

May 25, 1990

TO: SENATOR DOLE
FROM: MARCIE ADLER
RE: WICHITA

HELEN GALLOWAY - HOSTESS FOR THE PAC FR

YOU APPOINTED HER TO A NATIONAL SBA ADVISORY COMMITTEE. SHE OWNS A HIGH QUALITY GIFT SHOP. WE IDENTIFIED HER AS A PRIME CANDIDATE AMONG KANSAS BUSINESS WOMEN AND APPROACHED HER ABOUT THE POSITION. SHE WAS VERY FLATTERED.

HELEN IS ALSO ON THE BOARD OF THE WICHITA ART MUSEUM WHICH HAS THE "IKE" EXHIBIT AND WHICH RECENTLY HONORED THE 3 WICHITA BUSINESS WOMEN - OLIVE ANN BEECH, MARY KOCH, & GLADYS WIEDEMANN.

WICHITA ART MUSEUM

RICK GRUBER, DIRECTOR, IS ANXIOUS FOR YOU TO VISIT THE NEW "WE LIKE IKE" EXHIBIT. HE HAS BEEN TOLD THAT HIS REQUEST IS IN THE SYSTEM.

LEE THOMPSON'S SWEARING-IN

SCHEDULED FOR MONDAY, JUNE 4, 9:45 A.M.

YOU HAVE REGRETTEED.

May 25, 1990

TO: SENATOR DOLE

FROM: MARCIE ADLER

RE: JUDICIAL UPDATE

0 CANDIDATES FOR THE UNITED STATES DISTRICT COURT
0 LOCATION OF THE SEAT
0 1 NEW JUDGE FOR KANSAS IN PENDING LEGISLATION

JOHN LUNGSTRUM, 46

JUSTICE CLASSED HIM AS "COMPETITIVE AS A CANDIDATE ON A NATIONAL SCALE."

BOB ROTH, 61

JUDGE O'CONNOR TERMS HIM VERY CAPABLE. JUSTICE RATED HIM "OUT OF THE MAINSTREAM."

CHRISTEL MARQUARDT

STILL INTERESTED

JOHN TILLOTSON, 50

FOLLOWING YOUR MEETING WITH HIM, I ASKED HIM TO PREPARE A BRIEF DESCRIPTION OF HIS FEDERAL EXPERIENCE. HE HAS APPEARED AS BOTH PROSECUTOR AND DEFENSE COUNSEL IN A NUMBER OF CRIMINAL CASES, SERVES AS U.S. MAGISTRATE SINCE 1981.

ELIHUE BRUNSON, 45

BLACK ATTORNEY RECENTLY APPOINTED TO HEAD THE DEPARTMENT OF LABOR, KC OFFICE. TO DATE, HE HAS NOT SHOWN STRENGTH IN THAT POST. HE TOLD ME THAT BLACK COMMUNITY WOULD LIKE TO BE REPRESENTED ON THE BENCH. I TOLD HIM THAT HE FIRST NEEDS TO DEMONSTRATE HIS CAPABILITIES IN HIS CURRENT POSITION.

GLORIA FLENTJE

WICHITA BAR PRESIDENT ELECT. WIFE OF ED FLENTJE, BENNETT/HAYDEN ASSOCIATE. SHE IS A PARTNER AT FOULSTON & SIEFKIN. RECOMMENDED BY BOB HOWARD. "SHARP".

ROBERT BELL

KANSAS DISTRICT JUDGE IN WICHITA. NO FEDERAL EXPERIENCE. TERMED "EMINENTLY NOT QUALIFIED" BY BOB HOWARD.

- MORE -

STATUS REPORT ON LOCATION OF THE SEAT

JUDGE O'CONNOR ADVISES THAT HE WILL AUTHORIZE CROW TO MOVE TO TOPEKA - BUT ONLY WHEN BUILDING RENOVATION THERE IS COMPLETED - PROBABLY NOVEMBER, 1991. THEREFORE, CROW WOULD BE IN KC TEMPORARILY UNTIL NOVEMBER, 1991.

AS A RESULT, THE NEW JUDGE WOULD SIT IN WICHITA. HOWEVER, WHEN O'CONNOR TAKES SENIOR STATUS IN NOVEMBER, 1991, THE NEW JUDGE COULD THEN ASK TO BE ASSIGNED TO KC.

NEW LEGISLATION WOULD GIVE KANSAS 1 ADDITIONAL JUDGE

SENATOR THURMOND'S STAFF ADVISE THAT HEARINGS WILL BEGIN ON BIDEN'S BILL ON JUNE 11. IT COMBINES CIVIL JUSTICE REFORM, WHICH THE DEMOCRATS WANT, WITH PROVISIONS FOR 77 - 96 ADDITIONAL JUDGES, WHICH THE REPUBLICANS WANT. (EITHER FIGURE INCLUDES KANSAS.)

CC: DENNIS SHEA

MEMORANDUM

TO: SENATOR DOLE
FR: GREG SCHNACKE
DA: MAY 24, 1990
RE: KANSAS TRIP - ISSUES IN WICHITA AND HUTCHINSON

PIAGGIO - NOTHING NEW ON THE REPORTS THAT DUNCAN AVIATION OF LINCOLN, NEBRASKA IS TRYING TO GET PIAGGIO TO COME TO NEBRASKA INSTEAD OF WICHITA. BOB KNIGHT AND OTHER CITY LEADERS ARE APPARENTLY LOOKING FOR UP TO \$50 MILLION FROM SOME SOURCE THAT WOULD BE USED AS FUND A JOINT PARTNERSHIP ARRANGEMENT. WHILE MOST CITY LEADERS WANT PIAGGIO TO COME TO WICHITA, RUSS MEYER AND SOME OF THE BIG AVIATION COMPANY PEOPLE ARE QUIETLY AGAINST IT BECAUSE IT WOULD TAP IN TO THEIR LABOR POOL.

HUTCHINSON AIRPORT RADAR - FAA IS CONDUCTING A FEASIBILITY STUDY TO SEE IF IT WOULD BE BETTER TO TAKE HUTCHINSON AIRPORT'S NON-RADAR APPROACH CONTROL AND MAKE IT A RADAR APPROACH SYSTEM CONTROLLED OUT OF KANSAS CITY OR WICHITA. RIGHT NOW, CONTROLLERS IN THE HUTCHINSON'S TOWER DIRECT AIR TRAFFIC BY VOICE AND SIGHT. THEY DO NOT HAVE RADAR. IF FAA WERE TO DECIDE TO DIRECT TRAFFIC BY RADAR, IT WOULD HAVE TO DO IT FROM KCI OR WICHITA.

DIANA ATTENDED A MEETING IN HUTCHINSON AND INDICATED THERE STILL QUESTIONS, TECHNICAL AND OTHERWISE, THAT REMAIN TO BE ANSWERED. A NUMBER OF LOCAL OFFICIALS ARE CONCERNED ABOUT THE SECOND-CLASS STATUS THIS MOVE MIGHT GIVE THEM, POSSIBLY AFFECTING ECONOMIC DEVELOPMENT. HOWEVER, ENHANCED RADAR APPROACH CAPABILITY, WITHOUT DELAYS FROM WICHITA, WOULD ACTUALLY INCREASE SAFETY AND THE DESIRABILITY OF USING THE AIRPORT.

GLICKMAN HAS COME OUT AGAINST IT. WE ARE DRAFTING A LETTER TO FAA ASKING THEM TO TAKE INTO ACCOUNT COMMUNITY CONCERNS DURING THE STUDY PERIOD, LEAVING YOU THE OPTION TO OPPOSE IT LATER.

OBEE LANDFILL, HUTCHINSON - WE ARE CONTINUING TO ASSIST CITY OFFICIALS IN THEIR ATTEMPTS TO GET INFORMATION FROM THE NAVY REGARDING HAZARDOUS MATERIALS THAT MAY HAVE BEEN DUMPED IN A LOCAL LANDFILL. EPA IS REQUIRING HUTCHINSON TO PARTICIPATE IN A STUDY OF THE PROBLEM THAT WILL COST THEM SEVERAL HUNDRED THOUSAND DOLLARS. AFTER THE STUDY, COSTS OF CLEANING THE SITE UP COULD BE IN THE MILLIONS. DRINKING WATER FOR A SMALL NUMBER OF FAMILIES IS AFFECTED. IF THE NAVY IS DEEMED TO HAVE BEEN PART OF THE PROBLEM, HUTCHINSON WANTS THEM TO PAY THEIR FAIR SHARE.

JACK DEBOER WICHITA DEVELOPMENT PLAN - JACK DEBOER UNVEILED A DOWNTOWN WICHITA REVITALIZATION PLAN THAT CALLS FOR A NUMBER OF SPECIFIC ACTIONS REGARDING DOWNTOWN DEVELOPMENT. THE \$375 MILLION PLAN (\$170 MILLION IN PUBLIC MONEY, \$50 MILLION IN PRIVATE DONATIONS, AND THE REST FROM INVESTORS) WILL BE USED TO DEVELOP A HOTEL, MUSEUMS, RESTAURANTS, SPORTS ARENA, WEST BANK OF THE ARKANSAS RIVER DEVELOPMENT, AND BUILD A 300 FOOT TALL KEEPER OF THE PLAINS INDIAN STATUE. DEBOER DONATED \$1 MILLION HIMSELF.

WRIGHT AMENDMENT, WICHITA AIRPORT - AS YOU KNOW, YOU ARE A CO-SPONSOR WITH SENATOR KASSEBAUM TO REPEAL THE SO-CALLED "WRIGHT AMENDMENT", THAT RESTRICTS AIRLINES FROM PROVIDING SERVICE BETWEEN LOVE FIELD IN DALLAS AND THE FOUR SURROUNDING STATES OF OKLAHOMA, ARKANSAS, LOUISIANA AND NEW MEXICO. THIS PREVENTS SOUTHWEST AIRLINES, WHO OPERATES ALMOST EXCLUSIVELY AT LOVE FIELD, FROM FLYING DIRECTLY TO WICHITA. THERE HAS APPARENTLY BEEN A COMPROMISE PROPOSED BY MEMBERS OF THE DALLAS CITY COUNCIL, WHO I AM TOLD ARE BACKING AWAY FROM EARLIER EXPRESSIONS OF SUPPORT FOR THE REPEAL BECAUSE OF OPPOSITION FROM AMERICAN AIRLINES. GLICKMAN RECENTLY SENT A LETTER TO SECRETARY SKINNER ASKING HIM TO DECLARE HIS POSITION ON REPEAL OF THE RULE. IT DOESN'T LOOK LIKE IT IS GOING ANYWHERE SOON IF THE LOCAL SUPPORT IS COOLING. ALSO, KASSEBAUM'S STAFF TOLD ME THAT SHE IS GOING TO ASK SEN. BENTSEN HOW HE FEELS ABOUT IT SOMETIME SOON.

ECONOMIC DEVELOPMENT CONFERENCE - IN SALINA JUNE 4-5 AT THE BICENTENNIAL CENTER. SPONSORED BY SENATORS DOLE, KASSEBAUM, GOVERNOR HAYDEN AND CONGRESSMAN PAT ROBERTS. TITLED "COMPETITIVENESS FOR THE 90'S" THE CONFERENCE WILL FEATURE NOTABLE KANSAS BUSINESS AND COMMUNITY LEADERS, STATE AND FEDERAL OFFICIALS, A TRADE FAIR IN CONJUNCTION WITH THE CONFERENCE, AND, WILL FEATURE SUSAN ENGELEITER, SMALL BUSINESS ADMINISTRATION ADMINISTRATOR, AND A VISIT FROM A HIGH RANKING SOUTH KOREAN TRADE DELEGATION.

WHILE IN WICHITA, YOU MAY RUN IN TO SOME OF THE PARTICIPANTS AT THE POLITICAL EVENTS, INCLUDING REP. ROCHELLE CHRONISTER, DON ABLAH, TOM CLEVINGER, STAN GEGEN, JIM LAUBACH, REP. ELIZABETH BAKER, MIKE LAVELL, LYLE KOONTZ, AND GEORGE MAXWELL.

KANSAS HIGHWAY PATROL TROOPER SHOT - MAY 24 IN VALLEY CENTER AS YOU WILL PROBABLY BE SPEAKING ABOUT THE CRIME BILL, YOU MAY WANT TO BE AWARE THAT TROOPER JEFF HERSH, 22, WICHITA, WAS SHOT SIX OR SEVEN TIMES (A HANDGUN, I BELIEVE) BY TWO SUSPECTS HE HAD JUST TICKETED ON I-135 NORTH OF WICHITA. APPARENTLY, POLICE BELIEVE THAT THESE TWO SUSPECTS HAD HELD UP AN OMAHA BANK (THEY FOUND THE MONEY IN THE CAR). THEY ABANDONED THE CAR AND KIDNAPPED A VALLEY CENTER WOMAN, STEALING HER VAN. THE VAN WAS LATER RECOVERED AND THE MEN WERE BELIEVED TO BE ON FOOT. A MANHUNT IS ON. (AS OF 5-25-90)

CENTRAL KANSAS TORNADO - EMERGENCY PREPAREDNESS OFFICE (KANSAS ADJUTANT GENERAL) STILL REPORTS LESS THAN \$1 MILLION IN DAMAGE (5-25-90; P.M.). EARLIER PRESS REPORTS OF \$3 MILLION IN DAMAGES WERE TYPO ON SOME TYPE OF WEATHER INFORMATION SYSTEM. BASICALLY THIS STORM HIT WHERE THERE WERE NO PEOPLE. MINOR INJURIES WERE SUSTAINED BY 6 PEOPLE (2 AT FARMS, AND 4 IN A PICK-UP TRUCK). 90-PLUS CAR, UNION PACIFIC, COAL TRAIN WAS DERAILED NEAR BUSHTON. MOST OF THE DAMAGE WAS SUSTAINED IN N.E. BARTON, S.E. ELLSWORTH, AND N.W. RICE COUNTIES. I UNDERSTAND FROM KATHY THAT THE HESSTON TORNADO RELIEF MONEY WOULD NOT BE ELIGIBLE HERE BECAUSE THE HESSTON STORM WAS IDENTIFIED BY A SPECIFIC DATE.

MEMORANDUM

TO: SENATOR DOLE
FR: GREG SCHNACKE
DA: MAY 24, 1990
RE: KANSAS TRAVEL BRIEF - PROPERTY TAXES, STATE LEGISLATURE

THE 1990 LEGISLATURE WAS UNABLE TO REACH AGREEMENT ON THE PROPERTY TAX REDUCTION ISSUE. THE HOUSE PASSED A BILL THAT WOULD HAVE ROLLED BACK PROPERTY TAXES BY USING A COMBINATION OF SALES AND INCOME TAXES. THE SENATE PASSED A CLASSIFICATION AMENDMENT, BUT NO BILL TO REDUCE PROPERTY TAXES. NO AGREEMENT WAS REACHED THAT WOULD HAVE GAINED THE TWO-THIRDS NECESSARY TO PASS A CONSTITUTIONAL AMENDMENT AND THE MEASURE DIED. I HAVE ATTACHED A COUPLE OF BACKGROUND MEMOS ON PROPERTY TAX REAPPRAISAL AND CLASSIFICATION TAKING THE ISSUE THROUGH THE SPECIAL SESSION.

THE BASIC ISSUE, AS I SEE IT, IS THAT MIKE HAYDEN, WHO WAS SPEAKER AT THE TIME, WAS PUSHING A PLAN THAT WOULD REAPPRAISE PROPERTY FIRST, THEN, WITH THE NUMBERS IN HAND, FIGURE OUT A CLASSIFICATION FORMULA USED TO ASSESS PROPERTY TAXES.

THEN-GOVERNOR CARLIN DID JUST THE OPPOSITE. HE PUSHED A CONSTITUTIONAL AMENDMENT, THAT WAS LATER ADOPTED BY THE VOTERS IN 1986, THAT CHANGED THE FORMULAS FOR PROPERTY CLASSIFICATION BEFORE THEY APPRAISED THE PROPERTY. THEREFORE THE PERCENTAGES USED TO CALCULATE THE TAX WERE LOCKED IN CONSTITUTIONALLY AND FIGURED HEAVILY IN THE TAX BILL PEOPLE RECEIVED.

CARLIN BLAMES THE PROBLEM ON "LOUSY IMPLEMENTATION". IF THAT IS HIS POSITION, HE IS BLAMING THE COUNTY COMMISSIONERS WHO HIRED THE APPRAISERS AND CARRIED OUT THE JOB. THEY SHOULD BE MAD.

OTHER ACCOMPLISHMENTS TO KEEP GOVT. SPENDING DOWN:

1) LEGISLATURE REDUCED THE NUMBER OF EXEMPTIONS TO THE PROPERTY TAX LID THAT APPLIED TO LOCAL UNITS OF GOVERNMENT. THE LID PROHIBITS CITIES, COUNTIES, AND TOWNSHIPS FROM RAISING MORE IN TAX DOLLARS THAN THEY DID IN 1988. SCHOOL DISTRICTS WERE EXEMPT (THEY GET 75% OF THE MONEY) SO THE IMPACT WAS DILUTED.

2) SET A BUDGET LID ON SCHOOL DISTRICTS AT 101-103 PERCENT OF THE PRESENT BUDGET. (NOTE: WHILE IT IS BEING TOUTED AS A BUDGET LID, THIS IS STILL AN INCREASE).

3) LIMIT STATE SPENDING BY FORCING THE STATE TO MAINTAIN BALANCES IN THE STATE TREASURY OF FIVE PERCENT OF THE GENERAL FUND BUDGET. (YOU WILL RECALL THAT WHEN CARLIN LEFT OFFICE THE BALANCE IN THE STATE TREASURY WAS SOMETHING UNDER \$20 MILLION. THIS IS SIGNIFICANT, IN MY OPINION, BECAUSE CARLIN LEFT THE STATE NEARLY BANKRUPT WHEN HE LEFT OFFICE).

ALSO IN THE KANSAS LEGISLATURE:

4) A NEW PRESIDENTIAL PRIMARY WILL OCCUR IN 1992 AND BE HELD ON THE REGULAR CITY AND SCHOOL BOARD ELECTION DATE TO SAVE MONEY. ALSO, HAYDEN SIGNED CAMPAIGN FINANCE AND ETHICS LEGISLATION.

5) NO CHANGES OCCURRED IN THE STATE ABORTION LAW.

6) LEGISLATURE APPROVED HAYDEN BILL INCREASING CRIMINAL PENALTIES FOR PEOPLE CONVICTED OF SELLING DRUGS WITHIN 1000 FEET OF A SCHOOL.

7) LEGISLATURE SENT A RESOLUTION TO CONGRESS ASKING FOR AN AMENDMENT TO THE U.S. CONSTITUTION PROHIBITING DESECRATION OF THE AMERICAN FLAG.

8) ATTEMPTS TO EXPAND INTERSTATE BANKING WERE UNSUCCESSFUL.

9) TRUCKS PULLING TRIPLE TRAILERS WILL BE BANNED FROM KANSAS HIGHWAYS (HAYDEN SIGNED).

10) LEGISLATURE REJECTED SPENDING \$16 MILLION FOR THE THIRD YEAR OF THE MARGIN OF EXCELLENCE PROGRAM FOR STATE PUBLIC UNIVERSITIES.

11) 14 AND 15 YEAR-OLDS ACCUSED OF COMMITTING VIOLENT CRIMES (MURDER RAPE AND KIDNAPPING) WILL BE ELIGIBLE TO STAND TRIAL AS ADULTS (HAYDEN ENDORSED THIS).

12) MANDATORY 40 YEAR SENTENCE FOR FIRST DEGREE MURDER PASSED AND WAS SIGNED BY HAYDEN. DEATH PENALTY LEGISLATION HAYDEN WANTED FAILED.

13) LEGISLATORS PASSED A SRS (WELFARE) BUDGET THAT TOPPED HAYDEN'S BY SEVERAL MILLION DOLLARS. HAYDEN SIGNED IT, BUT SEVERAL PROGRAMS WERE CUT ANYWAY. NOTE: HAYDEN'S SECRETARY OF SRS QUIT AFTER THE LEGISLATURE TO GO TO OKLAHOMA.

Reappraisal, classification haunt Carlin

He blames 'lousy implementation'

By Forrest S. Gosssett
Eagle-Tribune Bureau

GOODLAND — The question for former governor John Carlin at the Goodland Rotary Club luncheon Friday afternoon was very western Kansas — simple and blunt.

"The last time you were out here, you were promoting the new tax plan. What went wrong?" asked Wayne Allen, a Goodland merchant.

Carlin replied: "No program is good enough to survive lousy implementation."

constitutional amendment for classification of real property in Kansas. The amendment was overwhelmingly approved by voters. But since that time many Kansas property taxpayers have been upset because of tax changes caused by reappraisal and classification.

According to Carlin, the administration of Gov. Alfie Hayden has done a poor job of managing statewide reappraisal.

But the property tax issue followed Carlin at each campaign stop. For instance, Hayden calls Carlin an "enemy of reappraisal and classification."

As governor, Carlin insisted that

reappraisal and the state's classification amendment be tied together.

During a meeting with real estate agents in Garden City late Thursday evening, Carlin defended reappraisal and classification before a very skeptical audience.

"We had to reappraise — that was not something we could put off," Carlin said. "And classification did protect homeowners and agricultural property, just like it was supposed to do. What we now need to do is fine-tune what we have done."

While on his western Kansas campaign swing, Carlin also addressed some specifics of how to adjust the state property tax system. His proposals included:

■ A possible surtax on the sales

tax paid by merchants. Carlin said that, given the inventories of large merchants such as Wal-Mart and Kmart, the tax would help local governments collect money for fire and police protection.

■ Carlin also endorsed a constitutional amendment passed by the Senate but killed by the House that would have lowered commercial property tax rates in exchange for higher utility and business and machinery tax rates.

■ He also said that he would appoint a secretary of revenue who shared his belief that the value of commercial properties should be closely tied to the amount of income they produce in a given year instead of just considering the replacement cost of a business' building.

CARLIN

From Page 1D

"Lieutenant governor, alone, does not offer me the opportunity to make major policy contributions, so yes, Commerce was an important factor," Johnston said.

Although the choice of Johnston was not a surprise to most party regulars, Carlin did not officially offer the job to the Parsons senator until 10 a.m. Friday morning, when Carlin called him from a campaign stop in Coffey.

Before he called Johnston, Carlin called Rep. Carol Sader, D-Prairie Village, to tell her he had decided to select the Parsons senator. Sader had been one of two finalists for the spot as Carlin's running mate.

Johnston, 44, who is president of Midwest Mortgage Corp. — a mort-

gage brokerage firm — was first elected to the Kansas Senate in 1976. He has been minority leader for six sessions.

Carlin is the first Democrat to announce a running mate. His primary opponents, State Treasurer Joan Finney and Topeka minister Fred Phelps Sr., have said previously they will reveal their choices before the end of May.

Many Democrats believe Finney will choose Sen. Jim Francisco, D-Mulvane, to be her running mate. Francisco repeatedly has declined to confirm or deny that he is being considered by Finney.

Gov. Alfie Hayden is expected to announce his choice of a running mate soon. Shortly before the 1990 Legislature convened, Lt. Gov. Jack Walker told Hayden that he would not seek a second term.

GOVERNOR HAYDEN'S LATEST STATEMENTS REGARDING
PROPERTY TAXES

As Governor, I have taken a strong leadership role in the effort to bring about property tax relief. I will continue to work for tax relief, and it will again be a priority next session.

This past session did see the passage of a new tax lid law and and state spending lid, two proposals I asked for in the state of the state message in January. These will work to hold down taxes for the people of Kansas. However, we must continue efforts to reduce local government's reliance on property taxes.

There is a significant taxpayer unrest out there and it has become clear, especially during the Legislative session, that the Legislature is a real impediment to tax relief. As the old saying goes, "You can lead a horse to water, but you can't make it drink," and that was the story of the Legislative session.

People's taxes are simply too high, so high that it jeopardizes their businesses and their homes. I will continue the fight for a property tax rollback. During the election, we will point out that we have worked hard for property tax relief, that John Carlin was the father of reappraisal and classification, and that it is Mike Hayden who is on the side of the taxpayers of this state.

4476P

FROM HAYDEN'S OFFICE
5-24-90

Background

TO: SENATOR DOLE
FROM: GREG SCHNACKE
SUBJECT: PROPERTY REAPPRAISAL/CLASSIFICATION AND TAXES

THE ISSUE OF PROPERTY REAPPRAISAL AND CLASSIFICATION GOES BACK TO 1963 WHEN THE LEGISLATURE ORDERED REAPPRAISAL OF PROPERTY IN THE STATE TO BRING VALUES IN LINE WITH THE OLD CONSTITUTIONAL REQUIREMENT THAT PROPERTY BE TAXED UNIFORMLY AND EQUALLY. COUNTIES DID NOT FINISH THE EFFORT UNTIL THE EARLY 1970'S. LATER LEGISLATIVE ATTEMPTS TO BRING VALUES UP TO DATE WERE UNSUCCESSFUL SO APPRAISERS CONTINUED TO TAX PROPERTY BASED ON THE OLD VALUES.

UNDER THE CONSTITUTION, PROPERTY SHOULD HAVE BEEN ASSESSED AT 30 PERCENT OF FAIR MARKET VALUE. BECAUSE OF THE OLD VALUES, PROPERTY WAS ACTUALLY BEING ASSESSED AT 8 PERCENT OF MARKET VALUE AND RURAL PROPERTY WAS BEING ASSESSED AT 6 PERCENT. EVENTUALLY BECAUSE OF PRESSURE FROM A NUMBER OF LAWSUITS, THE LEGISLATURE APPROVED REASSESSMENT AND PASSED ON TO VOTERS A COMPLICATED CONSTITUTIONAL AMENDMENT FOR CLASSIFICATION OF PROPERTY - RESIDENTIAL PROPERTY 12 PERCENT, COMMERCIAL PROPERTY 30 PERCENT AND AGRICULTURAL LAND AT 30 PERCENT BASED ON ITS ABILITY TO MAKE MONEY. THE AMENDMENT WAS APPROVED BY THE VOTERS IN 1986.

NOTE: IT IS AT THIS POINT THAT HAYDEN SAYS HIS PLAN WAS PREFERABLE TO CARLIN'S. AS SPEAKER, HAYDEN SUPPORTED REAPPRAISAL OF PROPERTY FIRST, THEN WITH THE NUMBERS IN HAND, DECIDE HOW TO CHANGE THE FORMULA FOR ASSESSMENT. CARLIN WANTED TO CHANGE THE FORMULA IMMEDIATELY AND BUILT IN PROVISIONS THAT DECREASED RESIDENTIAL AND AGRICULTURAL ASSESSMENT LEVELS, AND EXEMPTED FARM MACHINERY, FARM EQUIPMENT, LIVESTOCK, AND MANUFACTURERS AND MERCHANTS INVENTORIES THUS GREATLY NARROWING THE TAX BASE. COMPLICATING THE PROBLEM IS RECENT EVIDENCE THAT SOME COUNTY GOVERNMENTS PADDED THEIR BUDGETS CAUSING SIGNIFICANT INCREASES IN LOCAL PROPERTY TAXES.

THE PROCEDURE TO PROTEST PROPERTY REAPPRAISAL IS TO FIRST CONTACT THE COUNTY COMMISSION. IF A TAXPAYER IS DISSATISFIED WITH THE RESULT THERE, THEN AN APPEAL TO THE STATE BOARD OF TAX APPEALS IS AVAILABLE.

THE GOVERNOR ORIGINALLY REJECTED A CALL BY SOME LEGISLATORS TO CONVENE A SPECIAL SESSION. HE INSTEAD DIRECTED THE STATE DEPARTMENT OF REVENUE TO EXTEND THE DECEMBER 20 DEADLINE FOR FIRST HALF PAYMENT OF LOCAL PROPERTY TAXES TO JANUARY 16. HE ALSO CONVENED THE HOUSE AND SENATE TAX COMMITTEES TO EXAMINE THE SITUATION AND DEVELOP SOLUTIONS. THE JOINT TAX COMMITTEE ENDORSED A CIRCUIT BREAKER TAX RELIEF MEASURE FOR SMALL BUSINESSES AND HOMEOWNERS IN ACTION CONCLUDED NOVEMBER 30. NOTE THAT THERE WAS NO DEDICATED SOURCE OF FUNDING IN THE COMMITTEE RECOMMENDATION AND NO SPECIAL SESSION WAS RECOMMENDED.

DECEMBER 1, ATTORNEY GENERAL STEPHAN SAID HAYDEN'S EXECUTIVE ORDER TO EXTEND TAX PAYMENT WAS ILLEGAL WITHOUT LEGISLATIVE ACTION. HAYDEN IMMEDIATELY CALLED A SPECIAL SESSION OF THE LEGISLATURE FOR DECEMBER 8 TO CONSIDER ALTERNATIVES.

(THE REAL ISSUE HERE IS THE CLASSIFICATION AMENDMENT AND THE CURRENT FORMULAS. TO REALLY "FIX" THIS PROBLEM, THE AMENDMENT PROBABLY HAS TO BE SCRAPPED, RE-DRAFTED AND VOTED ON AGAIN BY THE VOTERS IN A SPECIAL ELECTION. HOWEVER TO DO SO WOULD PROBABLY ELIMINATE THE EXEMPTIONS TO FARMERS AND HOMEOWNERS.)

Background

JANUARY 8, 1990

TO: SENATOR DOLE
FROM: GREG SCHNACKE
SUBJECT: HAYDEN ACTION ON TAXES SINCE THE SPECIAL SESSION

AS YOU ARE AWARE, THE GOVERNOR FACES CONTINUED PRESSURE TO DO SOMETHING ABOUT PROPERTY TAXES. AT THE SPECIAL SESSION, NOT MUCH IN REAL TERMS WAS ACCOMPLISHED. THE SESSION DID PROVIDE A LITTLE BREATHING ROOM FOR THE GOVERNOR TO ADDRESS THIS ISSUE IN THE LEGISLATURE. AMONG THE ACTION TAKEN BY THE LEGISLATURE AT THE SPECIAL SESSION:

- 0 ALLOW TAXPAYERS RENEWED OPPORTUNITIES TO APPEAL HIGHER PROPERTY TAXES.
- 0 ALLOWED TAXPAYERS TO SPREAD OUT THE PAYMENTS ON A QUARTERLY BASIS.
- 0 EXTENDED THE PAYMENT DEADLINE TO JANUARY 16.

THE PROBLEM IS WITH THE CLASSIFICATION AMENDMENT. UNTIL IT IS CHANGED, NOT MUCH CAN BE DONE BY THE LEGISLATURE. HAYDEN CALLED FOR A NEW PROPERTY TAX AMENDMENT TO BE SUBMITTED TO THE VOTERS IN 1990. NO SPECIFIC PROVISIONS WERE OFFERED BY THE GOVERNOR.

I HAVE ATTACHED A RECENT ARTICLE AND MY BACKGROUND MEMO ON PROPERTY TAX REAPPRAISAL AND CLASSIFICATION.

NUYCH NEWS

May 17

Hayden signs three measures

TOPEKA (AP) — Kansas is scheduled to hold presidential preference primaries in 1992 because Gov. Mike Hayden signed into law Friday a package of ethics and campaign finance legislation that includes a primary bill.



Hayden signed three measures, one of which made changes in the state's Campaign Finance Act. The second establishes a special 11-member commission to study state ethics laws and make recommendations to the 1991 Legislature, but it also makes numerous changes in existing laws.

The third part of the package calls for re-establishment of the primaries, starting on the first Tuesday in April 1992. It also contains a provision designed to increase the power of the agency that enforces ethics laws, the state Public Disclosure Commission.

Hayden's actions received a qualified endorsement from Michael Woolf, executive director of the political watchdog group, Common Cause of Kansas. Woolf said his group had serious concerns about parts of the campaign finance bill but supported most of the other bills.

"There's certainly some significant improvements in them, especially the ethics bill," Woolf said.

The state held its only presidential preference primaries in 1980, then allowed the parties to revert to using a complex caucus system to choose delegates to their national conventions.

The bill would allow the parties to determine how they would divide delegates among candidates based upon primary results.

"It enables all rank-and-file members of each political party to go to the polls, close a curtain and register their choice," said Senate Minority Leader Michael Johnston, D-Parsons, a longtime champion of primary legislation.

The second part of the primary bill deals with the commission's power to subpoena records and people during investigations of alleged violations of the Campaign Finance Act.

Currently, the commission must file a complaint, then ask a judge to find that probable cause exists to believe a violation of the law exists. Critics of the law contend that it means the commission must have evidence before it can get a subpoena that would allow the commission to get evidence to prove probable cause.

Under the new law, the commission could ask a judge for a subpoena without filing a complaint after a two-thirds vote. The judge would have to find only that the commission had "information and belief" that it should begin an investigation.

Supporters of the change say it is a significant step toward strengthening the commission's powers. However, Woolf contends that the commission will still have to have substantial evidence — in effect prove probable cause — to get a subpoena.

"It will do nothing," Woolf said.

The campaign finance measure increases the amount of money national party organizations, individuals and political action committees can contribute to state and local party organizations. The changes were designed to rectify what some lawmakers saw as deficiencies contained in 1989 legislation that overhauled the Campaign Finance Act.

However, the new law will increase the amount of money individuals, corporations and PACs can contribute to state Senate campaigns from \$500 to \$1,000 for a primary election and the same amount in a general election.

Property tax lid, spending bills OK'd

By MARTIN HAWVER

Capital-Journal, legislative writer

p. 6B
3/14/90
Gov. Mike Hayden on Friday signed the last two appropriations bills of the recently completed legislative session and a state spending lid bill that gives the governor broad new powers to stop spending to maintain the state's fiscal soundness.

Hayden also signed into law a bill he refers to as his "iron-clad property tax lid," which generally holds cities and counties to property tax levies no higher than those in 1989. It contains several exemptions from the lid, but repeals 49 of the 61 exemptions from property tax levy limits in current law.

The key to the property tax lid is that by removing specific exemptions, local units of government have to either reapportion their spending within their levy limits or pass ordinances that are subject to popular referendums to make specific exemptions from the tax lid.

Hayden performed line-item veto

surgery on the omnibus appropriations bill, the catch-all measure that finances programs approved by the Legislature and makes minor mid-course corrections in spending based on last-minute budget information.

Hayden also signed a spending cuts bill that includes an across-the-board 1.75 percent reduction in all but a few agency budgets. He chastised the Legislature for using the across-the-board cut to atone for its previous overspending.

The omnibus and cuts bills are aimed together at providing the state with a \$100 million general fund balance at the end of the 1991 budget year, June 30, 1991.

In a statement, Hayden said: "I sign (the budget cuts bill) with reluctance. This bill contains 1.75 percent reduction to 60 percent of the state budgets. I find this to be an irresponsible means of budgeting."

A bill that future governors may see as a backstop to legislative overspending — or a sudden downturn in state revenues — accompanied the bills signed Friday.

The spending lid bill, which becomes effective July 1, 1991, authorizes the governor to make spending cuts when the Legislature is not in session to preserve state treasury balances.

Current law allows the governor to allocate spending — that is, reduce spending — only when the entire state budget, or individual agency funds, are projected to reach zero dollars. The spending lid bill allows cuts to be made in mid-year, with approval of a legislative leadership council, before the state goes broke.

Hayden's line-item vetoes to the omnibus appropriations bill strip away about \$5 million of spending, some of which is not needed as a result of legislative action.

He struck \$1.3 million from the budget of the Kansas secretary of state for expenses involved in a statewide referendum on changes in the constitution's property classification article because no such proposed amendment was passed by lawmakers.

He also pulled from the bill

\$750,000 for purchase of a computer to help the Legislature reapportion itself based on 1990 federal census data. In his veto message, Hayden chided lawmakers for the proposed expenditure.

The other substantial cut was of \$2.4 million appropriated for special education services provided by local school districts, largely to make up for higher costs districts incurred as a result of hiring more special education teachers.

Hayden said the Legislature has already appropriated \$113.6 million to special education, a 12 percent increase over the previous year.

Untouched in the omnibus bill is a provision that allows the state to negotiate for and ultimately buy the Victory Life Insurance building at 300 W. 8th.

The building, which will be vacated by Victory Life due to a merger with a Tennessee-based insurance company, has been eyed as a possible new location for the state library or as an office for the attorney general.

MEMORANDUM

TO: SENATOR DOLE

FR: GREG SCHNACKE

DA: MAY 24, 1990

RE: WICHITA ENVIRONMENTAL ISSUE

CITIZEN ACTION, A LIBERAL WASHINGTON, D.C. ENVIRONMENTAL GROUP, LISTED VULCAN CHEMICALS, WHICH HAS A PLANT IN WICHITA, AS TENTH IN THE NATION IN AMOUNTS OF TOXIC CHEMICALS RELEASED IN THE ENVIRONMENT IN 1988. HYDROCHLORIC ACID WASTES MAKE UP MOST OF THE RELEASES. CURRENTLY VULCAN DISPOSES OF THE WASTE BY INJECTING IT APPROXIMATELY ONE MILE UNDERGROUND IN A LIMESTONE FORMATION WHERE IT IS NEUTRALIZED. THE KCC REGULATES UNDERGROUND INJECTION AND THEY HAVE TO PROVE TO THE KCC REGULARLY THAT THE WASTE IS NOT TRAVELING FROM THE DISPOSAL SITE.

VULCAN HAS ALSO EMBARKED ON AN AGGRESSIVE AIR EMISSIONS REDUCTION PROGRAM AND, ACCORDING TO THEM, THEY HAVE REDUCED AIR EMISSION BY 33 PERCENT IN 1989.

RACON, A WICHITA MANUFACTURING COMPANY, WAS LISTED BY THIS GROUP AS 14TH IN TOXIC RELEASES NATIONWIDE. EPA REPORTED LAST MONTH THAT KANSAS INDUSTRIES RELEASED 117 MILLION POUNDS OF TOXIC CHEMICALS IN 1988.

ANOTHER ENVIRONMENTAL GROUP, THE INSTITUTE FOR SOUTHERN STUDIES, RANKED KANSAS IN THE BOTTOM HALF - 33RD - IN THE NATION FOR SUPPORT OF ENVIRONMENTAL PROPOSALS.

KANSAS CLEAN AIR Amendment Summary

FOR IMMEDIATE RELEASE
APRIL 3, 1990

CONTACT: SARA BELDEN
(202) 224-6521

DOLE FIGHTS FOR FAIRNESS FOR KANSAS KANSAS WINS IN SENATE CLEAN AIR BILL

WASHINGTON -- SENATOR BOB DOLE (R-KS) TODAY APPLAUDED FINAL SENATE ACTION ON THE LANDMARK CLEAN AIR BILL THAT INCLUDED MANY KEY AMENDMENTS OFFERED BY THE SENATOR ON BEHALF OF KANSAS FARM, BUSINESS AND COMMUNITY INTERESTS. THE CLEAN AIR MEASURE, WHICH STILL FACES ACTION IN THE HOUSE, WAS APPROVED OVERWHELMINGLY BY THE FULL SENATE.

"KANSAS COMES OUT FAR BETTER IN THIS COMPROMISE VERSION THAN WE WOULD HAVE OTHERWISE," SAID SENATOR DOLE. "I'VE BEEN READING REPORTS ABOUT 'WEAKENING AMENDMENTS' OPPOSED BY SO-CALLED ENVIRONMENTALISTS. THE TRUTH IS WE WOULD HAVE BEEN CLOBBERED IN THIS STATE IF WE HADN'T ADDRESSED SOME OF THESE ISSUES RESPONSIBLY."

"SMALL BUSINESSES, SMALL TOWNS, SMALL ELECTRIC UTILITIES, SMALL HOSPITALS AND SMALL OIL AND GAS PRODUCERS WERE THREATENED WITH EXTINCTION BECAUSE OF SOME OF THE UNREALISTIC AND UNFAIR STANDARDS THAT SOME FACTIONS WANTED KANSAS TO SWALLOW WITHOUT A WIMPER. WELL, WE HAD A DIFFERENT VIEW."

DOLE OFFERED A NUMBER OF AMENDMENTS THAT SUCCESSFULLY DEALT WITH KANSAS PROBLEMS FOUND IN THE COMMITTEE BILL. IN ADDITION, DOLE PLAYED A KEY ROLE CRAFTING COMPROMISE LANGUAGE IN SEVERAL MAJOR AREAS OF THE LEGISLATION THAT ALSO BENEFITS KANSAS.

IN REMARKS ON THE SENATE FLOOR IMMEDIATELY PRIOR TO PASSAGE OF THE CLEAN AIR BILL, DOLE SAID, "THIS IS THE DAY WE STARTED TO WIN THE FIGHT FOR CLEANER AIR AND A HEALTHIER AMERICA."

"FOR MORE THAN A DECADE, CONCERNED AMERICANS HAVE BEEN DEMANDING ACTION. TODAY WE DELIVERED."

"FROM GROUND ZERO, WE HAVE CRAFTED LANDMARK LEGISLATION THAT DWARFS ANY PREVIOUS ATTEMPT TO CLEAN UP THE AIR WE BREATHE. SOME SPECIAL INTERESTS SAY WE HAVEN'T DONE ENOUGH. THE BILL ISN'T 'TOUGH ENOUGH.' COMPARED TO WHAT? COMPARED TO CURRENT LAW, THIS ACT LOOKS LIKE THE DECLARATION OF INDEPENDENCE."

"FOR THOSE WHO WANTED RHETORIC OVER RESULTS, I SAY YOU CAN 'BREATHE EASIER,'" DOLE CONCLUDED.

(MORE)

-2-

DOLE AMENDMENTS WERE APPROVED DEALING WITH THE FOLLOWING AREAS:

KANSAS AGRICULTURE

A PAIR OF DOLE AMENDMENTS CLARIFIED CERTAIN AGRICULTURE ISSUES, ENSURING THAT FARMERS WILL BE ABLE TO RELY ON ANHYDROUS AMMONIA AS A FERTILIZER AND CONTINUE TO UTILIZE NURSE TANKS FOR ITS APPLICATION. IN ADDITION, SENATOR DOLE AUTHORED AN AMENDMENT TO ALLOW FARMERS WHO USE PESTICIDES TO CONTINUE COMPLIANCE WITH THE FEDERAL INSECTICIDE, FUNGICIDE AND RODENTICIDE ACT, (FIFRA), RATHER THAN FACE CONFUSING AND CONFLICTING REGULATIONS BECAUSE OF INCONSISTENCIES IN THE BILL.

IN ADDITION, A DOLE AMENDMENT WOULD BRING ADDED MARKETS FOR KANSAS CORNGROWERS AND ETHANOL PRODUCERS BY REQUIRING THAT SIGNIFICANT AMOUNTS OF REFORMULATED GASOLINE BLENDED WITH ETHANOL BE USED IN NINE OF THE NATION'S DIRTIEST CITIES. SENATOR DOLE ASSERTS THAT AN EFFECTIVE WAY TO ATTACK THE NATIONAL URBAN SMOG PROBLEM IS TO BURN CLEANER, DOMESTICALLY PRODUCED FUELS, SUCH AS ETHANOL. THE PROVISION WILL ENABLE KANSAS PRODUCERS TO DEVELOP SIGNIFICANT NEW MARKETS FOR THEIR GRAIN ALCOHOLS.

KANSAS ELECTRIC UTILITIES

KANSAS ELECTRIC GENERATORS, BOTH BIG AND SMALL, WILL BE TREATED MORE FAIRLY AS A RESULT OF AMENDMENTS OFFERED BY SENATOR DOLE. THE SENATOR FOUGHT HARD THROUGHOUT THE ACID RAIN COMPROMISE AND THE FINAL AGREEMENT ON POLLUTION ALLOWANCES TO ENSURE THAT KANSAS RATEPAYERS WILL NOT HAVE TO PAY FOR THE CLEANUP OF DIRTIER, OUT-OF-STATE UTILITIES THAT HAVE NOT MADE THE SAME FINANCIAL COMMITMENTS TO CLEAN AIR CONTROLS AS KANSAS UTILITIES.

LIKewise, SMALL MUNICIPAL ELECTRIC GENERATORS, OF WHICH THERE ARE OVER 60 IN KANSAS, WILL BE ABLE TO CONTINUE TO OPERATE AND GROW UNDER THE BILL. ONE DOLE AMENDMENT SPECIFICALLY ADDRESSED THIS ISSUE ON BEHALF OF SMALL, CLEAN MUNICIPAL GENERATING UNITS, WINNING A VICTORY FOR KANSAS RATEPAYERS. SENATOR DOLE INSISTED THAT KANSAS ELECTRIC UTILITIES BE TREATED FAIRLY UNDER THIS BILL, AND GUARANTEED THAT KANSAS' CLEAN GENERATING UNITS WILL NOT HAVE TO SPEND, AND PASS ALONG TO RATEPAYERS, MILLIONS OF DOLLARS IN UNNECESSARY CAPITAL IMPROVEMENTS.

-3-

KANSAS OIL AND GAS INDUSTRY

THE SENATE ACCEPTED A PAIR OF SENATOR DOLE'S AMENDMENTS DESIGNED TO RECOGNIZE THE NEGLIGIBLE IMPACT KANSAS SMALL OIL AND GAS STRIPPER WELLS HAVE ON THE NATION'S AIR QUALITY. THE SENATE, IN SEPERATE ACTIONS, ADOPTED DOLE'S AMENDMENTS EXEMPTING STRIPPER OIL AND GAS WELLS FROM TITLE I NON-ATTAINMENT AIR PROVISIONS AND THE TITLE III AIR TOXICS AREA SOURCE DEFINITION. WITHOUT THESE AMENDMENTS, THOUSANDS OF WELLS WOULD HAVE BEEN SHUT-IN AND ABANDONED, CAUSING THE LOSS OF THOUSANDS OF KANSAS OIL AND GAS RELATED JOBS, AND MILLIONS OF DOLLARS OF LOST PRODUCTION REVENUES INCLUDING LOST SEVERANCE TAXES AND ROYALTY PAYMENTS. THESE MARGINALLY PRODUCING WELLS ARE AN INTEGRAL PART OF AMERICA'S DOMESTICALLY PRODUCED ENERGY SUPPLY AND ARE A SIGNIFICANT PART OF THE KANSAS ECONOMY.

KANSAS SMALL BUSINESS AND SMALL COMMUNITIES

SENATOR DOLE ALSO ADDRESSED A GENUINE CONCERN AMONG SMALL STATES WITH REGARD TO ADVERSE IMPACTS THAT THE CLEAN AIR LEGISLATION MAY HAVE ON SMALL BUSINESS AND SMALL COMMUNITIES. ONE DOLE AMENDMENT REQUIRES EPA TO CALCULATE IMPACTS, INCLUDING COSTS, OF CLEAN AIR REGULATIONS ON SMALL COMMUNITIES BEFORE IMPLEMENTATION. DOLE ALSO CO-SPONSORED AN AMENDMENT CALLING ON EPA TO PROVIDE TECHNICAL ASSISTANCE FOR SMALL BUSINESS COMPLIANCE. BECAUSE OF THE HIGHLY TECHNICAL NATURE OF THIS BILL AND THE EXTREMELY COMPLEX NATURE OF COMPLIANCE FOR SMALL BUSINESS AND SMALL COMMUNITIES, SENATOR DOLE ARGUED IT IS ONLY FAIR TO PROVIDE ADEQUATE ASSISTANCE FOR THESE AFFECTED GROUPS TO MEET CLEAN AIR REQUIREMENTS.

KANSAS HOSPITALS AND MUNICIPAL INCINERATORS

BEGINNING WITH THE DISCOVERY THAT THE HADLEY REGIONAL MEDICAL CENTER IN HAYS WOULD BE INELIGIBLE TO OPERATE ITS NEW INCINERATOR UNDER THE ORIGINAL PROVISIONS OF THE CLEAN AIR BILL, SENATOR DOLE'S AMENDMENT ON INCINERATORS TOOK ON NATIONAL IMPLICATIONS. UNDER DOLE'S AMENDMENT, KANSAS HOSPITALS, MUNICIPALITIES AND OTHER SMALL ENTITIES WOULD BE ABLE TO UTILIZE SAFE AND CLEAN METHODS OF INCINERATION, INSTEAD OF LANDFILLS. SENATOR DOLE BELIEVES THAT INCINERATION SHOULD BE ENCOURAGED IN AN ENVIRONMENTALLY PROTECTIVE WAY, AND THAT RECYCLING SHOULD BE ENCOURAGED WHERE MARKETS AND CAPACITY EXIST.

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12A THE WICHITA EAGLE Thursday, April 12, 1990

The Wichita Eagle

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Incorporating The Wichita Beacon

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Keith Murray
General Manager
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Managing Editor
George Neavoll
Editorial Page Editor

EDITORIALS

Disgrace Senate lards its clean-air bill with pro-polluter amendments

It was bad enough that the Senate last month passed a clean-air bill setting weak, industry-friendly air-quality standards. Now we learn that the Senate also larded the bill with a host of special-interest amendments that weaken those standards even further.

Any remaining doubt that senators didn't have the health of the American people at heart while crafting this legislation now is dispelled. The Boston Globe's careful examination of the bill reveals that the Senate exempted polluters all over the country from the legislation, which focuses on industrial and auto emissions of toxic chemicals and other pollutants.

The list is long: North Dakota's five dirtiest power plants are exempted from key acid-rain control provisions; a few steel mills will get 30 years instead of 10 to clean up their smokestacks; Florida power companies get a \$400 million, 10-year break on pollution control costs; and so it goes, on and on and on.

One of the bill larders, sadly, was Sen. Bob Dole, R-Kan., who tacked on an amendment requiring oil companies to buy grain for ethanol production, and who

backed another amendment exempting most toxic farm chemicals from air-pollution control standards.

Special-interest amendments are a prominent feature of bill-making, but on bills of this type, they can have a devastating effect. Mr. Dole's ethanol amendment, for instance, would benefit producers of this low-polluting gasoline additive. But the amendment also ties the hands of oil companies, giving them fewer ways to bring their own operations into compliance with air-quality law. And the farm-chemical exemption is especially bad news for Kansas and other farm states, where farms — and wind — are prolific.

The Senate's approach to clean-air law-making ignores the many Americans who daily are exposed to health-sapping pollutants, from toxic chemicals to auto-caused ozone and smog. Fortunately, the Senate's isn't the last word on the subject.

One hopes that the House, which shows signs of taking cleaner American air more seriously, passes a pollution bill that subjects every polluter to tough but reasonable air-quality standards. The nation's health and beauty, after all, depends on it.

WICHITA EAGLE EDITORIAL ON CLEAN AIR
WITH YOUR RESPONSE.

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COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
RULES

United States Senate

WASHINGTON, DC 20510

April 16, 1990

Mr. George Neavoll
Editorial Page Editor
The Wichita Eagle
Wichita, Kansas

Dear George::

Your recent editorial "Disgrace - Senate lards its clean-air bill with pro-polluter amendments" (Wichita Eagle, April 12, 1990) was at best inaccurate and at worst a serious distortion of what took place on the floor of the United States Senate for the last several weeks. Lack of information about what was in the Clean Air bill has been a particular concern of mine from the beginning. However, the Eagle again has demonstrated a lack of understanding of the issue and a clear abandonment of any responsibility to accurately follow legislation that it chooses to crusade about.

The fact of the matter is that we spend as a nation over \$30 billion each year for clean air controls, over twice as much as is spent on the farm bill. This bill, which has yet to be acted upon by the House, will add at a minimum an additional \$20 billion annually to the price we pay for environmental controls. That figure is likely to be higher once all the planned controls are implemented. That means higher prices for consumer items, higher electric utility prices, in fact, it might even mean the cost of the Wichita Eagle may be higher once printing process emissions are cleaned up, that is unless you are in compliance now.

I am proud to say that I fought for several "Kansas" amendments that will make this bill more fair to our State when it is implemented. I believe that Kansas should not have to pay the same price as the Los Angeles basin or Chicago when it comes to addressing clean air problems. Farmers, small businesses, small communities, small oil and gas producing wells, small utilities, hospital and municipal waste incinerators and others who would have found themselves in the same category as large, urban polluters in the rust belt or in the chemical belt simply would have been forced out of business if left unaddressed in the bill.

Two points in your editorial I suggest the Eagle "go back to school" on were the assertions that my amendments "force" oil companies to buy grain for ethanol production, and that a Dole amendment exempted most toxic farm chemicals from air pollution control standards. This is simply not the case.

Under the standards for reformulated gasoline, over a phased in period of several years, oil companies will have to phase down cancer causing aromatics such as benzene, and replace them with other, cleaner burning alternatives. Ethanol will be but one of the new alternatives used by oil companies. Other additives such as ethers and other alcohols will be available, including methanol produced from natural gas. No single alternative is forced. In fact, at least six different types of reformulated gasolines are available on the market today, and at least two major oil companies announced reformulated gasoline programs nationally just days after the Senate passed the Clean Air bill in addition to several who already have such programs in place.

Another statement that was made in error implied I had exempted "most" farm chemicals from air pollution standards. Clearly if your staff had read the amendment they would have realized this is also inaccurate. I did sponsor an amendment that would require that federal pesticide regulations under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) would be followed in the event of an inconsistent regulation mandated by the Clean Air Act. As you know, FIFRA is a comprehensive law regulating pesticide use. In fact, there are criminal penalties for pesticide misuse under FIFRA (just check the label).

The truth is that a number of Kansas industries would have been clobbered had some of these amendments not been made. How are we supposed to tell farmers they can no longer use anhydrous ammonia as a fertilizer because it is no longer economical to produce? Is it fair that thousands of oil and gas related jobs and the revenues that go with them be lost to Kansas because some EPA bureaucrat in Washington interprets new regulations not intended for this industry to apply and adds back-breaking costs to keeping a well pumping? Tell that to the oil and gas producer who has seen the price of oil drop sharply in the last few weeks. Perhaps it is better that we as a nation import more than half our oil from overseas, as we did when the OPEC nations cut off our supplies rather than produce it here and add clean, alternative fuels that can be produced from natural sources like grain.

The facts are that the nation will get much more than they bargained for at a cost no one has quite predicted yet when we finally get around to passing a Clean Air bill. Kansas, however, should come out ahead. I intend to fight for fair treatment of Kansas and our citizens in the Conference Committee in the weeks and months ahead.

Sincerely,

BOB DOLE

MAY 25, 1990

TO: SENATOR DOLE
FROM: DAN STANLEY
SUBJECT: CIVILIAN PERSONNEL CUTS AT FT. LEAVENWORTH

THE ARMY ANNOUNCED A REDUCTION OF 80 CIVILIAN STAFF POSITIONS AT FT. LEAVENWORTH AS A RESULT OF THE OF THE OVERALL BUDGET SQUEEZE. ONLY 20 PEOPLE WILL ACTUALLY LOOSE THEIR JOBS AS 60 OF THESE POSITIONS ARE CURRENTLY UNFILLED. THE SENIORITY SYSTEM WILL ALLOW SENIOR PEOPLE TO RETIRE, OR BID ANOTHER JOB CURRENTLY HELD BY A LESS SENIOR INDIVIDUAL.

- MAKE NO MISTAKE, KANSAS IS GOING TO FEEL THESE DEFENSE CUTS JUST LIKE EVERYBODY ELSE.
- WE HAVE TO MAKE SURE THAT WE "BUILD DOWN" NOT "MELT DOWN" THE DEFENSE BUDGET.
- THESE PEOPLE THAT WOULD JUST GUT OUR DEFENSES LOOKING FOR SOME KIND OF PEACE DIVIDEND ARE GOING TO WAKE UP AND FIND OUT THAT THEY HAVE PUT LOT OF THEIR OWN PEOPLE OUT OF WORK.

II. KANSAS VA CONSTRUCTION PROJECTS

A. LEAVENWORTH (VET POPULATION-47,000):

1. Replacement of domiciliary- \$17.9 Million project to build a new living facility. The 1990 funding is \$1.9 million and construction will begin in early 1991.
2. Fireproofing- The VA facility fireproofing is nearing completion. This \$6.8 Million project ensured that there are modern systems and materials throughout the facility.
3. The building and grounds of the VA facility is in the process of upgrades and improvements to the drainage, sewage, and roads in and around the facility, and there is an ongoing asbestos removal program in place. Project total over \$3.1 Million.

B. TOPEKA (VET POPULATION-57,500):

1. New intensive care unit (ICU) for the hospital is now complete. Project cost was \$720,000.
2. Renovation of the Topeka VA Nursing Home is to begin construction in January of 1991. Project cost is \$495,000

C. WICHITA (VET POPULATION-120,000):

1. Construction on the consolidated VA regional office is in progress with completion expected in early 1991. Project cost is \$5.4 Million.