

Clyde Martin Reed

Message of Governor Clyde M. Reed

Special Message to the Legislature.

To the Senate and House of Representatives:

I have called you into extraordinary session to deal with an emergency confronting the state in the matter of taxation which arises out of judicial interpretation of the application of the so-called intangible tax laws. Difficulties in the application of these laws have been experienced substantially from the time of their passage in 1925. The subject was considered at the regular session of 1929. On February 25, 1929, I sent to the Senate and to the House of Representatives a message dealing with the situation as it then existed. The early history of these laws and the experience thereunder were precisely stated in that message and I am here repeating the salient points of what I said at that time:

THE 1929 MESSAGE.

"The session of 1925 passed what is known as the moneys and credits, otherwise known as the intangible law, and the mortgage-registration law. In a sense, both of these laws are referred to as the intangible-tax laws. These laws provided for a rate of taxation of two and one-half mills upon mortgages and two and one-half mills on intangibles, consisting of moneys and credits.

"The legislature of 1927 increased the rates on moneys and credits from two and one-half mills to five mills. There was no change in the mortgage-registration tax. At the time of the passage of these laws little or no attention was paid to their effect upon the rate of bank taxation.

"Section 5219 of the federal statutes provides in part that:

" ' . . . In the case of a tax on said shares the tax imposed shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such state coming into competition with the business of national banks. . . ' "

"In 1925 one of the great national banks of Kansas, which like other banks—national and state—had theretofore been taxed at the general-property rate in its district, brought suit in the United States district court enjoining the collection of taxes under the general-property rate, claiming it was entitled to be taxed at the intangible rate because of the provisions of the federal statute providing for 'moneyed capital in competition' clause. The bank was successful in establishing its contention. Following the decision in the federal district court an appeal was taken by the taxing officials to the United States circuit court of appeals, where the decision of the lower court was affirmed. Following this affirmance, a writ of certiorari was made to the United States supreme court. This writ was denied on October 18, 1928.

"Following the filing of the first suit mentioned above, other national banks in various taxing districts in the state paid their taxes under protest, and subsequently filed suits for the return of this money so paid.

"The course of the original case has made it necessary for various counties and taxing districts to return to national banks all moneys paid in excess of the intangible rate. The taxes paid under

protest in some cases cover those due in 1925, 1926, 1927, and 1928, and in some cases the accumulated sums of all four years have been or must be returned.

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"Suits have been and are now being filed by state banks alleging discrimination in the rate of taxation and praying their taxes be reduced to the national bank basis. If these banks were successful in maintaining such contention it will further disrupt the fiscal arrangements of the various units of government.

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"Your assessment and taxation committees and myself, in conjunction with the attorney-general, the Tax Department and bank commissioner, have made every possible effort for a solution of this problem without the repeal of the intangible laws. All of us believe in the advantage of these laws to the general business of the state and have hoped even against hope that some way other than their repeal could be found. . . .

"I am, therefore, constrained to lay this situation before you, and, with the greatest reluctance, recommend that the intangible laws be repealed. No one is more conscious than myself that this is a step backward and should not be taken except in the face of a situation so serious that the entire taxing and fiscal situation in the state would be so seriously disturbed as to leave no alternative.

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"My distinguished predecessor, former Governor Ben S. Paulen, is a banker himself and chairman of the legislative committee of the Kansas Bankers' Association. He has used his utmost endeavors to reach a correct solution of this situation in cooperation with those mentioned herein, which effort has failed.

"In his message to you at the beginning of this session he used this language:

" 'In our efforts to secure a reasonable revenue from intangibles which would be fair and just we are confronted with a federal law which places national banks on the same basis as intangibles with reference to taxation. The people of Kansas should not, and in my opinion will not, permit national banks to be taxed at one rate and state banks at a higher rate. It is apparent that unless some method can be devised which will place all banks on the same basis with reference to taxation, our mortgage registration law, intangible tax law and other laws which conflict with section 5219 of the federal law must be remedied. . . . '

"The legislature of 1925 enacted these laws under the belief that progress would be made in modernizing our taxation system. That a situation as now exists would flow out of this action was never dreamed of. The system of taxation is so complex and complicated that action taken on one phase of it may affect other phases beyond the degree readily apparent. These facts

furnish a complete reason why the present session should commit the whole problem to an exhaustive study before we undertake a complete revision of our taxing and fiscal system. . ."

The recommendations made for the repeal of the intangible tax acts were not followed. Reference is made in the message quoted above to litigation then pending which had for its purpose determination of the right of state banks to be taxed on the same basis as national banks. Such right had not been legally established at the time when consideration was given to this question in the session of 1929. This is equal right of taxation at the intangible rate was secured by shareholders in a case brought by a state bank in Topeka, designated as Voran et al. vs. Wright et al., in a decision of the supreme court of Kansas, in which the original opinion was rendered on November 9, 1929, and the final opinion on rehearing handed down on February 8, 1930. A copy of the opinion of the supreme court in that case was sent to all members of the legislature.

In this opinion the court makes it quite clear that the discrimination in the taxation of national and state banks is not directly occasioned by state legislation, but rather by the effort of a federal law guaranteeing that shares in national banks shall not be taxed at a higher rate than competing moneyed capital. Shares of stock in state and national banks are, for purposes of assessment and taxation, regarded as personal property. They cannot be classified as intangibles and taxed at a low millage rate, since the constitution does not permit of such classification or taxation. But nevertheless the supreme court in the decision referred to, in order to avoid a discrimination in the taxation of shares in state banks, as with shares in national banks, has held that state bank shares can be taxed no higher than the intangible rate of tax secured by shareholders in national banks. In so far as taxation is concerned, there is no legal distinction between shares of stock in a state bank and any other unclassified general property. But if such shares, as the court has said, cannot be taxed at a higher rate than that provided by the intangible law, is it not a fair deduction that all other unclassified property should likewise be taxed at the same rate? To do otherwise would it not create a discrimination? If this is true, then shares of bank stock must bear the same rate as land, horses, furniture and any other property. And if the fact that holders of shares of stock in national banks are permitted to pay at the intangible rate creates an unlawful discrimination against shareholders in state banks, then it likewise creates the same discrimination against all general property not susceptible of classification under the constitution. Upon the opinion in this case being handed down by the court, I asked the attorney-general and the Tax Commission to give the entire subject prompt attention and to advise me as to the probable effect of the decision. I am quoting herewith the advice which the attorney-general gave me upon the subject:

FEBRUARY 12, 1930.

Hon. Clyde M. Reed, Governor, Building.

MY DEAR GOVERNOR—Your letter of February 12 has been received, in which you ask my opinion upon the effect of the decision of the supreme court filed February 8, 1930, in the case of Voran et al. v. Wright, as County Treasurer of Shawnee County, et al., which passed upon questions of discrimination growing out of the intangible tax statute and the mortgage registration statute.

The opinion of the court, written by Justice Hutchinson, was joined in by five other justices. Justice Harvey filed an opinion in which he concurred in part and dissented in part from the opinion of the majority, and made some statements concerning the effect of the decision of the court not contained, at least expressly, in the majority opinion. Justice Harvey stated, "In what

situation does this leave us? Simply this: Under our present constitution and statutes and giving force to the federal statute (Rev. Stat. 5219), as we must do, we cannot have a valid tax (that is, one not unlawfully discriminatory) on any property in the state at a rate greater than that which can be unlawfully made on the same shares of stock of national banks. This, as we have heretofore seen, is measured by the rate provided by our statutes for the taxation of moneyed capital in the hands of individual citizens of the state which comes into competition with the business of national banks, none of which is taxed at more than the intangible tax rate of 50 cents per \$100 valuation. We all know, of course, that if no property in the state can be lawfully taxed at more than 50 cents per \$100 valuation, the functions, not only of the state but of every subdivision of it, supported in the main by our general property tax, will be seriously impaired." Upon a careful study of the opinion of a majority of the court I think the statement and conclusion of Justice Harvey of the effect of the decision of the court is correct, and following that decision, the intangible tax statute, the mortgage-registration statute, and also the statute concerning secured debts, being chapter 327, Session Laws of Kansas for 1927, should be repealed, in order to avoid the effect of claims by property owners of the benefits of limitation of the intangible tax rate of 50 cents per \$100 valuation in the payment of taxes upon their property.

Very truly yours,
WILLIAM A. SMITH, Attorney-general.

It seems proper to add that before convening you in extraordinary session I further conferred with eminent lawyers both within and without the membership of these bodies, and in the main their opinions and advice coincided with that given me by the attorney-general and State Tax Commission as to the effect of this decision upon the whole question of taxation. Even if in the end our fears should be unfounded, we are undeniably facing the possibility of almost endless litigation on the question of what is a proper rate of taxation for the various classes of property outside of bank shares, whether state or national; in fact, the Tax Commission advises me that in several counties of the state taxpayers are moving to protest payment of the second half of taxes accruing in 1929. We seem to be facing the probability of endless litigation and unsettlement of revenues necessary to conduct city and county government, including schools. Such a situation cannot be ignored by those in responsibility.

With a few exceptions the national banks are now paying taxes at the intangible rate of 50 cents per \$100. The difference in the taxes accruing from those banks at this rate and what would accrue at the ad valorem rate in the various locations where the banks are situated is \$698,248. The state banks have now secured legal right to pay taxes upon shares at the intangible rate. The loss in revenue to the various taxing units, calculated upon the same basis as stated above, amounts from this source to \$868,000; the aggregate loss in taxing revenues from these sources is \$1,566,248. The loss of this revenue is most serious to local taxing units, and especially to school districts. But when this loss is coupled with the near certainty of an extension of litigation to include much other property, there seems to be no course open except to recommend repeal of the intangible tax laws, thereby leaving the way open to assess all property on the same basis. I do this with reluctance, for I am aware of the unsettling that will be produced by this action and the loss of such benefits as have flowed from those laws. I am especially reluctant to recommend the repeal of the mortgage-registration law, but I see no other way out of the dilemma. From a revenue-producing standpoint it cannot be said that the intangible-tax laws have been successful. I am inserting here for your information a table to be found on page 168 of the report

of the Tax Code Commission to me. (This report has been placed in the hands of all members of both houses.)

ASSESSMENTS AND REVENUE FROM INTANGIBLES IN KANSAS, 1915-1929.*

YEAR.	Assessments.			Revenue.		
	Moneys and credits.	Mortgages.	Totals.	Moneys and credits.	Mortgages.	Totals.
1915.....	\$84,890,000	\$68,583,120	\$150,473,000	\$994,286	\$768,225	\$1,762,541
1916.....	92,600,000	64,593,499	157,193,000	1,110,695	775,116	1,885,791
1917.....	108,509,000	62,565,368	171,165,000	1,423,929	838,699	2,262,578
1918.....	141,171,000	59,119,085	200,290,000	1,501,917	814,528	2,316,445
1919.....	115,621,000	58,757,274	174,378,000	1,863,810	947,162	2,810,927
1920.....	†127,806,000	†74,099,000	201,905,000	2,240,995	1,316,250	3,560,245
1921.....	†112,076,000	†64,770,000	176,846,000	2,241,000	1,295,400	3,536,400
1922.....	†93,884,000	†54,431,000	148,315,000	1,827,921	1,059,771	2,887,692
1923.....	†89,292,000	†51,769,000	141,061,000	1,885,936	1,093,413	2,979,349
1924.....	†76,000,000	†44,063,000	120,063,202	1,646,507	919,088	2,565,595
1925.....	148,667,608	191,588,739	340,114,408	373,316	478,617	851,943
1926.....	159,065,615	172,638,144	331,703,759	401,369	431,163	832,532
1927.....	153,528,779	192,966,127	346,494,906	767,712	482,015	1,149,727
1928.....	146,524,110	142,154,603	288,678,713	732,620	355,386	1,088,006
1929.....	151,854,606	133,651,013	285,505,619	704,661	336,999	1,041,660

* Average revenue from mortgage registration act for the five years that it has been in effect (1925 to 1929 inclusive) was \$416,836 or 45.35% of the yield in 1924, the last year that mortgages were taxes under *ad valorem* rate. The revenue from general moneys and credits for 1929 was about 43% of what it was the last year under the *ad valorem* rate. To this amount should be added the stamp tax on secured debts, which produced for the year ending June 30, 1929, \$81,145.30.

† Estimated by taking previous five-year average of total intangibles.

From the above table it will be observed that the maximum amount of moneys and credits listed for assessment, prior to the enactment of the intangible-tax laws in 1925, was 1918, when \$141,171,000 of such property was listed for taxation; that sum declined to a minimum of \$76,000,000 in 1924 and increased to \$159,065,615 in 1926, since which time there has been a slow decline.

Experience with the mortgages taxes follows the same general lines. It will be observed that the maximum revenue received from moneys and credits, and also from mortgages, was the greatest in 1920, when the sum of \$3,560,245 was secured. From this peak the amount realized slowly declined up to and including 1924. Experience beginning in 1925 has been at the rate provided in the three intangible tax laws. The maximum revenue received was in 1927, when \$1,149,727 was collected—a sum less than one-third of the revenue derived in 1920. I am incorporating this information for whatever value it may be to you in your consideration of the question.

The repeal of the intangible-tax laws will meet the emergency created so far as it is within the power of the legislature to so do through legislative enactment.

THE NEED OF A CONSTITUTIONAL AMENDMENT.

The present constitution of Kansas was written in 1859. There was little property in the territory at that time and most of it consisted of land, buildings and other property in plain sight. Future tax legislation was placed in the straight jacket through the provision "that the legislature shall provide for uniform and equal rate of assessment in taxation." This language has been in the constitution since 1859 and has been a constant stumbling block to progressive tax legislation. It sounds all right, but it does not work well. Other states originally having similar constitutional

provisions have found it necessary to amend them.

Some of those upon whose advice I rely in matters of law and taxation question whether the repeal of the intangible laws will be entirely successful in remedying the present situation and preventing future emergencies of this character unless the constitution is also amended. The Tax Code Commission, beginning on page 150 of its report, discusses this question. I commend that discussion to your attention. Leaving to the judgment of the legislators the phraseology of the amendment to be submitted, I strongly urge that such action be taken so that at the general election of 1930 the people may have before them a suitable proposal for this urgently needed amendment to the constitution.

DESIRABLE BUT NOT EMERGENCY MEASURES.

I feel a reluctance in exercising the power of convening the legislature in extraordinary session, and only do so in a grave emergency. This session of the legislature has been convened only because of the necessity which has been described above.

I am not disposed to urge upon members a lengthy session; to the contrary, I agree with the great majority who desire to shorten the session as much as possible. From the expense standpoint the main single item is the mileage accruing to the members. That expense is incurred whether the session is one or thirty days in length. The emergency which impelled me to call the legislature into session can be met by the repeal of three acts, and the submitting of a constitutional amendment as heretofore outlined. If the members are inclined to spend a few additional days several other changes can be made in our tax laws which are highly desirable and none of which I think are subject to any great controversy through differences of opinion. I would not regard any of the measures hereafter to be discussed as warranting the calling of the legislature into special session, but I do believe that these measures are worthy of attention, now that the session is convened. As briefly as possible I shall discuss a number of these measures.

INHERITANCE-TAX LAW.

I suggest an amendment of our laws relating to legacies and successions, in order to take advantage of the credit feature of the federal estate law. The federal internal revenue act of 1926 provides that any estate tax imposed by the federal government shall be credited with the amount of any estate, inheritance or legacy or succession taxes paid to any state in respect of any property included in the gross estate. A credit allowed under the internal revenue act cannot exceed 80 per cent of the federal estate tax. A number of resident estates have come to the attention of the Inheritance Tax Commission where the inheritance tax imposed by this state has been less than the 80 per cent credit afforded by the internal revenue act. The net result is that Kansas, by failing to impose the tax equal to 80 per cent of the federal tax, has lost considerable tax revenue. Some seventeen states have availed themselves of the credit allowed under the federal revenue act. Should Kansas pass a law taking advantage of the credit permitted under the federal revenue act, it would in nowise increase the total tax on any estate. It would merely increase the tax revenue to this state, and diminish that received by the federal government, but the gross tax would in nowise be affected.

A discussion of the inheritance-tax situation is to be found in the report of the Tax Code Commission, pages 138 to 143, inclusive.

INSURANCE COMPANIES' TAXATION.

I invite attention of the legislature to the discussion of insurance taxes in the report of the Tax Code Commission, pages 119 to 125, inclusive. If matters other than emergency are to be considered, I would recommend consideration be given to the enactment of a measure that will clarify the insurance-tax situation and increase the revenues to the state and counties from this source. At the present time insurance company tax conditions are almost as unsatisfactory as the bank tax conditions.

TAXATION OF MOTOR VEHICLES.

There is substantial agreement upon the proposition that motor vehicles used in commercial transportation are not paying revenues to the state in proportion to the use which these vehicles make of the highways built and maintained at public expense. The Tax Code Commission, on pages 128 to 131, inclusive, of its report, makes some very pertinent observations which need not be repeated here. If matters of this character are to be given consideration, I recommend this subject to your attention.

FEES AND LICENSES.

Fees charged in the various state and county offices for services rendered to particular classes of people were fixed many years ago and have remained substantially constant through that period. In some cases no fees are charged where they should be. There is no reason why public utility companies and others utilizing the authority and machinery of the Public Service Commission should not pay reasonable fees for services actually rendered. The secretary of state is of the opinion that changes should be made in certain fees collected by and through his office. Fees charged by certain county officials, such as register of deeds, clerk of the court and probate judge should bear a direct relation to the cost of maintaining the offices. This matter is discussed by the Tax Code Commission in its report, pages 147 to 149, inclusive, and I commend this subject to your attention.

ADMINISTRATIVE FEATURES OF TAX LAWS.

I am in general sympathy with the views of the Tax Code Commission as set out in chapter 5, beginning at page 85 of this report, though my conclusions on some point differ from those reached by that body. Its major recommendation in that chapter is that the county should be made the unit of assessments instead of the township, and that a county board of real-estate appraisers be created. I find much merit in its suggestion, though I would not go so far as the Tax Code Commission in requiring the appointment of these boards to be subject to the approval of the State Tax Commission. However, that is a large subject upon which there is much difference of opinion, and I do not recommend that it be given attention at this time.

It will be impossible to affect the administration of tax laws this year through an act of this session. The numerous assessors have already been appointed and the work will shortly be under way. I would suggest, however, that uniform system of accounting be required, adapted to the needs of the various taxing units, and that the present optional provision for audits of accounts should be made compulsory. I do not regard it advisable at this time to require that these audits

be made by accountants working under the direction of the Tax Commission. In carrying out the compulsory audit plan, I think it would be a step in the right direction if these audits were made by any responsible accountant. The Kansas League of Municipalities has a department which furnishes its members with an auditing service, and I do not regard it either as necessary or desirable to disturb such an agency already doing effective work. I believe that the value of uniform accounting and compulsory audits is sufficient to warrant action by this session, if consideration is to be given subjects of this character. I would also recommend that every taxing unit be required to make up and publish a budget before levying assessments. In itself this will inform taxpayers of the purpose for which levies are to be made and the use to which the money so raised is to be put.

The need for information is not confined to taxpayers. We find many taxing officials who, on taking office, have no adequate knowledge of the requirements of their branch of government, and hence adopt the practice of levying the maximum amount without careful estimate of what is needed. Once the tax is levied it is very easy to find ways to spend the money.

I have suggested in this part of my message several matters to which consideration may profitably be given. Some of them involve additional revenue and some do not. If consideration of these suggestions were to unduly prolong the session I would not urge them. I believe, however, that none of the subjects mentioned above would develop any deep-seated differences of opinion that would involve long debates or seriously delay adjournment of this session. Several of the measures suggested would provide additional revenues to the state, and to the counties and cities, sufficient to several times over meet the expense of this session, and unless in the judgment of the members of these bodies your adjournment will be unduly delayed by consideration of these suggestions, it would seem desirable to consider them.

THE BUSINESS OF GOVERNMENT.

There is a considerable amount of loose talking about the business of government. The talking is done mostly by individuals who have a selfish purpose to accomplish, or a personal or political ambition to serve. The facts are that the standard of living for government has increased in very much the same proportion as has the standard of living for individuals. As long as people demand more and more governmental service in the way of highways, paved streets, sewers, parks, playgrounds, better street lighting, larger school buildings and broader and more expensive courses of study, so long will the cost of city, county and state government increase. I say this in the face of the fact that the tax levy for the current year for state purposes is the lowest since 1921, and the cost of government for the fiscal year, ending June 30, 1929, showed a slight decrease over the cost of the previous year, with both years reduced to a per capita basis. We are spending money to-day in state government, with the exception of highways, at a slightly lower rate than has been the case in very recent years. This situation gives me hope that possibly the cost of state government has reached a point where it may be stationary, with a chance of a slight decline, unless the people demand increases in governmental service. It must be borne in mind that out of the general-property tax dollar in 1929 the state took 5.69 cents; the soldiers' bonus, 2.22 cents; the counties, 19.5 cents; the townships, 7.44 cents; the cities, 15.56 cents; the schools, 42.78 cents; miscellaneous purpose and special assessments took 6.81 cents. State taxes are the smallest division of the general-property tax dollar. It is, of course, proper to say that the state is the largest beneficiary from indirect taxation.

I am dealing comprehensively with these matters in this message so that every obtainable fact

may be available for your information and consideration.

The state has extended its activities in the last fifteen or twenty years. It is doing many things now that were unthought of fifteen years ago.

State government in itself has expanded to some extent, but the largest development and expansion has been in the schools, the charitable and penal institutions and in service rendered for all or certain classes of people, which, strictly speaking, are not a part of government and for which the people to whom the service is rendered pay.

A phrase frequently used by the uninformed who are sincere, and the informed who seek to mislead is that "the state has too many boards and commissions." There may be an element of truth in this, but the statement as usually made is misleading and intended to be so by many of those who use it. There may be an element of truth in this, but the statement as usually made is misleading and intended to be so by many of those who use it. There are a large number of administrative boards and commissions, and it may be that the number can be reduced through a careful study of government that might lead to a reorganization of some of the departments, and a consolidation of some of the boards and commissions. State government has been a growth of many years through many different administrations and many different legislatures. It is much easier to criticize than to act constructively. In order that I may have the benefit of an impartial study and that the legislative session of 1931 may have available for its consideration an analysis of state government, I make the following recommendation:

That this session authorize a bipartisan commission of five or seven members, to be composed partly of members of the legislature and partly of capable and disinterested citizens of Kansas, to study and analyze state government and to report to the governor by December 1, 1930, its recommendations as to improvement in efficiency, or decrease in expenditures through changes, consolidations or discontinuance of any of the existing administrative and executive agencies. To enable this commission to do its work properly I would suggest an appropriation of \$5,000 for its use, with such compensation to the members as the legislature may deem proper.

I am including with this message basic information concerning the administration of state government which has not been heretofore available in the concise form herein presented. For example, the following table A shows property taxes levied during the last fourteen years. These taxes have increased 150 per cent, but the largest part of the increase has gone into schools, the expense of which increased 210 per cent. The next largest increase was for roads and bridges, which amounts to 160 per cent. The amounts shown in this table included all property taxes levied for all purposes, but do not include indirect taxes, whether accruing to the state, county, or city, or fines imposed for law violations, which are turned into the school fund, or excises, such as occupational licenses and taxes collected by cities and other units of government.

TABLE A—STATEMENT OF PROPERTY TAXES LEVIED DURING LAST 14 YEARS.

Year.	Population.	Schools.	Roads and bridges.	Total tax for all purposes.	Amount tax per capita.
1916.....	1,715,463	\$13,189,709	\$5,258,785	\$38,253,736	\$22.30
1917.....	1,736,900	15,625,312	6,929,657	43,793,376	25.21
1918.....	1,734,363	17,986,839	7,589,712	47,252,459	27.24

1919.....	1,759,793	21,156,372	10,349,780	58,443,255	33.21
1920.....	1,779,936	29,876,325	12,045,784	71,805,717	40.34
1921.....	1,792,926	32,776,621	12,484,368	80,249,385	44.76
1922.....	1,807,022	32,192,451	10,439,606	74,137,725	41.03
1923.....	1,824,190	34,187,486	10,589,472	80,985,298	44.40
1924.....	1,833,882	34,847,297	11,100,589	82,832,300	45.17
1925.....	1,812,986	36,069,433	10,865,006	85,207,921	47.00
1926.....	1,822,989	37,702,286	10,764,108	87,736,315	48.13
1927.....	1,837,514	38,790,202	11,699,320	91,749,338	49.93
1928.....	1,838,425	39,876,755	12,505,440	92,378,025	50.25
1929.....	1,852,114	40,905,958	13,690,305	95,669,735	51.65
Percentage increase 1929 over 1916,		210.13%	160.33%	150.09%	

AUTHORITY: State Tax Commission.

The table below is a statement of disbursements, exclusive of highways, for state government in Kansas from 1915 to 1929, inclusive. The lower part of the table shows the highway disbursements which, beginning with 1926, have been almost entirely from revenues received from motor-vehicle licenses and gasoline taxes, and are not included in the general property taxes shown in the upper portion.

TABLE B—COMPARATIVE STATEMENT OF DISBURSEMENTS (EXCLUSIVE OF HIGHWAYS). POPULATION OF KANSAS AND COST PER CAPITA, FISCAL YEARS 1915 TO 1929, INCLUSIVE.

YEAR.	Disbursements.			Population.	Cost per capita.
	Paid from fees collected.	Paid from general revenue.	Total.		
1915.....	\$822,588.34	\$4,479,942.17	\$5,302,530.51	1,672,545	3.17
1916.....	1,097,209.76	4,387,502.76	5,484,712.52	1,715,468	3.20
1917.....	1,483,531.29	4,949,979.18	6,433,510.47	1,736,900	3.70
1918.....	2,046,734.17	5,054,122.62	7,100,856.79	1,734,636	4.09
1919.....	2,659,988.76	5,486,653.74	8,146,642.53	1,759,793	4.63
1920.....	2,225,742.76	7,024,760.40	9,250,503.16	1,769,257	5.23
1921.....	2,877,703.36	6,997,827.81	9,875,531.17	1,792,924	5.51
1922.....	2,784,631.73	7,985,450.05	10,770,081.78	1,807,022	5.96
1923.....	3,113,716.65	9,374,149.66	12,487,866.31	1,824,190	6.85
1924.....	3,277,600.62	8,944,649.21	12,222,249.83	1,833,882	6.66
1925.....	4,394,333.55	8,594,650.07	12,988,983.62	1,812,986	7.16
1926.....	4,352,120.02	8,677,944.66	13,030,064.68	1,822,989	7.14
1927.....	4,715,683.29	9,117,372.85	13,833,056.14	1,837,514	7.53
1928.....	5,035,347.52	9,728,768.28	14,764,115.80	1,838,425	8.03
1929.....	5,181,125.09	9,430,420.63	14,611,545.72	1,852,114	7.89

HIGHWAYS.

YEAR.	Disbursements.
1917.....	\$7,000.00
1918.....	25,000.00
1919.....	25,000.00
1920.....	49,882.66
1921.....	60,804.25
1922.....	65,492.96
1923.....	86,954.79
1924.....	117,389.25
1925.....	120,011.20
1926.....	3,588,282.44
1927.....	8,050,506.94
1928.....	10,520,429.63
1929.....	9,574,845.27

These tables should be carefully studied. For example, the \$13,690,305 shown in Table A for roads and bridges in 1929 were property taxes levied by counties and townships for roads within their borders; the \$9,574,845.27 shown for highways in Table B are disbursements made by the State Highway Commission and include \$769,597.02 gasoline tax refunded.

The total sum, to be entirely accurate, should be further increased by the amount of county and township levies necessary to meet interest on and create a sinking fund to pay principal of bonds issued for roads and bridge purposes. This amount is not readily available, but it is a substantial sum.

I am appending another table that has been made up for your information, showing disbursements by classes of state institutions for 1915 and 1929. From this table it will be observed that the expense of state educational institutions now under direction of the Board of Regents increased 180 per cent during this period; educational institutions under the Board of Administration increased 167 per cent; charitable institutions increased 120 per cent; penal institutions 189 per cent. The executive departments (not including boards and commissions under discussion) increased 129 per cent. Most of this increase was in the state printing plant, due to printing school books. On the other hand, legislative expenses increased 43 per cent, and boards and commission 48 per cent. There is an item in this table of "self-supporting departments," which showed an increase in expenditures of 672 per cent.

TABLE C—SUMMARY OF DISBURSEMENTS FOR THE FISCAL YEARS 1915 AND 1929.

INSTITUTION OR DEPARTMENT.	1915.			1929.			Per cent increase or decrease of 1929 over 1915.
	Paid from fees collected.	Paid from general revenue.	Totals.	Paid from fees collected.	Paid from general revenue.	Totals.	
Executive and Administrative Departments:							
Educational institutions.....	\$395,155.91	\$1,630,094.33	\$2,025,250.24	\$1,671,577.41	\$4,006,574.40	\$5,678,151.81	180.37
Educational institutions (Board of	6,664.06	139,709.31	146,373.37	57,318.46	333,577.52	390,958.98	167.10
				259,720.49		1,833,298.66	120.86

Admin.).....	68,391.48	761,673.48	830,064.96	216,421.37	1,573,578.17	1,399,473.18	189.04
Charitable	25,118.11	459,054.43	484,172.54	7,878.62	1,183,051.81	361,746.99	142.76
institutions.....	3,779.75	145,231.62	149,011.37	.....	353,868.37	52,273.97	16.50
Penal	.....	62,604.67	62,604.67	148,744.69	52,273.97	187,609.50	10,826.56
institutions.....	.....	.....	1,717.33	404,373.35	38,864.81	658,294.92	219.47
Patriotic	1,717.33	205,762.40	206,055.25	.....	253,921.57	122,662.40	43.04
institutions.....	292.85	85,753.93	85,753.93	.....	122,662.40	378,882.31	77.03
Fuel and freight for	.....	214,019.52	214,019.52	42,158.32	378,882.31	1,175,323.62	48.70
institutions.....	.....	776,038.48	790,385.01	.....	1,133,165.30	.....	.....
State Fair,	.....	.....	.....	.....	.....	.....	.....
Hutchinson.....	.....	.....	.....	.....	.....	.....	.....
Executive departments.....	14,346.53	.....	.....	.....	.....	.....	.....
Legislative expenses.....	\$515,466.02	\$4,479,942.17	\$4,995,408.19	\$2,808,255.71	\$9,430,420.63	\$12,238,676.34	145.00
Judicial departments.....	.....	.....	307,122.32	2,372,869.38	.....	.....	672.61
Boards, commissions and	307,122.32	.....	307,122.32	.....	.....	2,372,869.38	.....
miscellaneous.....	\$822,588.34	\$4,479,942.17	\$5,302,530.51	\$5,181,125.09	\$9,430,420.63	\$14,611,545.72	175.56
Totals, Section 2.....	.....	.....	.....	9,574,845.27	.....	.....	.....
Totals, self-supporting departments, section	.....	.....	.....	.....	.....	9,574,845.27	.....
1.....	.....	.....	.....	.....	.....	.....	.....
Totals.....	\$822,588.34	\$4,479,942.17	\$5,302,530.51	\$14,755,970.36	\$9,430,420.63	\$24,186,390.99	.....
Highways.....	.....	.....	.....	.....	.....	.....	.....
Grand totals.....	.....	.....	.....	.....	.....	.....	.....

Figures in italics denote deductions.

I want to add a word of explanation concerning "self-supporting departments." These boards and their expenditures are shown in detail in section 1 of Appendix A. They include expenditures for cafeterias and dormitories at the state educational institutions; the twine plant at the Penitentiary; the auto tags manufactured at the Reformatory. None of these things are, strictly speaking, phases of government. They relate to services rendered for people who pay directly for those services, and the taxpayers as a taxpayer is not concerned in their support. No part of money raised by taxation, direct or indirect, goes into the rendering of these services. Let us consider, for example, the State Grain Department, which is a very necessary institution familiar to all of you. In 1915 that department expended \$29,628.42; in 1929 it expended \$344,066.27. All of this money comes from fees collected by the Grain Department for the weighing and inspection of grain, and the increase is due to the increased volume of movement and additional services rendered grain, such as testing for protein content, etc. Developments in the grain-marketing system have been such that whereas fifteen years ago one inspection of a carload of grain was regarded sufficient, a carload of grain in these days may be inspected several different times at the same or different markets, but the elevator owner or commission man or the mill for whom the inspection or analysis is made pays for the service. Besides paying its own way, the Grain Department turns over 10 per cent of its gross collections yearly to the general revenue fund. It is not an expense upon the state. The same principle holds true of every board or commission or department or activity listed in this table.

For a further example, consider the Forestry, Fish and Game Commission, which spent \$15,043.88 in 1915 and \$215,410.53 in 1929. All of the latter sum came from fishing and hunting licenses, which were imposed at the urgent request of the sportsmen of Kansas speaking through the Izaak Walton League. They are not complaining of expense in this department, in fact they are its warmest supporters; they protest any attempt to limit or curtail its activities, and so long as the fisherman and hunters of Kansas are willing to pay for the upkeep of their own department I do not know why anyone else should worry about it.

The same holds true of boards dealing with such classes of occupations and professions as barbers, dentists, embalmers, nurses, osteopaths, and a long list of boards of that character which have been created by the legislature upon the urgent demand of the business or profession itself. The people in those businesses and professions say they desire to raise their standard, which can only be done in this way, and so long as they are willing to meet the expense it is their view that

no one else is concerned.

The money collected from all of the sources mentioned in this table passes through the state treasury and the office of the state auditor and in their reports are considered as a part of the cost of government. The sum of \$2,372,869.38 is disbursed from collections made from people for whom special services are rendered under state supervision. This sum is carried as a part of the cost of government when as a matter of fact it is nothing of the kind.

I am dealing with this situation at some length because it is a phase of state administration on which there is almost universal lack of understanding, and consequently, is the occasion of much uninformed criticism. So far as I know this is the first analysis of this kind that has been made available for the information of members of the legislature and of the people of the state. I hope in this manner to clarify the situation and give the people a better understanding of what its government is doing.

You will find in section 2 of Appendix A a detailed statement of disbursements in schools, charitable institutions, penal institutions and other branches of what are, properly, "state government." The percentage of increase in each of the main classifications is shown. It will be found that the great increase, whether expressed in dollars or expressed in percentage, is in the necessary educational, charitable and penal institutions of the state. Percentagely speaking, the executive departments show a great increase, but it will be found the major part of increases in dollars comes from the State Printing Department, which has taken on the task of printing school books since 1915. Increases in the various other departments may be termed nominal.

In this table, under boards, commissions and miscellaneous, are listed those departments which are wholly or in part supported by tax money. The increase in this classification from 1915 to 1929 was 48.7 per cent as compared with an increase of 672 per cent in what we term the "self-supporting departments." It is the latter classification of boards and commissions, which do not concern the taxpayer, on which much of the loose criticism of state government is based.

In Appendix B will be found a statement of taxes charged for various subdivisions of the state from 1916 to 1929, inclusive. This statement brings down to date a similar table inserted in my message to the 1929 legislative session and contains information valuable to everybody who desires to know the cost of government.

INVESTIGATION OF STATE DEPARTMENTS.

There has been a studied and deliberate attempt to misrepresent the facts concerning some of the state departments, notably the Highway Commission, solely for political purposes, since the state assumed control of the state highway system April 1, 1929. It has been falsely charged that there has been extravagance and inefficiency in that department. I am very proud of the progress made on the state road program, and have full confidence in the capable and representative men who comprise the Highway Commission. They are outstanding citizens of their counties and of the state; they have labored diligently, effectively and honestly in the interest of a connected road system for Kansas.

From the same sources have come more or less frequent hints of possible misuse of the law-enforcement fund of \$40,000, placed at my disposal by the last legislature. Every dollar of this fund has been accounted for by vouchers approved by the attorney-general before being signed by myself. These vouchers are on file in the office of the state auditor and show where every dollar of this money has gone. The results obtained from the expenditure of this money have been very gratifying to those people of the state who place law enforcement and decency above factional and political partisanship.

If the legislature should deem it desirable, I will welcome an investigation by committees of the legislature into the activities of the Highway Commission; into expenditures of the law-enforcement fund, or any other department for which I am responsible.

To the best of my knowledge and belief the government of Kansas is being conducted honestly and efficiently and I welcome any sort of inquiry from impartial investigators. I have full faith in and am willing to stand on the work done by the various departments of this administration.

Respectfully submitted,
February 27, 1930. CLYDE M. REED,
Governor.

APPENDIX A—Section 1.
DISBURSEMENTS FROM SELF-SUPPORTING DEPARTMENTS
(Departments where fees, in sufficient amount to pay cost of department, are collected directly from persons, firms or corporations to whom services are rendered).

INSTITUTION OR DEPARTMENT.	1915. Paid from fees collected.	1929. Paid from fees collected.
EDUCATIONAL INSTITUTIONS:		
<i>University:</i>		
Cafeteria.....		\$48,961.65
.....	...	7,732.78
Commencement.....		31,720.26
.....	...	27,397.03
Dormitory.....		.....
.....	...	\$115,811.72
Hospital and student health.....		.....
<i>Agricultural College:</i>		
Feeding		
stuffs..... *\$16,678.51		
Fertilizer		\$57,252.64
fees..... *2,497.93		4,283.63
Live-stock	\$23,195.08	30,296.16
remedies..... *464.60		18,637.04
Student sick benefit..... <u>3,554.04</u>		.....
.....	...	10,469.47
Cafeteria.....		\$50,409.69
.....	...	10,076.40
Commencement		3,205.52
fees.....		15,181.67
Dormitory.....		.....
.....	...	78,873.28
Hospital and student health.....		.....
.....	...	\$43,519.37
.....	...	8,848.15

<i>Kansas State Teachers College, Emporia:</i>	...	2,334.72	
Cafeteria.....	.....	
.....	...	154,702.24	
Dormitory.....	.....	
.....	...	\$21,044.32	
Hospital and student		1,166.72	
health.....	.....	5,234.99	
Student		2,169.70	
activity.....	.....	
	.....	29,615.73	
<i>Kansas State Teachers College, Pittsburg:</i>	...		
Cafeteria.....	.....		\$389,472
.....	.....	.44	
Dormitory.....	.....	
.....		
Hospital and student			
health.....	.....		\$275,476
<i>Kansas State Teachers College, Hays:</i>	...	.81	
Cafeteria.....	.....	
.....	...	\$13,323.85	
Commencement.....	.....	28,413.36	
.....		
Dormitory.....	.....	41,737.21	
.....		
Hospital and student			400
health.....	.....	\$23,195.08	.00
		
Subtotals.....	.....		\$317,614
.....	.....	\$125,681.53	.02
PENAL INSTITUTIONS:	.....	
Penitentiary (twine			(d) \$215,410.
plant).....	.....	53	
Industrial			
reformatory:.....	.....	
Manufactured			
products.....	.....	
Automobile tag			\$16,934
fund.....	.....	.91	
		
Industrial school for boys:		\$125,681.53	
Transferred to General			\$16,934
Revenue.....	.....	.91	
	.....	\$15,043.88	
Subtotals.....	.....	
.....		
FORESTRY, FISH AND GAME		\$744.37	\$2,902
COMMISSION.....	.....	12,878.87	.07
EXECUTIVE DEPARTMENTS:	.....	
Atty.-general, enforcing prohibitory liquor		\$13,623.24	
law.....	.....	

Insurance dept., exam. fees, insurance companies,.....	=.....	\$15,676
	.84	
	.....	9,744
Subtotals.....	.17	
.....	.....	176,606
	=====	.10
JUDICIAL DEPARTMENTS:	=.....	15,453
Supreme court, lapsed litigant fund transferred to general revenue.....	.48	
	.....	\$679.82
	.....	29,648.36
BOARDS, COMMISSIONS AND MISCELLANEOUS FUNDS:	.....	2,809.75
Adjutant general, drill pay transferred to general revenue.....	.....	2,757.06
	\$25,409.86	1,393.84
	.....	24,593.43
Athletic Commission.....	.....	10,284.09
Automobile Department.....	60.25	72,166.35
Barber board.....	.....	1,324
Board of Agriculture: Commission merchants' license.....	... .57	2,195
Feeding stuffs.....	... .67	2,368
Fertilizer fees.....	... .08	3,430
Live-stock registration.....	... .63	2,495
Live-stock remedies.....	... .72	1,925
Dairy inspection.....	... .06	2,072
Potato inspection.....	.....	.80
	.....	952
Board of Chiropractic Examiners.....	.....	.43
Board of Dental Examiners.....	.....	.26
Board of Embalming.....	.....	.00
Board of Graduate Nurses.....	.....	.14
Board of Law Examiners.....	.....	.55
Board of Medical Registration and Exam'n.....	.....	.27
Board of Optometry.....	.....	.27
Board of Osteopathic Examiners.....	.....	.27
Board of Review.....	832.00	.....
	.....	23,475
	... .52	.....

	.....	152
	... .70	.....
	15,614.84	2,195

.....	67	42	09	77	3.80	.....	.....
Bell				173,619.1	284,918.1	*\$2,221.4	212.75
Memorial.....				6	1	03.84	.....
.....	*195,098.	500,653.2	.....	*521,628.	1,314,431.	.....	.....
Agricultural	27	6	.....	46	66	.....	.....
College.....	788.53	5,329.84	.....	4,113.87	4,387.34	.....	.....
.....	1,252.59	2,520.39	.....	.....	.....	.....	.....
Colby Experiment	16,722.46	25,044.18	.....	.....	.....	.....	.....
Station.....	1,026.53	5,057.76	.....	45,044.42	25,194.43	.....	.....
Dodge City Experiment	166.55	2,794.87	.....	1,458.50	10,933.94	.....	.....
Station.....			.....	323.21	3,996.75	.....	.....
Hays Experiment	38,593.96	157,755.2	.....	.....	.....	.....	.....
Station.....	11,872.99	7	.....	*188,142.	430,967.0	.....	155.34
Garden City Experiment	14,967.36	273,839.8	*756,455.	08	3	*1,931,51	.....
Station.....	.....	7	23	*172,234.	414,459.2	2.58	215.31
Tribune Experiment	.....	52,982.78	.....	93	1	.....	105.34
Station.....	.....	1,299.76	196,349.2	*70,740.0	248,692.1	*619,109.	370.10
Kansas State Teachers Colleges:	.....	7,197.93	3	1	3	11	.....
Emporia.....			285,712.8	.....	.....	*586,694.	.....
.....			6	.....	.....	14	.....
Pittsburg.....	\$395,155.	\$1,630,09	67,950.14	.....	.....	*319,432.	.....
.....	91	4.33	1,299.76	.....	.....	14	.....
Hays.....	=====	=====	7,197.93	.....	.....	.....	.....
.....	=====	=====	.....	.....	.....	.....	180.37
Academy of				\$1,671,57	\$4,006,57	.....	=====
Science.....			\$2,025,25	7.41	4.40	.....	=====
....	\$1,515.65	\$32,216.7	0.24	=====	=====	.....	.....
School of	1,772.36	1	=====	=====	=====	.....	.....
Mines.....	.....	58,457.26	=====	.....	.....	\$5,678,15	147.78
.....	.....	18,749.97	.....	.....	.....	1.81	105.83
.....	3,376.05	30,285.37	.....	\$4,797.02	\$78,784.2	=====	382.54
Subtotals.....			\$33,732.3	2,404.33	0	=====	176.10
.....			6	28,294.70	121,565.0	.....	.....
EDUCATIONAL INSTITUTIONS UNDER	\$6,664.06	\$139,709.	60,229.62	21,885.41	6	.....	.....
MANAGEMENT	=====	31	18,749.97	.....	62,177.16	\$83,581.2	167.10
OF BOARD OF ADMINISTRATION:	=====	=====	33,661.42	.....	71,051.10	2	=====
School for the	\$36,466.9	.....	.....	\$57,381.4	.....	123,969.3	=====
Blind.....	3	\$209,999.	\$146,373.	6	.....	9	=====
School for the	14,302.39	99	37	=====	\$333,577.	90,471.86	79.84
Deaf.....	11,812.89	193,386.8	=====	=====	52	92,936.51	79.70
Kansas Vocational	.....	4	=====	\$82,240.6	=====	.....	102.53
School.....	.....	102,271.9	=====	4	.....	\$390,958.	90.25
Western	2,270.43	0	\$246,466.	39,332.27	\$360,998.	98	285.60
University.....	992.54	133,512.8	92	17,584.79	56	.....	135.34
....	2,546.30	9	207,689.2	32,812.39	333,869.3	=====	683.86
.....		53,269.71	3	13,262.31	6	.....	.....
Subtotals.....		45,091.69	114,084.7	5,547.23	213,469.2	\$443,239.	120.86
.....	\$68,391.4	24,140.46	9	68,940.86	7	20	=====
.....	8	.....	133,512.8	.....	221,190.6	373,201.6	=====
CHARITABLE INSTITUTIONS:	=====	.....	9	.....	7	3	=====
Topeka State	=====	\$761,673.	55,540.14	\$259,720.	200,900.5	231,054.0	142.61
Hospital.....		48	46,084.23	49	3	6	.....
..	*\$15,976.	=====	26,686.76	=====	102,908.2	254,003.0	.....
Osawatomi State	97	=====	.....	=====	2	6	261.00

Hospital.....					140,241.5	214,162.8	97.06
Hospital for		\$230,956.	\$830,064.	*\$160,532	6	4	156.81
Epileptics.....	4,913.36	82	96	.59		108,455.4	
....	4,227.78			4,639.01		5	
State Training				*48,421.6	\$1,573,57	209,182.4	189.04
School.....		116,210.7		1	8.17	2	
Larned State		9	\$246,933.	2,339.31			
Hospital.....		48,229.60	79	*488.85			
....	\$25,118.1	63,657.22				\$1,833,29	149.25
State Orphans'	1				\$438,539.	8.66	99.32
Home.....			121,124.1	\$216,421.	54		
Sanatorium for		\$459,054.	5	37	91,649.89		
Tuberculosis.....		43	52,457.38		388,841.6		142.76
....	\$2,891.88		63,657.22		1	*\$599,072	
Subtotals.....	887.87				101,032.0	.13	
.....				\$5,950.29	5	96,288.90	16.50
.....		\$126,754.	\$484,172.	1,928.33	162,988.7	*\$437,263.	
PENAL INSTITUTIONS:	\$3,779.75	44	54		2	22	
Penitentiary.....		18,477.18				103,371.3	10,826.5
.....				\$7,878.62		6	6
Industrial Farm for					\$1,183,05	163,477.5	
Women.....		\$145,231.	\$129,646.		1.81	7	
Industrial		62	32				
Reformatory.....			19,365.05				80.44
.....	\$1,717.33					*\$1,399,4	28.57
Industrial School for		\$62,604.6			\$317,198.	73.18	83.94
Girls.....		7	\$149,011.	(a) \$148,7	62		108.51
Industrial School for			37	44.69	36,669.75		153.13
Boys.....							68.79
.....						\$323,148.	198.84
Subtotals.....			\$62,604.6		\$353,868.	91	251.38
.....			7		37	38,598.08	337.41
.....							
PATRIOTIC INSTITUTIONS:							
Soldiers'		\$17,667.9	\$1,717.33		\$52,273.9	\$361,746.	219.47
Home.....		9			7	99	
.....		700.00					
Mother Bickerdyke		14,674.49					43.04
Home.....	*\$292.85	13,519.51	\$17,667.9		\$38,864.8	\$52,273.9	
.....		16,600.00	9		1	7	
Subtotals.....		26,097.76	700.00				
.....	*	10,800.00	14,674.49	\$233.35			66.67
.....		12,623.32	13,519.51			\$187,609.	133.73
Fuel and freight for		93,079.33	16,600.00		\$31,879.1	50	50.33
institutions.....			26,390.61	*	9		
.....			10,800.00		900.00		
Kansas State Fair,		\$205,762.	12,623.32	(c) 404,14	26,992.37		77.03
Hutchinson.....	\$292.85	40	93,079.33	0.00	28,189.27	\$31,879.1	
.....					42,019.60	9	
EXECUTIVE DEPARTMENTS:					44,310.42	900.00	
Governor.....		\$85,753.9	\$206,055.	\$404,373.	32,275.00	26,992.37	
.....		3	25	35	(b) 44,35	28,189.27	
Lieutenant					5.72	42,019.60	
governor.....					3,000.00	44,543.77	
.....			\$85,753.9			32,275.00	

Architect.....			8,367.36			1,000.00	
.....		\$26,305.0	8,714.06			2,000.00	
Bank		9				21,174.99	
Commissioner.....		74,724.72				4,699.22	
.....		13,995.17	\$26,305.0				
Board of			9				
Administration.....			74,724.72		4,241.39		
.....		44,075.79	13,995.17		17,866.87		
Board of							
Agriculture.....					9,945.43		
.....		1,144.16	44,075.79		20,465.68	4,241.39	
Board of		10,750.41				17,866.87	
Control.....		49,625.42					
.....			1,144.16		9,546.73	9,945.43	
Board of			10,750.41		46,978.21	20,465.68	
Correction.....		1,000.00	49,625.42			±	
.....		43,419.23					
Board of		15.39			9,638.66	9,546.73	
Education.....		5,250.00	1,000.00		\$5,000.00	46,978.21	
.....		16,351.29	43,419.23		(h) 59,51	17,661.13	
Board of			15.39		1.00	9,638.66	
Health.....			5,250.00			\$5,000.00	
.....			16,351.29			59,511.00	
Board of Managers, Soldiers'					17,504.65		
Home.....					1,819.19		
Board of						17,504.65	
Regents.....	8,367.36					1,819.19	
.....					249.95		
Board of Medical					2,385.00		
Registration.....				17,661.13	2,949.04	249.95	
Board of Veterinary		\$776,038.			126,173.5	2,385.00	
Examiners.....		48			7	2,949.04	
Budget		=====			945.22	133,763.1	
Director.....		=====	\$790,385.		1,000.00	4	
.....		\$4,479,94	01			945.22	
Conveying		2.17	=====			1,000.00	
prisoners.....			=====			†	
.....			\$4,995,40				
Entomological			8.19		5,200.00		
Commission.....					14,801.22		
Executive					1,256.41	5,200.00	
council.....					1,000.00	14,801.22	
.....					25,000.00	1,256.41	
First Capitol of					15,000.00	1,000.00	
Kansas.....						25,000.00	
Grand Army of the						15,000.00	
Republic.....					\$1,133,16		
Historical					5.30		
Society.....					=====	\$1,175.32	
.....					=====	3.62	
Horticultural				\$7,589.57	\$9,430,42	=====	
Society.....					0.63	=====	
.....						\$12,238,6	
Hospital and						76.34	
Homes.....							

...							48.70
Industrial							=====
Training.....							=====
.....							==
Interest on state							145.00
bonds.....							
John Brown Memorial							
Park.....							
Labor and							
Industry.....							
.....							
Law enforcement of prohibitory and							
other							
criminal							
laws.....							
.....							
Library,	\$14,346.5						
state.....	3						
.....							
Library, legislative						\$42,158.3	
reference.....						2	
Library,	\$515,466.						
traveling.....	02						
.....							
Live stock Sanitary							
Commission.....							
Marriage							
registration.....							
.....							
Memorial							
building.....							
.....							
North Central Kansas							
Fair.....							
Miscellaneous							
items.....							
Normal							
training.....							
.....							
Oil inspection							
department.....							
Old Shawnee							
Mission.....							
.....							
Panama Pacific							
Exposition.....							
Pawnee Rock Historic							
Park.....							
Pensions.....							
.....							
Official State							
Paper.....							
.....							
Public Service							
Commission.....							

Revisor of Statutes.....							
.....							
School District No. 75, Lansing.....							
School Book Commission.....							
..							
School Land Commission.....							
..							
Support of county institutes.....							
Tax Commission.....							
.....							
Tax Code Commission.....							
.....							
United Spanish War Veterans.....							
Kansas Free Fair Association.....							
Kansas Live-stock Association (Wichita).....							
Subtotals.....							
.....							
Total Executive and Administrative Departments.....							

- * Self-supporting fee departments not included.
- † Now supported by fees.
- ± Now with state library.
- (a) Disbursed from gate receipts, concessions and entry fee collections, for prizes and operating expenses.
- (b) Insurance department receipts to general revenue
1915, \$349,293.02; 1929, \$1,073,243.51.
- (c) Disbursed from collections by self-supporting departments and from \$200,000 transferred from general revenue.
- (d) Included with the Budget Director.
- (e) Disbursed from "Blue Sky" fees collected.
- (f) Bank Commissioner's receipts to general revenue in 1929, \$79,855.39.
- (g) Includes \$108,545.17 promotion of vocational education (matched by Federal funds).
- (h) Includes Legislative Investigating Committee \$2,887.50; milage and per diem of Presidential electors, \$530.10; maintenance of destitute insane, \$9,348.00; expense of members investigating institutions, \$1,349.76; publishing proposed amendments, \$5,396.30; School Code Commission, \$2,001.88; claims against the state allowed by the legislature, \$37,997.46.

APPENDIX B
STATEMENT OF TAXES CHARGED FOR VARIOUS SUBDIVISIONS OF THE
STATE 1916 TO 1929, BOTH INCLUSIVE.

(Part 1.—1916-1924)

	1916	1917	1918	1919	1920	1921	1922	1923	1924
State general	\$3,880,011*	\$4,462,783*	\$4,013,937*	\$6,049,649*	\$5,440,338*	\$8,504,359*	\$5,916,416*	\$5,908,807*	\$6,053,653*
Bonus	.....	.....	.....	.....	.....	.....	.....	2,412,968	2,460,125
Totals	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$3,880,011	\$4,462,783	\$4,013,937	\$6,049,649	\$5,440,338	\$8,504,359	\$5,916,416	\$8,321,775	\$8,513,778
County general	=====	=====	=====	=====	=====	=====	=====	=====	=====
Road	=	=	=	=	=	=	=	=	=
Bridge	\$4,179,040	\$4,278,333	\$4,628,410	\$4,893,539	\$5,253,013	\$4,963,763	\$4,543,815	\$4,466,985	\$4,419,548
Interest and sinking	†2,497,797	3,896,354	2,205,370}	2,809,346}	3,443,119}	3,358,488}	2,792,428}	2,703,728}	3,080,600}
Poor	(All in	one fund)	2,155,730}	3,377,846}	3,860,808}	4,063,075}	3,224,592}	3,509,787}	3,461,651}
Miscellaneous	1,077,673	1,151,614	1,145,358	1,084,673	1,257,058	1,830,380	1,674,218	1,623,729	1,726,946
Totals	.....	.....	.....	.....	.....	.....	.....	.....	.....
	270,823	557,155	446,136	1,778,714	1,012,766	1,202,347	814,555	1,215,491	930,627
Township general	-----	-----	-----	-----	-----	-----	-----	-----	-----
Road and bridge	\$8,025,334	\$9,883,458	\$10,581,005	\$13,944,119	\$15,568,416	\$16,243,491	\$13,830,142	\$14,437,842	\$14,652,942
Interest and sinking	=====	=====	=====	=====	=====	=====	=====	=====	=====
Miscellaneous	=	=	=	=	=	=	=	=	=
Totals	\$1,277,399	\$1,225,521	.....	.....	.....	.....	.....	.....	.....
	2,715,561	3,014,038	\$1,082,981	\$1,158,808	\$1,251,540	\$1,221,282	\$1,094,866	\$1,156,506	\$1,126,002
	377,003	288,387	3,201,513	4,147,170	4,727,446	4,982,347	4,275,224	4,456,685	4,416,385
City general	10,170	27,774	292,967	290,493	288,015	411,132	353,407	418,152	609,781
Streets and alleys	-----	-----	16,355	32,811	72,395	127,784	131,227	175,329	164,557
Interest and sinking	-----	-----	-----	-----	-----	-----	-----	-----	-----
Poor	\$4,380,134	\$4,555,721	-----	-----	-----	-----	-----	-----	-----
Miscellaneous	=====	=====	\$4,593,817	\$5,629,283	\$6,339,398	\$6,742,547	\$5,854,726	\$6,206,673	\$6,316,728
Totals	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$2,315,062	\$2,372,043	.....	.....	.....	.....	.....	.....	.....
	792,197	589,327	\$2,618,437	\$3,359,073	\$3,935,956	\$3,062,196	\$3,058,479	\$3,077,810	\$3,954,981
Schools, rural high, general	2,176,793	2,301,163	726,532	993,871	1,204,214	1,365,974	1,246,157	1,328,455	1,240,764
Bond and interest	-----	-----	2,527,947	2,466,846	3,060,627	3,554,314	3,643,212	4,220,459	4,217,041
Cities, first class, general	872,330	1,335,130	-----	-----	24,215	24,368	6,954	29,065	12,216
Bond and interest	-----	-----	1,424,037	1,949,406	2,472,508	3,605,990	3,578,115	3,737,475	3,034,628
Cities, second class, general	-----	-----	-----	-----	-----	-----	-----	-----	-----
Bond and interest	\$6,156,384	\$6,597,664	-----	-----	-----	-----	-----	-----	-----
Cities, third class, general	=====	=====	\$7,296,955	\$8,769,197	\$10,697,522	\$11,612,844	\$11,532,919	\$12,393,265	\$12,459,631
Bond and interest	=	=	=====	=====	=====	=====	=====	=====	=====
Common school, district, general	\$136,657	\$327,874	-----	-----	-----	-----	-----	-----	-----
Bond and interest	21,708	45,158	\$577,338	\$875,434	-----	-----	-----	-----	-----
Barnes high	1,843,717	2,462,865	88,143	115,018	\$1,851,763	\$2,229,205	\$2,148,747	\$2,448,753	\$2,440,077
High school tuition	309,609	244,693	2,765,389	3,360,464	256,474	434,592	462,209	560,710	593,400
All other county high school tax	1,623,538	2,159,012	281,045	263,784	5,084,632	5,010,377	5,249,430	6,380,902	6,442,341
County high, general	401,328	471,816	2,626,156	3,082,951	376,280	960,460	826,554	628,630	696,738
Bond and interest	.....	1,782,675	521,368	692,159	4,667,656	4,727,846	4,596,813	4,888,370	4,805,002
Township high, general	.....	328,818	2,104,317	2,413,796	808,319	770,564	789,384	983,077	1,084,773
Bond and interest	7,190,241	5,949,353	348,505	376,104	3,537,002	3,891,472	3,750,964	3,941,623	3,996,508
Community high, general	717,617	414,134	6,717,685	7,907,185	417,849	561,653	561,284	607,460	610,071
Bond and interest	612,749	723,761	490,451	490,350	10,367,641	10,953,385	10,443,133	10,388,623	10,400,871
Per capita, dog tax	.....	70,526	791,750	794,537	551,421	705,657	738,916	750,237	853,531
School tax totals	291,211	465,861	174,946	169,946	973,117	1,171,180	1,147,669	1,103,968	1,290,435
	13,440	556	.....	.....	126,240	345,356	515,037	502,779	496,372
	23,390	26,688	.....	1,265	636,517	797,679	755,007	.....	48,316
	4,497	3,301	37,804	53,143	3,335	15,254	8,348	.....	.....
Drainage	.....	.....	3,796	5,465	69,685	52,537	34,158	42,300	62,141
	.....	.....	.....	.....	4,529	4,386	2,152	2,192	5,231
Cemetery	.....	148,212	.....	.....	.....	.....	.....	770,239	820,716
	.....	.....	145,940	144,648	.....	.....	.....	12,741	14,500

Special assessments	—	—	—	—	143,858	145,011	162,637	174,874	186,265
Grand totals	\$13,189,709	\$15,625,312	\$17,986,839	\$21,156,372	—	—	—	—	—
	=====	=====	=====	=====	\$29,876,325	\$32,776,621	\$32,192,451	\$34,187,486	\$34,847,297
	=====	=====	=====	=====	=====	=====	=====	=====	=====
	\$156,957	\$202,452	\$217,019	\$209,501	—	—	—	—	—
	=====	=====	=====	=====	\$248,594	\$227,684	\$223,369	\$245,519	\$254,514
	=====	=====	=====	=====	=====	=====	=====	=====	=====
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$2,465,204	\$2,465,983	\$2,562,884	\$2,685,132	—	—	—	—	—
	=====	=====	=====	=====	=====	=====	=====	=====	=====
	\$38,253,736	\$43,793,376	\$47,252,459	\$58,443,255	\$3,635,120	\$4,141,837	\$4,587,699	\$5,192,737	\$5,787,407
	=====	=====	=====	=====	=====	=====	=====	=====	=====
	=====	=====	=====	=====	\$71,805,717	\$80,249,385	\$74,137,725	\$80,985,298	\$82,832,300

*Cents omitted. †Road and bridge for 1916 and 1917 are not segregated.
 Authority: State Tax Commission.

APPENDIX B

STATEMENT OF TAXES CHARGED FOR VARIOUS SUBDIVISIONS OF THE STATE 1916 TO 1929, BOTH INCLUSIVE.

(Part 2.—1925-1929, and percentages)

	1925	1926	1927	1928	1929	Per cent of tax to total.	Per cent increase or decrease of 1929 over 1916.	Per capita tax.
State general	\$7,175,850*	\$7,001,246*	\$7,386,857*	\$5,502,241*	\$5,438,141*	5.69	40.16	2.94
Bonus	2,238,923	2,193,199	2,394,965	2,151,264	2,122,967	2.22	‡12.02—1923	1.15
Totals	\$9,414,773	\$9,194,445	\$9,781,822	\$7,653,505	\$7,561,108	7.91	94.87	4.09
County general	\$4,492,445	\$4,571,045	\$4,693,493	\$4,766,189	\$4,968,404	5.13	18.88	2.65
Road	2,708,211}	2,879,579}	3,211,171}	3,502,773}	4,429,275}	4.63	100.84—1918	2.39
Bridge	3,506,465}	3,297,828}	3,431,458}	3,679,977}	4,004,289}	4.19	85.75—1918	2.16
Interest and sinking	1,763,221	1,967,486	2,076,908	2,548,401	2,684,678	2.81	149.11	1.45
Poor	1,265,730	1,202,728	1,248,383	1,340,207	1,485,647	1.55	100.31—1920	.80
Miscellaneous	922,520	881,851	1,160,896	866,634	1,133,956	1.19	318.70	.61
Totals	\$14,658,594	\$14,800,519	\$15,822,312	\$16,671,181	\$18,706,249	19.50	133.08	10.06
Township general	\$1,216,027	\$1,168,515	\$1,413,323	\$1,297,185	\$1,286,252	1.35	.69	.69
Road and bridge	4,384,158	4,389,842	4,782,047	5,093,495	5,015,119	5.25	84.68	2.71
Interest and sinking	531,210	592,071	628,681	717,143	736,053	.77	95.23	.40
Miscellaneous	172,583	155,189	195,371	40,927	62,424	.07	51.38	.03
Totals	\$6,303,979	\$6,605,617	\$7,019,424	\$7,148,750	\$7,099,848	7.44	62.09	3.83
City general	\$3,891,964	\$4,145,641	\$4,303,489	\$4,488,562	\$4,671,368	4.89	101.78	2.52
Streets and alleys	1,178,655	1,337,952	1,173,333	1,375,523	1,413,028	1.46	78.36	.75
Interest and sinking	4,478,413	4,279,955	4,566,794	4,978,979	5,340,819	5.59	145.35	2.88
Poor	22,202	19,866	84,087	86,742	98,007	.10	304.74—1920	.05
Miscellaneous	3,120,038	3,154,248	3,608,267	3,347,125	3,364,293	3.52	285.67	1.89
Totals	\$12,691,274	\$12,937,664	\$13,735,973	\$14,276,932	\$14,887,515	15.56	141.82	8.03

Schools, rural high, general	\$2,721,579	\$2,717,201	\$2,951,627	\$3,145,602	\$3,132,117	3.28	2,191.95	1.69
Bond and interest	586,623	673,759	849,932	815,734	815,582	.85	3,657.06	.44
Cities, first class, general	6,546,137	7,164,084	7,275,573	7,696,201	8,372,781	8.76	354.12	4.52
Bond and interest	756,434	751,580	910,512	774,873	686,415	.72	121.70	.37
Cities, second class, general	5,027,977	5,269,191	5,286,460	5,564,549	5,608,015	5.87	245.42	3.03
Bond and interest	1,064,645	1,019,789	1,173,160	1,262,744	1,209,809	1.26	201.45	.65
Cities, third class, general	4,048,509	4,162,849	4,157,403	4,008,665	4,032,467	4.22	126.20—1917	2.18
Bond and interest	615,807	687,001	779,906	736,330	737,218	.77	124.20—1917	.40
Common school, district, general	10,241,519	10,758,312	10,909,089	11,015,280	11,216,241	11.73	55.99	6.05
Bond and interest	806,179	745,008	788,559	764,144	818,083	.85	14.00	.44
Barnes high	1,691,359	1,643,772	1,752,577	2,004,433	2,098,245	2.21	242.43	1.14
High school tuition	734,270	748,504	772,061	787,803	862,730	.88	1,123.27—1917	.46
All other county high school tax	135,272	94,600	65,200	70,830	39,694	.04	‡17.84—1924	.021
County high, general	.....	.....	.....	.....	.....	.....	.....	.....
Bond and interest	.....	.....	.....	.....	.....	.....	.....	.....
Township high, general	52,826	166,588	22,328	20,564	54,693	.06	133.83	.029
Bond and interest	8,562	30,476	2,156	2,094	7,755	.009	72.45	.0041
Community high, general	792,592	821,847	845,756	948,650	950,862	.99	23.45—1923	.51
Bond and interest	40,854	42,324	43,972	53,142	61,776	.06	384.86—1923	.033
Per capita, dog tax	198,280	205,391	203,922	205,117	201,475	.21	35.94—1917	.010
School tax totals	\$36,069,433	\$37,702,286	\$38,790,202	\$39,876,755	\$40,905,958	42.78	210.14	22.09
Drainage	\$353,812	\$385,667	\$303,701	\$325,984	\$335,664	.35	113.86	.18
Cemetery	.....	.....	\$44,966	\$39,608	\$25,227	.03	‡43.90—1927	.014
Special assessments	\$5,716,053	\$6,410,114	\$6,250,934	\$6,385,311	\$6,148,166	6.43	149.40	3.32
Grand totals	\$85,207,921	\$87,736,315	\$91,749,338	\$92,378,025	\$95,669,735	100.00	150.09	51.61

*Cents omitted. ‡Decrease.
Authority: State Tax Commission.

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