remain empowered to establish the rules and guidelines for service that are appropriate for their local communities. Any initiatives to supercede this authority should be opposed.

17) Funding for Comprehensive Transportation Program (CTP)

The City of Wichita supports the continued funding of the CTP and opposes future reductions in funding for public transportation. The CTP was enacted in 1999 to meet the ever-growing needs of all transportation modes in Kansas, including public transportation. Projects accomplished by CTP funds have been extremely critical to the success of public transportation in Wichita, particularly for the senior and disabled community. Since 2003, there has been a continued decrease in the allocation to this program.

18) Housing Trust Fund

The City of Wichita supports the establishment of a permanent source of funding for housing for very low-income persons and the homeless. Such efforts could be funded through the Housing Trust Fund from new revenue sources.

19) Mortgage Revenue Bonds

The City of Wichita supports the efforts of Sedgwick County to continue its local administration of Mortgage Revenue Bonds (MRB's). The City opposes legislation and regulations that would issue MRB's statewide on a statewide rather than local basis.

20) Change in Franchise Fee Basis (Linear Foot vs. Percentage or Volume Basis)

The City of Wichita supports a change in State law to allow the City the flexibility to base utilities' franchise fees on the linear feet of right-of-way they occupy, rather than solely as a percentage of gross receipts or on a volumetric basis. The change is needed to accommodate utilities, which will offer multiple services using a single network of infrastructure in the right-of-way. Examples include offering telephone service over the cable system or television programming over a telephone line. The franchise fee options under the current State franchise laws do not allow sufficient flexibility to address these new services and could result in unnecessary fees for utilities (and their customers) whose infrastructure provides more than one type of service.

21) Expanded Gaming Options

The Wichita City Council has not taken a position on the issue of expanded gaming in Kansas. The City Council believes decisions dealing with gaming are a statewide impact and are therefore best left for the members of the Kansas Legislature to decide. While the Wichita City Council is neutral on the issue of expanded gaming at this time, the City of Wichita does have a position on the distribution of revenues generated by additional gaming. While expanded gaming options, such as casinos, will create new economic development opportunities for many communities, expanded gaming will also have a financial impact on those communities. Local governments will be impacted by the expansion of gaming in Kansas and should therefore share in the revenues generated. With the increased gaming options, will come increased demands on local services, including law enforcement and public infrastructure such as streets. If the Kansas legislature decides expanded gaming is in the best interest of Kansas, it is reasonable that local governments should receive a share of the revenues to help offset those increased costs. The City of Wichita believes at least 5% of the revenues generated by expanded gaming options should be shared with local governments to help cover the costs of the additional demands on public safety, public infrastructure and other services.

22) Banking Services

The City of Wichita should be allowed to use any federal or state chartered financial institution for banking and financial services. The current restriction on local government which forces active funds to be deposited only in state chartered banks is antiquated, anticompetitive, unworkable and does not allow for the most efficient use of tax dollars. Eliminate a special interest provision in Kansas law which forces local governments, including cities, counties and school districts, to deposit public funds only in so-called "hometown" banks which have a state charter. This change in legislation will increase the City of Wichita's investment income by hundreds of thousands of dollars a year. Local governments should be allowed to use any federal or state chartered institution that local officials determine offers the best value for the taxpayers they were elected to represent.

23) Long-Range Revenue Structure Planning Group

A task force is studying the tax and revenue structure of the state and will be making revenue projections into the future by five to ten years, develop governmental expenditure projections for the same time period, review potential revenue adjustment options and study State General Fund cash flow requirements. City of Wichita needs to monitor and minimize damage to local government finances.

24) Replacement Roofs

The City of Wichita supports legislative efforts to allow homeowners to use certain alternative flame resistant roofing materials, even where restrictive covenants require wood shingles or wood shake roofs. The City supports these efforts as a matter of public policy for both fire safety and allowing consumers to benefit from potential insurance premium savings.

HOME RULE
The Kansas Constitution
Article 12, Section 5

“Cities are hereby empowered to determine their local affairs and government...including the levying of taxes, excises, fees, charges and other extractions...”

The Home Rule Amendment is the foundation of local government and the bedrock of our belief in independence.

In 1961, Kansas voters took control of their destiny, approving the Home Rule Amendment to the Kansas Constitution. In doing so, citizens reasserted the right to govern themselves within their own communities and rekindled the fiercely independent spirit they inherited from their pioneer ancestors.

As Home Rule moves into a new century, the independence and self-determination granted in the State Constitution cannot be taken for granted. It is being eroded.

Special interest groups, narrowly focused on their own causes, are aggressively attacking Home Rule. They readily seek legislative intervention to overrule decisions made at the local level.

Many legislators, elected to be stewards of state government, are also eager to be watchdogs over local governments. Efforts to pre-empt decisions made by local citizens in the best interests of their own communities are becoming more frequent in the halls of the Statehouse.

The Home Rule Amendment of the Kansas Constitution is the foundation of local government, the bedrock of our belief in independence and the benchmark of the right to determine our own destiny.

The City of Wichita urges the Kansas Legislature to defend and protect the Home Rule Rights and authority guaranteed in the Kansas Constitution.