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AN ANALYSIS OF SEVERANCE TAX EDITORIALS IN SELECTED KANSAS NEWSPAPERS FROM JANUARY 1, 1981 TO APRIL 30, 1982

by

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CHAPTER I

BACKGROUND OF THE STUDY

Introduction to the Problem

The search for additional funds has caused governments to seek new revenue through many varied taxes. In order to find a new revenue source for Kansas, the Legislature devoted considerable attention during the 1981 and 1982 legislative sessions to whether or not a severance tax should be levied in the state. A severance tax may be defined as a "levy upon natural resources at the time they are severed or removed from the land at a fixed percentage of their market value, a fixed amount per unit produced, or a fixed percentage of net proceeds."[1]

Severance taxes have become symbols of the rivalry between energy-affluent areas of the United States and such regions as the Northeast which must pay to use these resources.[2] Many Western states have been victimized by earlier energy booms and have seen what happens when the prosperity ends. These states believe severance taxes are a way of

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[1]L.F. Miller, "Kansas Oil Property Taxation in Relation to Farm Taxes" (Agricultural Experiment Station, Kansas State College, Manhattan, Kan., Circular 195, December 1938) as quoted in C.E. Reed, "Factors Affecting the Economic Justification of a Severance Tax in Kansas " (Kansas State College master's thesis, 1948) p. 6.

[2]Michael Zielenziger, "Severance Tax Issue Lies at Crux of Emerging Energy Civil War," Kansas City Times March 24, 1982, Section A, p. 4.

ensuring that energy consumers help provide revenue for the time when the prosperity ends.[1] For example, Montana and Wyoming are capitalizing on their coal supplies by charging severance taxes of 30 and 16 percent respectively.[2] As energy sources are depleted and prices continue to rise, taxation is likely to become even more of an issue. J. R. Prestidge, an analyst for the Northeast-Midwest Institute, a lobbying group for that area of the country said, "Energy taxation will be the fundamental debate of the 1980s."[3]

The writer is interested in energy issues and the amount of attention newspapers give to such issues, both in news coverage and in editorials. Kansas Gov. John Carlin first introduced his severance tax proposal at the beginning of the 1981 legislative session, and the tax was still an issue at the end of the 1982. It seemed likely that Kansas newspapers would devote editorial space to the severance tax issue.[4]

Some Kansas newspapers are in oil-and-gas producing areas where the local economy might be affected by a severance tax. In 1981, Kansas produced 65.4 million barrels of oil, up from 61.9 million barrels in 1980. About 92 percent of all oil wells in Kansas are "stripper wells" which produce ten or fewer barrels a day. These wells accounted for

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[1]Ibid.

[2]"Resource War in the Making," <u>Topeka Capital-Journal</u> July 10, 1981, p. 4.

[3]Zielenziger, op. cit., Section A, p. 4.

[4]Kansas and California are the only two mineral-producing states that do not levy a severance tax.

more than 60 percent of the state's total production.[1] The top ten oil-producing counties in Kansas in 1980 were: (1) Ellis, 4.8 million barrels, (2) Russell, 4.0 million barrels, (3) Barton, 3.7 million barrels, (4) Butler, 2.7 million barrels, (5) Rooks, 2.6 million barrels, (6) Ness, 2.2 million barrels, (7) Stafford, 2.1 million barrels, (8) Cowley, 2.07 million barrels, (9) Graham, 2.076 million barrels, and (10) Rice, 1.5 million barrels.[2]

The state produced 694,406 million cubic feet (mmcf) of natural gas in 1980. Stevens County led Kansas in natural gas production that year with 166,496 mmcf. Grant County was second with 103,803 mmcf, followed by Kearney County, 88,523 mmcf; Morton County, 57,580 mmcf; and Finney County, 42,904 mmcf.[3]

In 1981, Kansas coal production was 1.3 million tons, up from 982,000 tons in 1980. Kansas was eighth among all states in oil production in 1979, fifth in natural gas production, and 22nd in coal production.[4]

The objective of this study was to investigate the attitudes of selected Kansas newspapers toward a severance tax. The major research questions were:

1. Did the selected newspapers make the severance tax a prominent issue, or did they ignore it?

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[1]"Severance Tax," Associated Press wire story, Feb. 9, 1982.

[2]Shirley E. Paul and Earl I. Bahnmaier, <u>1980 Oil and Gas Production in Kansas</u> (Lawrence, Kan.: Kansas Geological Survey, 1981) p. xi.

[3]Ibid.

[4]Ibid., p. 11.

2. Did local production of oil and natural gas relate to the newspaper's editorial position on the severance tax?

3. What elected officials were mentioned in severance tax editorials? Did the newspapers praise or criticize their actions concerning the tax?

The final sections in this introductory chapter will review the Legislature's actions on the severance tax during the 1981 and 1982 sessions.

Background: The 1981 Legislative Session

Before the 1981 legislative session began, Gov. John Carlin announced he would ask lawmakers to enact an 8 percent severance tax on oil, natural gas, and coal produced in Kansas. The tax would be a major source of new revenue to fund public schools and highway improvements.[1] Carlin estimated the tax would raise $199 million, based on figures that Kansas produced $2.5 billion of oil, gas, and coal each year. The tax would have produced an estimated $199 million, including $131.2 million from oil, $46.4 million from natural gas, $20 million from liquified natural gas and $1.4 million from coal.[2] The severance tax was Carlin's alternative to an interim legislative committee's recommendation that the state sales tax be increased from 3 percent to 5 percent to help fund public schools. The committee also recommended the motor fuels tax be increased by 3 cents a gallon to help

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[1]"Carlin to Request Severance Tax," Topeka Capital-Journal Jan. 7, 1981, p. 1.

[2]"What Would a Severance Tax Do?" Topeka Capital-Journal Jan. 8, 1981, p. 1.

raise funds for highway maintenance and construction.[1] Carlin's proposed severance tax would have been on the actual value of oil, gas, and coal produced in Kansas, with producers paying the tax. Royalty owners, who generally own a one-eighth interest in an oil lease, would have been specifically exempted from paying the tax.[2]

Strong opposition immediately arose over the governor's proposal. Rep. Jim Braden, R.-Wakefield, Chairman of the House Assessment and Taxation Committee, called the proposed tax a political gimmick and said it had few chances of passing. "It's really easy to make the oil and gas producers the whipping boys because everybody thinks they are wealthy," he said. "But the federal windfall profits tax has really clobbered them."[3]

However, House Speaker Wendell Lady, R.-Overland Park, announced that he supported Carlin's proposed severance tax. Lady said that in 1971 he had voted for legislation that passed the House which would have imposed a 5 percent severance tax on natural gas, but that bill died in the Senate.[4] Senate Majority Leader Robert Talkington, R.-Iola, also said he would support the proposed severance tax if the governor was willing to modify it somewhat. Talkington proposed keeping the tax at 8 percent, but making it in place of the property taxes paid by oil

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[1] Topeka Capital-Journal Jan. 7, 1981, p. 1.

[2] Roger Myers, "Industry Fumes Over Severance Tax," Topeka Capital-Journal Jan. 8, 1981, p. 1.

[3] Ibid.

[4] "Speaker of House Lady Endorses Severance Tax," Topeka Capital-Journal Jan. 8, 1981, p. 2.

and gas producers. Part of the revenue would have been sent back to the counties to compensate them for lost revenue.[1]

But Senate President Ross Doyen, R.-Concordia, said he would support only a change in the name of the tax oil and gas producers pay. Doyen said the proposed severance tax would be detrimental to Kansas mineral producers. The oil industry in Kansas and the United States had been lagging for years and was just beginning to recover, he said. "I can see how, if the severance tax were enacted, a lot of these little one-barrel-a-day stripper wells would be taken out of production, and how development of new production would be drastically reduced.[2] Rep. Keith Farrar, R.-Hugoton, whose district overlays the massive Hugoton gas fields, also expressed opposition for a severance tax. "If the governor gets any amount, it's all over.[3]

One issue concerning the severance tax was whether or not it would be passed on to Kansas consumers. In a press conference on January 16, 1981, Carlin said Kansans' utility bills should not increase by more than $4 per year because of the severance tax. Eighty-four percent of the proposed tax on natural gas would be paid by out-of-state consumers and oil companies headquartered outside of Kansas would pay 42 percent

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[1]"Talkington Backs Modified Severance Tax," Topeka Capital-Journal Jan. 14, 1981, p. 9.

[2]Charles Zin, "Doyen Sees Taxes as Top Issue," Topeka Capital-Journal Jan. 14, 1981, p. 11.

[3]Myers, "Severance Tax Proposal Could Backfire on Governor," Topeka Capital-Journal Jan. 18, 1981, p. 7.

of the tax on oil, he said.[1] However, Doyen disagreed, saying a severance tax would raise motor fuel taxes in Kansas by 8 to 10 cents a gallon.[2]

In order to gauge the effects of a severance tax on the Kansas economy, Doyen contracted with Shelby D. Gerking, an economist who heads the Institute for Policy Research at the University of Wyoming, to conduct a study.[3] Doyen had originally planned to pay for the study himself and by accepting donations. Later he announced he had agreed to let four organizations help him pay for the study, including the Southwest Kansas Irrigation Association, Kansas Association of Wheat Growers, Southwest Kansas Royalty Association, and the Southwest Kansas Legislative Policy Committee.[4]

Gerking later reported that Kansas utility users would pay only about 5.4 percent of the $239.7 million which an 8 percent severance tax on oil, gas, and coal would produce. Kansas producers and consumers would pay about 40 percent of the tax, and the rest would be borne by out-of-state companies and consumers. "By the time Kansas consumers see the effect of higher prices caused by the tax, it would be very minimal," he said.[5]

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[1] Myers, "Governor Says Tax Plan Could Increase Utility Bills," Topeka Capital-Journal Jan. 17, 1981, p. 6.

[2] Ibid.

[3] "Doyen Plans Severance Tax Study," Topeka Capital-Journal Jan. 30, 1981, p. 6.

[4] "Doyen Gets Help for Study," Topeka Capital-Journal Feb. 13, 1981, p. 6.

[5] Martin Hawver, "Expert Submits Mineral Tax Study," Topeka Capital-Journal March 21, 1981, p. 1.

The severance tax was first introduced into the House of Representatives on February 5, 1981, and was co-sponsored by twenty-nine Democrats. The bill called for an 8 percent tax on the sale of oil and gas at the well-head, an 8 percent tax on coal after its extraction and preparation, and an 8 percent tax on liquified petroleum gas.[1] The tax would have been imposed on producers who in turn could pass it on to consumers in cases permitted by federal law. Proceeds from the tax, which Carlin estimated at $199 million, were to be placed in a Mineral Tax Production Fund also created by the bill. The fund was designated for public school aid, highway improvement, tax credits for Kansans' utility bills and to compensate counties for reducing the valuation of farm machinery.[2]

Kansas Geological Survey staff members were among the first to testify before the House Assessment and Taxation Committee about the state's mineral production.[3] The committee also heard from a number of groups supporting the proposed severance tax, including the League of Women Voters, Kansas Farmers Union, Kansas-National Education Association, Mid America Coalition for Energy Alternatives, and a coalition for aid to the elderly.[4] The Kansas State Council of Machinists had earlier issued a statement supporting the proposed tax: "Energy producers must

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[1]Myers, "Democrats Introduce Severance Tax in House," Topeka Capital-Journal March 21, 1981, p. 1.

[2]Ibid.

[3]Myers, "Mineral Experts Open Severance Tax Debate," Topeka Capital-Journal Feb. 18, 1981, p. 10.

[4]Myers, "Minerals Tax Called Fair, Realistic," Topeka Capital-Journal Feb. 24, 1981, p. 1.

be compensated for their work, but Kansas residents must also be compensated for the unreplaceable mineral wealth being removed from their state by these producers."[1] However, Kansas Power and Light Company opposed the tax. William Perdue, the company's vice president, said it would add approximately $3.1 million annually to the amount the company pays for natural gas. "We'll oppose anything that runs up the price," he said.[2]

The severance tax bill cleared its first obstacle on February 27, 1981, when the House Assessment and Taxation Committee amended the bill to include salt and cement and voted to report it back to the full House for debate. However, the bill was reported with no recommendation on whether it should be passed.[3] Senate President Doyen said this lack of recommendation set the bill up for defeat on the House floor.[4]

On the eve of House debate on the bill, Carlin announced he would be willing to compromise on the rate of the severance tax. President Ronald Reagan's deregulation of the oil industry would allow considerably more revenue at the 8 percent rate than when he had initially proposed the severance tax, Carlin said.[5] Severance tax opponents

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[1] "Machinists Endorse Severance Tax," Topeka Capital-Journal Jan. 18, 1981, p. 7.

[2] "KPL Takes Stand Against Severance Tax," Topeka Capital-Journal Jan. 20, 1981, p. 1.

[3] Myers, "Panel Sends Tax Proposal to Full House," Topeka Capital-Journal Feb. 28, 1981, p. 1.

[4] "Doyen Predicts Defeat of Severance Tax Plan," Topeka Capital-Journal Feb. 28, 1981, p. 1.

[5] Myers, "Carlin Offers Tax Compromise," Topeka Capital-Journal March 5, 1981, p. 1.

claimed that Carlin's offer to compromise was a public admission that he lacked the votes needed to get the bill through the House. Rep. Eric Yost, R.-Wichita, leader of the anti-severance tax forces in the House, said the governor was desperate for "any severance tax, whether it's 8 percent, or 1 percent."[1]

The House debated on the severance tax bill for five hours on March 5, 1981, and appeared to be close to tentative approval.[2] The next day, representatives voted 68-37 to advance a new version of the bill to final action. This version called for a 5 percent severance tax on oil and natural gas, and a 2 percent tax on coal, salt, and cement. Small stripper oil wells and small gas operations that served a few farms or residences were to be exempted from the severance tax.[3] After the House tentatively approved the bill, Rep. Keith Farrar, Hugoton Republican, a strong severance tax opponent, claimed the bill inadvertently imposed the tax on the state's 40,000 royalty owners.[4]

On March 9, 1981, the House gave formal approval to the severance tax, 64-61, only one vote more than the 63 needed to pass the 125-member chamber. But Senate President Ross Doyen vowed to oppose the bill by referring it to the upper chamber's Assessment and Taxation Committee

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[1]Ibid.

[2]Myers, "Severance Tax Nears Approval," <u>Topeka Capital-Journal</u> March 6, 1981, p. 1.

[3]Myers, "Severance Tax Tentatively OK'd," <u>Topeka Capital-Journal</u> March 7, 1981, p. 1.

[4]Myers, "Backers Dispute Minerals Tax Flaw," <u>Topeka Capital-Journal</u> March 9, 1981, p. 1.

and the Ways and Means Committee. Both committees would have had to approve the bill before it could be sent to the full Senate for debate.[1]

During the first Senate Assessment and Taxation Committee hearing on the proposed severance tax, legislative staff members testified that the bill was constitutional and could be passed on to out-of-state consumers.[2] While the committee was hearing testimony on the bill, controversy arose over its wording. Attorney General Robert T. Stephan said the bill, as it was then written, would tax no one nor raise any revenue.[3] Under Kansas law, Stephan said royalty owners own all minerals until they are severed from the earth. The section in the severance tax bill that sought to specifically exempt royalty owners also had the effect of exempting "the activity of severing from the earth or water any of the specified minerals that are owned by a royalty owner," Stephan said. The wording of the exemption provision raised "serious questions as to whether any oil or gas would be taxed under the proposed law. Therefore it is questionable whether this bill, as it is written, would raise any revenue."[4] The governor's special counsel on the bill, Ben Neill, said the wording could be easily corrected with a "clean-up amendment." That amendment was

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[1]Myers, "Severance Tax Passes, But Barely," Topeka Capital-Journal March 10, 1981, p. 1.

[2]Hawver, "Staff Maintains Constitutionality of Severance Tax," Topeka Capital-Journal March 20, 1981, p. 6.

[3]Myers, "Stephan Questions Severance Tax Wording," Topeka Capital-Journal March 21, 1981, p. 6.

[4]Ibid.

promptly delivered to Sen. Paul Burke, R.-Leawood, chairman of the Senate Taxation and Assessment Committee.[1]

A number of pro-severance tax groups that testified before the House Assessment and Taxation Committee also went before the Senate tax committee. Charles Johns, governmental relations director for Kansas-National Education Association, told the Senate committee that the 20,000-member teachers union supported the severance tax as a way to reduce reliance on property taxes for funding elementary and secondary education. Under the 1981 school finance formulas and budget restrictions, Johns said the severance tax would raise enough money to eliminate a statewide $5 million property tax increase projected for 1982.[2] A Topeka woman, Nadine Burch, 71, who represented a group of elderly Kansans, said if the severance tax was not passed, the elderly would have to pay "higher taxes on their fixed incomes. Now nobody wants to pay higher taxes, but the oil and gas industry can afford to pay them."[3]

When severance tax opponents testified before the Senate Assessment and Taxation Committee, they criticized the proposal's two weakest links -- exemption of royalty owners and its substitution for a statewide property reappraisal.[4] Norbert Dreiling, a Hays attorney and

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[1]Ibid.

[2]Hawver, "Teachers, Elderly Urge Passage of Severance Tax," Topeka Capital-Journal March 26, 1981, p. 8.

[3]Ibid.

[4]Hawver, "Tax Opponents Voice Complaints," Topeka Capital-Journal March 27, 1981, p. 6.

former Democratic state chairman, said the high cost of education appeared to be the reason for the proposed severance tax. There would be money for education if the state's property valuation were accurate. Oil and gas property valuations are more fair than property taxes in general, Dreiling said. He also claimed that the severance tax represented a "colonial" appropriation of western Kansas wealth by residents of the eastern part of the state.

The severance tax bill in the Senate was short-lived, however. After hearing debate on both sides of the issue, the Senate tax committee killed the bill on April 1, 1981, when it voted 6-5 to report the bill unfavorably to the Senate floor.[1] Sen. Leroy Hayden, D.-Satanta, made a motion to strip the bill of the school finance and property tax relief measures supported by Sen. Don Montgomery, R.-Sabetha. Severance tax foes voted for the motion to change Montgomery's vote to "no."[2]

Although the Senate panel had killed the bill, predictions were made that the bill would likely be resurrected as an amendment to a bill being debated on either the House or Senate floors.[3] It was most likely for a severance tax amendment to be offered in the House to a bill already approved by the Senate, or in the Senate to a bill the House had already approved.[4]

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[1]Hawver, "Severance Tax Dies After Committee Vote," Topeka Capital-Journal April 2, 1981, p. 1.

[2]Ibid., p. 2.

[3]"Severance Tax Likely to Reappear," Topeka Capital-Journal April 2, 1981, p. 2.

[4]Ibid.

Rep. Fred Weaver, D.-Baxter Springs and House minority leader, planned to offer a school finance plan on the House floor April 7, 1981, that would reduce property taxes by $50 million statewide and still allow school districts to raise their budgets by 8 percent in 1982. He planned to tell the House that the severance tax was the logical way to finance schools.[1] However, the House rejected Weaver's proposal, 75-49, which would have increased state aid by $120 million. His proposal was not accompanied by a method to raise the new revenue. But he pointed out that $120 million was approximately the amount Carlin's proposed severance tax would have raised in its first year. The plan behind Weaver's proposal was to pressure the Senate into reviving the severance tax and approving it to finance schools.[2]

A school finance bill which provided for a $53 million statewide property tax increase was later approved. The plan did not include the over $100 million that Carlin hoped would be provided by the severance tax. Carlin announced he would veto the Legislature's school finance plan and demand that lawmakers pass a bill that would hold down property taxes during the three-day cleanup session.[3] The governor also said he would use the issue to renew his demands that the Legislature pass a severance tax on oil and gas. "Because they

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[1]Lew Ferguson, Associated Press writer, "School Plan Looks to Severance Tax," Topeka Capital-Journal April 7, 1981, p. 1.

[2]Myers, "School Finance Bill to Affect Property Taxes," Topeka Capital-Journal April 8, 1981, p. 10.

[3]Myers, "Carlin Vows to Veto Bill on School Aid," Topeka Capital-Journal April 11, 1981, p. 1.

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oil and gas production. "My proposal does not erode the local tax base; it keeps that as a resource for local units," he said.[1]

Rep. Kerry Patrick, R.-Leawood, countered Carlin's plan by proposing a 7 percent tax that would eliminate local property taxes on oil and gas property. Patrick's plan would have rebated some of the severance tax proceeds to oil-and-gas producing counties to make up for cutting their property tax collections.[2]

House Speaker Wendell Lady said the real battle over the severance tax would begin in the House Assessment and Taxation Committee. "We're digging foxholes, filling the sandbags and getting ready for the seige," he said. Lady charged the oil industry with "bleeding the people of Kansas." He contended the oil-and-gas industry in Kansas could afford a modest severance tax and was confident one would be passed in the 1982 legislative session.[3]

House committee hearings on the severance tax opened without fanfare on February 9, 1982. Kansas Geological Survey staff members gave a two-and-a-half hour preview on the state's oil and gas production to the Assessment and Taxation Committee.[4] Legislative staff members also gave a preview of three severance tax proposals, including Patrick's plan and Carlin's plan that would impose a 5 percent tax on oil and

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[1]Hawver, "Severance Tax Inevitable, Says Governor," Topeka Capital-Journal Feb. 5, 1982, p. 1.

[2]Ibid.

[3]Myers, "Severance Tax Battle to Begin," Topeka Capital-Journal Feb. 20, 1982, p. 6.

[4]"Severance Tax," Associated Press wire dispatch, Feb. 9, 1982.

natural gas, and a 2 percent tax on coal. Most small production wells, generally three barrels or less a day, were to be exempted. The third plan was a compromise proposed by House Speaker Wendell Lady -- a 3 percent severance tax and a 3-cent-a-gallon increase in motor fuel taxes.[1]

Two days later on February 11, 1982, oil and gas industry representatives unveiled an $80,000 study and claimed a severance tax would hurt the state's economy. The study was conducted by the Midwest Research Institute, of Kansas City, Mo., under the direction of Bruce Morgan.[2] The money that oil and gas producers would pay through a severance tax would normally stimulate economic growth through investing in drilling and creating new jobs. Morgan said the oil and gas industry in Kansas is a "declining industry requiring constant investment."[3]

However, M. Jarvin Emerson, a Kansas State University economics professor, warned the House tax committee not to rely on the report. Emerson's Kansas input-output model was the foundation of the severance tax study which cited his assistance in the preface. "The model was not developed for that particular purpose," Emerson said. "After reading the study I was even more distressed to find my name associated with what I consider to be a poor quality piece of work."[4] House Minority

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[1]Ibid.

[2]"Tax Opponents Cite Study," Kansas State Collegian Feb. 12, 1982, p. 1.

[3]Ibid.

[4]"K-State Economist Discounts Industry Use of Tax Model," Kansas State Collegian Feb. 24, 1982, p. 1.

Leader Fred Weaver said Emerson's testimony "definitely blows the whole report to pieces." Rep. James Braden, R.-Wakefield and House Assessment and Taxation Committee chairman, said he had no idea Emerson would criticize the oil and gas industry's report as strongly as he did.[1]

The House tax committee later approved a compromise plan and sent it to the House floor. The plan called for a 3.5 percent severance tax on oil and natural gas, plus a 2-cent-per-gallon increase in the motor fuels tax. House Speaker Wendell Lady called the plan a "compromise package that is good for the state of Kansas."[2]

The House went on to tentatively approve the compromise plan, 70-55, on March 2, 1982. The bill included a 3.5 percent severance tax on oil and natural gas, a 2.5 percent tax on natural gas liquids, a 5 percent rebate to oil-producing counties and would have set aside 20 percent of the revenue collected for a trust fund to be used as oil and gas reserves diminish.[3] The next day the House approved the tax package by a final vote of 70-54, one vote different from its preliminary approval.

In the Senate, severance tax opponents moved a backup bill out of the Assessment and Taxation Committee into the Ways and Means Committee where it and another severance tax bill were expected to be killed. This action came on a motion by Sen. Jim Allen, R.-Ottawa. Allen's motion followed an attempt by Jack Steineger, Senate minority floor leader, to bring the bill to the floor for debate. The action put both

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[1]Ibid.

[2]"House Panel Endorses Severance Tax Package," Topeka Capital-Journal Feb. 26, 1982, p. 1.

[3]Ibid, p. 2.

severance tax bills -- a Senate version and the House-passed bill -- in the Ways and Means Committee where six of its 11 members opposed the tax.[1] During Ways and Means Committee hearings on the severance tax bill passed by the House, opponents' testimony centered on the state's need for money and the effects of a severance tax on the oil and gas industry's employment.[2]

On March 24, 1982, the Ways and Means Committee voted 7-4 to kill the Senate severance tax bill and then voted 7-3 to kill the House version of the bill. Sen. Joseph Harder, R.-Moundridge, abstained from that vote.[3] Senators voting against the bills were: Doyen, Harder, Ron Hein, R.-Topeka; Paul Hess, R.-Wichita; Robert Talkington, R.-Iola, and Frank Gaines, D.-Augusta. Favorable votes were cast by Joe Warren, D.-Maple City; Bill McCrary, D.-Wichita; Merrill Werts, R.-Junction City, and Jack Steineger, D.-Kansas City. Hess, the Ways and Means Committee chairman said, "We do not need a new tax, a new revenue source this session. It's beyond me why we would want to raise taxes when we don't need the revenue."[4]

After the committee killed the two bills, House Speaker Wendell Lady said, "I think it's a blow to the chances of a severance tax, but I'm not willing to concede at this time. I think it's tragic that an issue of this importance around which this session has revolved is not

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[1]Ibid.

[2]Ibid.

[3]Stephen Fehr, "Kansas Senate Panel Kills Two Bills," Kansas City Times March 25, 1982, Section A, p. 1.

[4]Ibid.

allowed to be heard by the full Senate." Senate President Ross Doyen replied, "I'm not even going to respond to comments like that."[1]

The House tentatively approved the severance tax for the second time on April 1, 1982, by a preliminary vote of 68-53. Eight amendments, all offered by severance tax opponents, failed.[2] The next day, the House gave final approval to the bill by a vote of 68-57.

After waiting nearly two years to vote on the severance tax, the Senate defeated it, 21-19, on April 5, 1982. In a press conference immediately after the Senate vote, Gov. John Carlin said, "I can assure you that the fight for a fair and reasonable severance tax did not end today." House Minority Leader Fred Weaver, of Baxter Springs, said he was willing to work until July in order to pass a severance tax. However, Doyen said, "We had the vote. As far as I'm concerned, we are done with it."[3] Sen. Ron Hein, a Topeka Republican and a severance tax opponent, believed he had voted in the state's best interest. "I stand here as a statesman today. Not just looking at my district, but at the state as a whole," he said.[4] Sen. Norman Gaar, R.-Westwood, said the oil and gas lobbyists were mostly rich Republicans who did not want to pay a severance tax. "They are not asking us not to pass this bill for the good of the state; they oppose it because they just don't

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[1]Ibid.

[2]"House Approves Severance Tax Bill," Kansas State Collegian April 2, 1982, p. 1.

[3]Hawver, "Senate Defeats Severance Tax; Carlin Yet to Give Up," Topeka Capital-Journal April 6, 1982, p. 1.

[4]Ibid., p. 6.

want to pay it," he said. "Many of them are millionaires, and if we pass this tax, they will still be millionaires."

Late in the legislative session, Senate Vice President Charlie Angell, R.-Plains, abandoned his attempt to have a bill debated which could have had a severance tax amendment added to it. The aim of the "Deep Horizons" bill, one which Angell wanted badly to see passed, was to force major oil companies to drill more deeply in the southwest Kansas fields where some landowners believe there are untapped oil and gas reserves at deeper levels.[1] Jack Steineger, Senate Democratic leader, was prepared to try a severance tax amendment if Angell had advanced the bill to debate and a vote in the Senate.[2]

Thus the severance tax once again slipped into what Associated Press writer Lew Ferguson called the 1982 session's "graveyard of lost legislation."[3] Steineger said:

> The severance tax failed again in 1982 for one reason: members of the Kansas Senate have placed the narrow self-interest of a few thousand oil and gas producers ahead of their districts and the people of Kansas. It's certainly just a postponement. I think the public at large is going to be mighty upset that an industry that has had an 800 percent increase in the last nine years continues to pay such a small share of the tax burden.[4]

House Speaker Wendell Lady said he was disappointed the severance tax had not passed. The Legislature would be forced to deal with funding problems

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[1]"Severance Tax Lies in Legislative Graveyard," Topeka Capital-Journal April 29, 1982, p. 1.

[2]Ibid.

[3]Ibid.

[4]Ibid.

in the 1983 session, he said. However, Senate Vice President Charlie Angell said he believed the Legislature had shown good sense by not passing a severance tax. "My position has been it might have been a one-, two-, or three-year solution to our financial problems, but a terrible long-term solution -- tying it to a declining resource."[1]

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[1]Ibid.

CHAPTER II

METHODOLOGY

The purpose of this study is to determine the attitudes of selected Kansas newspapers toward a severance tax. Since the attitudes of newspapers are found in editorials, this study will focus on that part of the paper. According to Ithiel de Sola Pool, editorials provide the "best first approximation of the attitudes of newspapers."[1]

The severance tax in Kansas has been referred to as more of a geographical issue than a partisan one.[2] For this reason, the study's secondary objective was to look at the relationships between newspaper attitudes in non-oil and natural gas-producing areas and those in moderate to major-producing areas.

Nafziger and Wilkerson state that three basic methods are used in content analysis. They are: subject matter analysis, symbol coding, and scale measurement.[3] *Subject matter* analysis is the most common method of content analysis. It consists of grouping the various

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[1]The 'Prestige Papers' (Stanford, Calif.: Stanford University Press, 1952), p. 11.

[2]Myers, "Carlin Offers Tax Compromise," Topeka Capital-Journal March 5, 1981, p. 1.

[3]Ralph O. Nafziger and Marcus M. Wilkerson, An Introduction to Journalism Research (New York: Greenwood Press, 1968) p. 86.

editorial items by subject matter into categories pertinent to the problem being studied.[1] Symbol coding attempts to simplify the analysis by subject matter and to speed up the process by counting only "symbols," or significant words. For example, by counting the number of times "Israel" appears in editorials and coding them as favorable (+), unfavorable (-), or neutral (0), the amount of attention and direction of editorials on Israel can be determined.

Jones suggests four steps in content analysis:

1. Specify the population and unit of analysis.
2. Obtain a sample (if a complete enumeration is not possible.)
3. Develop categories.
4. Code the data.[2]

The most common units of analysis are words, themes, and space and time, according to Jones. A word is the simplest and smallest unit of analysis, but it is also the most tedious to work with. Themes in content analysis refer to any proposition contained in the communication, such as sentences, paragraphs, or entire stories.[3]

Berelson points out that categories of analysis "should be defined so precisely that different analysts can apply them to the same body of content and achieve the same results."[4] Although content analysis can be used in extensive studies, "for most purposes, analysis of a small,

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[1]Ibid.

[2]E. Terrence Jones, Conducting Political Research (New York: Harper & Row, 1971) p. 77.

[3]Ibid., p. 78.

[4]Bernard Berelson, Content Analysis in Communication Research (New York: American Book-Stratford Press, Inc., 1952) p. 16.

carefully chosen sample of the relevant content will produce just as valid results as the analysis of a great deal more."[1]

There are many instances where editorials have been analyzed to gauge newspaper attitudes. Pool conducted a content analysis of fifty years of editorials from nine newspapers, including the New York Times, the London Times, and newspapers from Germany, France, and Russia.[2] To get a representative sample, he selected the editorials published on the first and fifteenth day of each month, or the nearest possible day.[3] He made a list of 416 symbols, including 206 names of national units and 210 listing major ideologies in world politics for the last half century.[4] Pool recorded both the presence and absence of the listed symbols and the attitudes expressed toward them, either favorable, opposed, or neutral.

Content analysis of editorials was also used extensively in World War II by the Media Division of the Office of War Information.[5] The editorials were abstracted on 5 by 8-inch sheets of paper for summarization and filing. A reader underlined passages which adequately described the topic. For example, an editorial on the Second Front in Europe was classified as "Military -- Europe -- Second Front." An overall classification index with four categories -- Military, Economic,

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[1] Ibid., p. 164.

[2] Pool, op. cit., p. 11.

[3] Ibid., p. 13.

[4] Ibid., p. 16.

[5] Nafziger and Wilkerson, op. cit., p. 92.

Political, and Ideological -- was then used. A senior analyst was assigned to edit the reports as they came across his desk.[1] The validity of this study depended, first, upon the reader's ability to select editorial passages representing the lines of criticism and, second, upon the analyst's reliability in interpreting the data.[2]

Study Design

This study will first look at the direction and intensity of editorials on the severance tax. Secondly, it will examine the oil-and-gas-production factor in newspaper positions on the severance tax question. Thirdly, it will look at elected officials and their behavior toward the issue.

Coding

Coding procedures were established to determine the position of of editorials on the severance tax and the intensity of the position. Since editorial writers' styles differ from newspaper to newspaper, it was decided to use the whole editorial as the unit of study. Editorials were divided into two classes. The first class of editorials, Class A, were those in which the subject was devoted entirely to the severance tax, not just a sentence or a paragraph mentioning it. Class B editorials were on a subject other than the severance tax,

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[1]Ibid., p. 93.

[2]Ibid.

but included a sentence or a paragraph mentioning it. Details in the study design are evident in the coding procedures.[1]

Coding for Direction

In order to determine direction, the coder is to read the entire editorial and make a judgment on whether it is favorable, unfavorable, or neutral concerning a severance tax. It is to be noted that Class B editorials were coded for direction only.

Coding for Intensity

Class A editorials were coded for direction and intensity. In order to determine whether a Class A editorial is for or against a severance tax, and to what degree, the following scale was used: (+2) strongly supportive, (-2) strongly negative, (+1) mildly supportive, (-1) mildly negative, and (0) neutral.[2]

To be coded +2, an editorial must strongly support a severance tax. Negative statements in the editorial must be countered with positive

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[1]The coding system was partially based on one developed by Harold Lasswell, a noted political science researcher, but it is not as detailed. Lasswell's coding procedure (as presented in "An Experimental Comparison of Four Ways of Coding Editorial Content," Journalism Quarterly 19:363-369) consisted of first selecting a symbol list of words (unit symbols), or statements (sequence symbols) whose occurrences are to be recorded. Lasswell's second step is to define the symbol list, such as clarify if synonyms will be allowed to be used. Third, the recording unit and the specified content are selected. Then readers are trained for consistency and reliability, and data are recorded and collected. See also Lasswell's coding design in "The Politically Significant Content of the Press: Coding Procedures," Journalism Quarterly 19:12-22.

[2]See Appendix A for a coding schedule used in the study.

ones. A +2 editorial could also include statements on: lessening of financial burdens, promises of economic gain, and positive imagery. Most important, an editorial coded +2 must have a clearly supportive tone concerning a severance tax.

A strongly negative (-2) editorial could include emotional evaluations of the severance tax in a negative way, such as negative adjectives and metaphors. It could also include talk of harm, economic loss, and positive arguments countered by negative ones. The most important criterion is for the editorial to have a clearly negative tone, however.

A mildly supportive (+1) editorial is for a severance tax, but may mention some reservations -- negative statements that are not countered by a positive argument. A mildly negative (-1) editorial is against a severance tax, but concedes that it has some positive qualities or that the state may eventually adopt one. Neutral editorials mention the severance tax but do not take a positive or negative stand on it.

Class B editorials that include positive statements about a severance tax will be considered supportive (+). Those with negative statements will be classified as negative (-), and those that do not take a stand will be considered neutral.

Coding of Elected Officials

One of the reasons for including this area in the study was to see which elected officials were mentioned the most in severance tax editorials. During the 1981 and 1982 legislative sessions, it seemed that Senate President Ross Doyen, R.-Concordia, received much negative attention for his attempts to block passage of a severance tax. Although it was not formulated as an actual hypothesis, the writer wanted to see if Doyen received the most attention in severance tax editorials.

The purpose of this analysis was to gauge the newspapers' opinions toward elected officials' behavior concerning the severance tax. The same coding system used for Class B editorials was used in this category. Elected officials' behavior was coded for direction, not intensity. The coder is to make a judgment as to whether the editorial portrays the official's behavior concerning the severance tax as positive (+), neutral (0), or negative (-). The number of editorials mentioning an elected official was recorded along with the number of positive, neutral, and negative mentions. For a sample of the coding sheet used in this study, see Appendix A.

This part of the study was limited to elected officials serving on the state level during the study period. Some editorials mentioned former governors Robert Bennett and William Avery, or county officials. Such officials were not included in this study.

Inter-coder Reliability

In order to test coding reliability, the writer selected twenty-five editorials and had two other persons code them following the coding procedures. An effort was made to include an editorial from the beginning and from the end of the sample period in newspapers that published several editorials on the severance tax. Since the Hutchinson News published such a large number of editorials on the tax, four of its editorials were included in this sample. For newspapers that paid less attention to the issue, only one or two editorials were included.

In coding editorials, there were fourteen instances out of twenty-five where all three coders agreed, both in intensity and direction. In only one instance did the writer and the other coders disagree on direction. As to intensity ratings, where there was disagreement (eight instances), the difference was never more than one (e.g. +1, +2).

The coders also made assessments of the editorial's portrayal of elected officials' behavior concerning the severance tax. Of the twenty-five editorials in the sample, six mentioned no elected officials. The remaining nineteen editorials mentioned twenty-six elected officials. (Two of these editorials mentioned a list of officials who were all given the same rating. Therefore the two lists were counted as one official each.) The third coder said the coding instructions for elected officials confused her and consequently coded fewer than half of the elected officials. Her results were not used in assessing inter-coder reliability. However, fifteen instances in twenty-six the writer and Coder 2 agreed in rating editorial portrayal of behavior concerning the severance tax. The level of agreement here was 58 percent. For a further explanation, see Appendix B.

The Sample

This study used a purposive sample of selected daily and weekly newspapers in Kansas. The criteria for sample selection included circulation, geographic location, and the factor of local oil and natural gas production.

Circulation

1. Circulation of 50,000 and over.
2. Circulation of 25,000 to 49,999.
3. Circulation of 10,000 to 24,999.
4. Circulation of 9,999 or less.
5. Weekly newspapers regardless of circulation size.

Circulation figures were based on weekday, not Sunday circulation.

There are two Kansas newspapers in the 50,000 and over circulation category -- the Wichita Eagle-Beacon, circulation 123,545, and the Topeka Capital-Journal, circulation 83,194.[1] Both newspapers were selected for this study. The two newspapers in the 25,000 to 49,999 category -- the Salina Journal and the Hutchinson News -- were also selected. The Journal's circulation is 32,294 and the News has a circulation of 44,424.

There are six Kansas newspapers in the 10,000 to 24,999 circulation category. Two of these, the Hays Daily News and the Manhattan Mercury, were selected. The Hays Daily News has a circulation of 13,088 and the Mercury's circulation is 13,030. The under-10,000 circulation category includes twenty-eight newspapers of which three were selected -- the Atchison Daily Globe, circulation, 6,233; the El Dorado Times, circulation, 5,541; and the Goodland Daily News, circulation, 3,052. Three of

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[1]All circulation figures were taken from: '82 Ayer Directory of Publications (Bala Cynwyd, Pa.: IMS Press, 1982) p. 396-409.

the approximately 135 weekly newspapers were also selected. These include the Osawatomie Graphic, circulation, 4,111; Jewell County Record at Mankato, circulation, 2,496; and the Hugoton Hermes, circulation, 1,999.

Geographic Location and the Factor of Local Oil and Natural Gas Production

An attempt was also made to select newspapers from both oil- and natural gas-producing areas of Kansas and non-oil and gas-producing areas. In order to more easily distinguish between the producing and non-producing areas, three classifications were established: non-producing, moderate-producing, and major-producing counties.

Non-oil producing counties were defined as those which produced less than 100,000 barrels in 1980, according to Kansas Geological Survey figures.[1] Moderate oil-producing counties were defined as those which produced from 100,000 to 1 million barrels of oil in 1980. The counties which produced more than 1 million barrels of oil in 1980 were considered major producers.

Non-natural gas-producing counties were defined as those which produced less than 1,000 million cubic feet (mmcf) in 1980. Counties which produced from 1,000 to 9,999 mmcf were considered moderate natural gas producers. Major producers were defined as those which produced 10,000 mmcf and above in 1980. Table 1 lists the selected

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[1]All production figures were taken from: Shirley E. Paul and Earl I. Bahnmaier, 1980 Oil and Gas Production in Kansas (Lawrence, Kan.: Kansas Geological Survey, 1981) p. xi.

THIS BOOK CONTAINS NUMEROUS PAGES WITH DIAGRAMS THAT ARE CROOKED COMPARED TO THE REST OF THE INFORMATION ON THE PAGE.

THIS IS AS RECEIVED FROM CUSTOMER.

TABLE 1

SELECTED NEWSPAPERS, THEIR HOME COUNTY, AND OIL AND NATURAL GAS PRODUCTION IN 1980

Newspaper	County	Oil (barrels)	Gas (mmcf)
Wichita Eagle-Beacon	Sedgwick	493,000 (moderate)	383 (non-producer)
Topeka Capital-Journal	Shawnee	non-producer	non-producer
Hutchinson News	Reno	829,000 (moderate)	1,369 (moderate)
Salina Journal	Saline	178,000 (moderate)	non-producer
Hays Daily News	Ellis	4.8 million (major)	non-producer
Manhattan Mercury	Riley	52,000 (non-producer)	non-producer
El Dorado Times	Butler	2.6 million (major)	non-producer
Atchison Daily Globe	Atchison	non-producer	non-producer
Goodland Daily News	Sherman	20,000 (non-producer)	non-producer
Osawatomie Graphic	Miami	274,000 (moderate)	non-producer
Hugoton Hermes	Stevens	142,000 (moderate)	166,496 (major)
Jewell County Record	Jewell	non-producer	non-producer

newspapers, their county, and the oil and natural gas production in the county.

In summary, newspapers in major oil- or gas producing areas that were selected include the Hays Daily News, the El Dorado Times, and the Hugoton Hermes. Newspapers in moderate oil- or gas-producing areas include the Wichita Eagle-Beacon, the Hutchinson News, the Salina Journal, and the Osawatomie Graphic. Newspapers selected from non-producing areas are: the Topeka Capital-Journal, Manhattan Mercury, Atchison Daily Globe, the Goodland Daily News, and the Jewell County Record, Mankato.

Time Period

The time period of January 1, 1981, through April 30, 1982, was used in this study. This period was chosen because it included both the 1981 and 1982 Kansas legislative sessions when the severance tax was a major issue. By studying editorials written during two different legislative sessions, it was possible to determine if the newspapers were consistent in their views on the severance tax. The study was begun shortly after the 1982 legislative session ended and was scheduled to be completed before the 1983 session began.

Limitations

Only newspapers of general circulation were considered, not newspapers with specialized audiences, such as agricultural, business, church or military. The Kansas City Star and Times were not included in the study because they are not published in Kansas, although they do circulate in the state. For all but three newspapers, only unsigned editorials were studied. The Goodland Daily News, the Hugoton Hermes, and the Jewell County Record often published editorials with the editor's byline. Guest editorials and editorials reprinted from other newspapers were not included in the study.

Analysis of Data

Findings will be summarized for Class A editorials and Class B editorials to show direction and intensity. These will be related to the local oil and natural gas production factor. The mentions of elected officials will also be summarized. Much of the analysis will be descriptive profiles of the individual newspapers selected for the study.

CHAPTER III

FINDINGS

This chapter presents the findings of the content analysis of the selected newspapers' attitudes toward a severance tax. Section A will discuss the results of coding Class A editorials (Tables 2, 3, 4); Section B, the results of coding Class B editorials (Tables 5, 6, 7); Section C, newspapers favoring the severance tax; Section D, newspapers against the tax; and Section E, neutral newspapers.

Class A Editorials

The number per newspaper of Class A editorials, those devoted entirely to the severance tax, ranged from thirty-two (Hutchinson News) to zero (Goodland Daily News and the Atchison Daily Globe) (see Table 2). There were forty-two strongly supportive (+2) editorials; eight mildly supportive (+1) editorials; and eighteen strongly negative editorials. Of the +2 editorials, the Hutchinson News published thirty-two.

Net intensity scores of Class A editorials for each newspaper from the highest to the lowest are: the Hutchinson News, +64; Topeka Capital-Journal, +11; Manhattan Mercury, +9; Osawatomie Graphic, +3; Goodland Daily News and the Atchison Daily Globe, both zero; the El Dorado Times, -3; Jewell County Record, -4; Hugoton Hermes and the Hays Daily News, both -5; Salina Journal, -9; and the Wichita Eagle-Beacon, -12.

TABLE 2

CLASS A EDITORIALS: DIRECTION AND INTENSITY RATINGS

Newspaper	+2 Strongly Supportive	+1 Mildly Supportive	0 Neutral	-1 Mildly Negative	-2 Strongly Negative	Net Intensity Score
Wichita Eagle-Beacon	0	0	0	0	6	-12
Topeka Capital-Journal	5	1	2	0	0	+11
Hutchinson News	32	0	0	0	0	+64
Salina Journal	2	0	4	3	5	-9
Manhattan Mercury	2	5	2	0	0	+9
Hays Daily News	0	1	1	2	2	-5
El Dorado Times	0	0	0	1	1	-3
Goodland Daily News	0	0	0	0	0	0
Atchison Daily Globe	0	0	0	0	0	0
Osawatomie Graphic	1	1	0	0	0	+3
Jewell County Record	0	0	0	0	2	-4
Hugoton Hermes	0	0	0	1	2	-5

Of the newspapers in oil- and gas-producing areas, the Hutchinson News published the highest number of strongly supportive editorials (see Table 3). The Salina Journal published two strongly supportive editorials at the end of the study period, but it opposed a severance tax at first. The Osawatomie Graphic also published a strongly supportive editorial. But the other newspapers in producing areas -- the Wichita Eagle-Beacon, the Hays Daily News, the El Dorado Times and the Hugoton Hermes -- published no strongly supportive editorials.

Two newspapers in producing areas published moderately supportive editorials. The Hays Daily News published such an editorial. However, the newspaper did not endorse a severance tax; instead it seemed to concede that the tax was inevitable. The Osawatomie Graphic also published a mildly supportive editorial.

Five Class A editorials rated neutral were published in producing-area newspapers, including four in the Salina Journal and one in the Hays Daily News. In the mildly negative category, (-1), the Salina Journal published three editorials; the Hays Daily News, two; the El Dorado Times and the Hugoton Hermes, one.

The Wichita Eagle-Beacon published six strongly negative, (-2), editorials, the most of any producing-area newspaper. The Salina Journal followed with five strongly negative editorials. The Hays Daily News and the Hugoton Hermes both published two strongly negative editorials, and the El Dorado Times, one.

Of the newspapers in producing areas, the Hutchinson News took the strongest stand in favor of a severance tax with a net intensity score of +64. The Osawatomie Graphic took a mildly supportive stand with a

TABLE 3

CLASS A EDITORIALS IN PRODUCING AREA NEWSPAPERS: DIRECTION AND INTENSITY RATINGS

Newspaper	+2 Strongly Supportive	+1 Mildly Supportive	0 Neutral	-1 Mildly Negative	-2 Strongly Negative	Net Intensity Score
Wichita Eagle-Beacon	0	0	0	0	6	-12
Hutchinson News	32	0	0	0	0	+64
Salina Journal	2	0	4	3	5	-9
Hays Daily News	0	1	1	2	2	-5
El Dorado Times	0	0	0	1	1	-3
Osawatomie Graphic	1	1	0	0	0	+3
Hugoton Hermes	0	0	0	1	2	-5

net intensity score of +3. Other net intensity scores were: the El Dorado Times, -3; Hays Daily News and Hugoton Hermes, both -5; Salina Journal, -9; and the Wichita Eagle-Beacon, -12. It should be noted that the Salina Journal reversed its position and ended the study period by endorsing a severance tax.

Of the Class A editorials published in non-producing area newspapers, the Topeka Capital-Journal published five strongly supportive (+2) editorials (see Table 4). The Manhattan Mercury published two strongly supportive editorials. The other non-producing area newspapers -- the Goodland Daily News, Atchison Daily Globe, and the Jewell County Record -- published no strongly supportive editorials. The Topeka Capital-Journal and the Manhattan Mercury were the only non-producing area newspapers to publish mildly supportive editorials -- one and five respectively.

The Capital-Journal and the Mercury were also the only non-producing area newspapers to publish Class A editorials rated as neutral. Each newspaper published two such editorials. The Jewell County Record was the only non-producing area newspaper to publish editorials criticizing a severance tax. It published two strongly negative (-2) editorials.

Net intensity scores for Class A editorials in non-producing area newspapers included: the Topeka Capital-Journal, +11; Manhattan Mercury, +9; Goodland Daily News and the Atchison Daily Globe, both zero; and the Jewell County Record, -4.

TABLE 4

CLASS A EDITORIALS IN NON-PRODUCING AREA NEWSPAPERS: DIRECTION AND INTENSITY RATINGS

Newspaper	+2 Strongly Supportive	+1 Mildly Supportive	0 Neutral	-1 Mildly Negative	-2 Strongly Negative	Net Intensity Score
Topeka Capital-Journal	5	1	2	0	0	+11
Manhattan Mercury	2	5	2	0	0	+9
Goodland Daily News	0	0	0	0	0	0
Atchison Daily Globe	0	0	0	0	0	0
Jewell County Record	0	0	0	0	2	-4

Class B Editorials

The number of Class B editorials -- those on a different subject but mentioning the severance tax -- ranged from a high of twenty-five published by the Hutchinson News to none published by the Atchison Daily Globe and the Jewell County Record (see Table 5). There were twenty-four positive Class B editorials, forty-five neutral, and nineteen negative editorials. Newspapers which took positive stances in their Class B editorials were the Topeka Capital-Journal, Hutchinson News, and the Manhattan Mercury. The El Dorado Times and the Osawatomie Graphic took neutral stances in their Class B editorials. The Atchison Daily Globe and the Jewell County Record published no Class B editorials and thus took a neutral stance in this category. Newspapers which took a negative stance on the severance tax in their Class B editorials included the Wichita Eagle-Beacon, the Hays Daily News, the Goodland Daily News, and the Hugoton Hermes.

Newspapers in producing areas which took a positive stance on the severance tax in their Class B editorials were the Hutchinson News and the Salina Journal (see Table 6). The Hutchinson News published 13 positive and 12 neutral editorials, and the Salina Journal published two positive Class B editorials. The El Dorado Times published one neutral Class B editorial and thus took a neutral stance in this category. The Osawatomie Graphic published one positive, four neutral, and one negative Class B editorial and also took a neutral stance. The newspapers which took a negative stance in their Class B editorials were the Wichita Eagle-Beacon, the Hays Daily News, and the Hugoton

TABLE 5

SUMMARY OF CLASS B EDITORIALS: DIRECTION

Newspaper	+ (Positive)	0 (Neutral)	- (Negative)	Overall Direction Summary
Wichita Eagle-Beacon	0	3	10	-
Topeka Capital-Journal	5	10	0	+
Hutchinson News	13	12	0	+
Salina Journal	2	0	1	+
Manhattan Mercury	2	6	0	+
Hays Daily News	1	6	4	-
El Dorado Times	0	1	0	0
Goodland Daily News	0	0	1	-
Atchison Daily Globe	0	0	0	0
Osawatomie Graphic	1	4	1	0
Jewell County Record	0	0	0	0
Hugoton Hermes	0	3	2	-

TABLE 6

CLASS B EDITORIALS IN PRODUCING AREA NEWSPAPERS

Newspaper	+ (Positive)	0 (Neutral)	- (Negative)	Overall Direction Summary
Wichita Eagle-Beacon	0	3	10	-
Hutchinson News	13	12	0	+
Salina Journal	2	0	1	+
Hays Daily News	1	6	4	-
El Dorado Times	0	1	0	0
Osawatomie Graphic	1	4	1	0
Hugoton Hermes	0	3	2	-

TABLE 7

CLASS B EDITORIALS IN NON-PRODUCING AREA NEWSPAPERS

Newspaper	+ (Positive)	0 (Neutral)	- (Negative)	Overall Direction Summary
Topeka Capital-Journal	5	10	0	+
Manhattan Mercury	2	6	0	+
Goodland Daily News	0	0	1	-
Atchison Daily Globe	0	0	0	0
Jewell County Record	0	0	0	0

Hermes. The Eagle-Beacon published three neutral and ten negative Class B editorials. The Hays Daily News published six neutral and four negative editorials. And the Hugoton Hermes published three neutral and two negative Class B editorials.

Of the newspapers in non-producing areas, the Topeka Capital-Journal and the Manhattan Mercury took positive stands on the severance tax in their Class B editorials (see Table 7). The Capital-Journal published five positive and ten neutral editorials, and the Mercury published two positive and six neutral editorials. The Goodland Daily News published only one editorial on the severance tax which was rated as Class B negative. The Atchison Daily Globe and the Jewell County Record published no Class B editorials and thus took a neutral stance in this category.

Profiles of Newspapers Favoring the Severance Tax

The newspapers in this study that favored a severance tax generally believed it would generate money the state needed. Other supporting arguments were that the state has a right to tax its mineral production, and provisions should be made for future generations of Kansans who would not have the benefits of revenue from mineral production. The newspapers in this study which favored a severance tax were: the Topeka Capital-Journal, Hutchinson News, Salina Journal, Manhattan Mercury, and the Osawatomie Graphic.

The *Topeka Capital-Journal*

The *Topeka Capital-Journal* is published in Shawnee County which was considered a non-producing county in this study. Therefore it was predicted the newspaper would support a severance tax. This prediction proved to be true. The *Capital-Journal* published twenty-three editorials mentioning the tax. Of these, eight were put in Class A -- five were rated at +2; one, +1, and two were neutral. No Class A editorials were considered negative. Under Class B, five editorials were considered positive, and ten were classified as neutral. During the 1981 legislative session, the *Capital-Journal* published seven editorials mentioning the severance tax and in the 1982 session, eleven editorials mentioning the tax.

Immediately after Gov. John Carlin announced he would seek a severance tax in the 1981 legislative session, the *Capital-Journal* endorsed his plan.[1] "In unveiling his plan for an 8 percent severance tax on oil, natural gas, and coal production in Kansas, Gov. John Carlin brought in a gusher." Although the oil and gas producers strongly opposed a severance tax, the *Capital-Journal* said they could afford to pay one. "Total Kansas taxes on oil production and oil-producing land amount to about 3.4 percent of the reserves."[2]

The *Capital-Journal's* first argument for a severance tax was, "It just makes sense." Kansas and California are the only major mineral-producing states which do not have severance taxes. Other mineral

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[1] "Severance Tax Should Be Enacted," Jan. 11, 1981, p. 14.

[2] Ibid.

producing states, such as Wyoming, Montana, Alaska, Texas, and Oklahoma, levy severance taxes in order to be compensated for the depletion of non-renewable resources, the newspaper said.

A second argument for the severance tax was that it was "economically sound."[1] Since Kansans were reducing their fuel consumption, the gasoline tax was no longer a dependable revenue source. And an increase in the state sales tax would strike at those least able to pay, unless some exemptions were included.

> Rich as Kansas is in resources, utilities in our state have to import fuel from other states, and we have paid higher utilities because other states have severance taxes.
>
> But revenge is not the reason Carlin's plan should be approved by the Legislature. Common sense is. The severance tax will produce almost $200 million that our roads and schools need. It doubtless will face a tough fight, but chances for passage appear better this session than in past years.[2]

Even before the severance tax was introduced in the Legislature, it had caused much controversy.[3] Carlin was holding out for the severance tax, saying he would veto increases in the sales and motor fuels taxes. Then Senate President Ross Doyen contracted with a University of Wyoming economist for a study on the effects of a severance tax. Carlin said Doyen was trying to get the study to back his opposition to the tax. But the Capital-Journal said, "Nevertheless, Doyen's

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[1]Ibid.

[2]Ibid.

[3]"On a Collision Course," Feb. 14, 1981, p. 4.

idea is sound, albeit a bit of a grandstand play. It cannot hurt to have two sets of figures available for review."[1]

After Doyen received the study's findings, he said he was satisfied with the results.[2] The study showed a severance tax would have only a slight impact on Kansas utility users, and out-of-state producers and consumers would pay the most. Although Doyen said a severance tax would be an unfair burden on the oil and gas industry, the Capital-Journal disagreed. "By and large, the oil and gas industry is viewed as financially stable." Doyen also claimed a severance tax would halt the search for oil and gas in Kansas. But the Capital-Journal said, "Such taxes certainly have not discouraged producers from drilling for oil in Oklahoma or mining coal in Wyoming."[3]

As the 1981 legislative session continued, a "no new taxes" movement arose in the Senate.[4] Senate leaders believed the state could avoid levying new taxes if the Legislature could cut $20 million to $25 million from Carlin's proposed budget. But additional funds were needed for Kansas public schools and highways, the Capital-Journal said. "Only one tax proposal will permit the state to meet these priorities -- Carlin's proposed severance tax."[5]

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[1] Ibid.

[2] "Tax Opponents and Strategy," March 25, 1981, p. 4.

[3] Ibid.

[4] "Tax Increase Inevitable," March 10, 1981, p. 4.

[5] Ibid.

Although the Senate did not want to levy new taxes, tax increases at the local and state level seemed inevitable, the newspaper said.

> The severance tax is the most palatable plan available to the state. Kansas should get some revenue from depletion of minerals from the land. Kansas and California are the only mineral-producing states without a severance tax.
>
> Kansas citizens should have the relief from property taxes which a severance tax promises to bring. It is the only tax option available to the state which would produce substantial revenues without leaning more heavily on the average taxpayer.[1]

When the Legislature approved a school finance bill in April 1981, it kept its vow of "no new taxes," opting instead for "more, much more of the same old taxes," the Capital-Journal said.[2] The bill increased property taxes by $53 million statewide, the largest increase in Kansas history.

> The Legislature had the chance to make a meaningful commitment to better schools by enacting the severance tax. But that was a 'new tax,' and heaven forbid we should have any new taxes. Instead, it sent the governor an insult, a bill that calls for a token amount of new state funds for education.[3]

After the 1981 Legislature adjourned, the Capital-Journal said the session had "all the earmarks of an unorganized fire drill."[4] The severance tax had caused such a controversy that many other important issues were almost ignored, including anti-crime measures, and highway

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[1]"Tax Opponents and Strategy," March 25, 1981, p. 4.

[2]"No New Taxes," April 11, 1981, p. 4.

[3]Ibid.

[4]"A Stormy Session," May 10, 1981, p. 18.

maintenance. But the newspaper predicted severance tax supporters would keep trying until the Legislature passed such a tax. "Severance tax may become the 'liquor-by-the drink' of the 1980s, a perennial issue."[1]

Late in December 1981, House Speaker Wendell Lady proposed a compromise severance tax plan calling for a 3 percent severance tax and a 3-cent per gallon increase in the motor fuels tax. The Capital-Journal endorsed Lady's plan.[2] The legislators' main job was to appropriate money for state programs. In order to know how much they could spend, they needed to know how much revenue would be coming in. Therefore, the Legislature should act on the severance and motor fuels taxes as soon as possible after the beginning of the 1982 session, the Capital-Journal said. After determining how much money they had to spend, legislators could decide how the funds should be spent.[3]

At the beginning of the 1982 legislative session, many of the issues, such as highway maintenance and school finance, were the same as the previous year. Once again, the Legislature would be focusing on how to fund these areas, the Capital-Journal said.[4] Carlin was still promoting a severance tax, but had reduced the amount he was requesting from 8 percent to 5 percent. Senate Republicans seemed to oppose the severance tax and favored a 3 percent increase in the motor fuels tax instead. And House Speaker Wendell Lady was promoting

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[1]Ibid.

[2]"Start With a Compromise," Dec. 23, 1981, p. 4.

[3]Ibid.

[4]"Legislators Move In," Jan. 10, 1982, p. 4.

his compromise severance tax plan. Although the Capital-Journal did not endorse Carlin or Lady's plan at that time, it said the Legislature should put aside controversies and begin to compromise early in the session.

The Capital-Journal called Carlin's severance tax proposal his "Sunday punch." Although the Republicans denounced the governor for including a severance tax in his proposed budget, the newspaper said:

> But the severance tax is a politically popular proposal, and before the election year session is over, most legislators will want the chance to vote on it. It's something they can campaign with.
>
> Thus some form of a severance tax proposal probably will advance further this year than last, when it died in Senate committee.[1]

As the Legislature began struggling with how to balance revenue with expenditures, the Capital-Journal continued to support House Speaker Wendell Lady's compromise severance tax plan.[2] Lady's plan was the "most logical" proposal the Legislature was considering. It recognized the importance of a severance tax in raising revenue and the need to assess users to support highway repairs, the newspaper said.

The fight over the severance tax turned into a "test of wills" as the 1982 legislative session continued.[3] Neither House Speaker Wendell Lady nor Senate President Ross Doyen showed any signs of

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[1]"Round One," Jan. 15, 1982, p. 4.

[2]"Jugglers in Action," Jan. 31, 1982, p. 14.

[3]"A Test of Wills," March 4, 1982, p. 4.

yielding. The Capital-Journal said Doyen and Lady were playing "political hardball" with the tax issue and apparently intended to deny legislators the opportunity to vote on whether there would be a severance tax or a motor fuels tax increase. "The 163 other members of the Legislature were not elected to be bystanders. Both issues should be brought to a floor vote in both houses."[1]

After the Senate Ways and Means Committee killed two severance tax bills later in the 1982 session, the Capital-Journal said, "The severance tax could receive a resurrection of sorts by the Kansas House, but it is doubtful the tax can be saved."[2] If there was hope for the tax, it would have to come from senators who were not on the Ways and Means Committee. Those senators should push for the bill and find a way to bring it out of committee so the whole Senate could vote on it, the newspaper said. But even then there were no guarantees the tax would be approved.[3]

After Senate President Ross Doyen announced he would let the full Senate vote on the severance tax, the Capital-Journal applauded his decision.[4] It continued to support a severance tax, saying voters would not agree with higher sales and gasoline taxes, especially in

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[1]Ibid.

[2]"Alive, But Not Well," March 28, 1982, p. 16.

[3]Ibid.

[4]"Severance Tax Showdown," April 4, 1982, p. 16.

an election year. "That pretty much leaves the severance tax as the only source capable of providing substantial revenue."[1]

When the Senate defeated the severance tax, 21-19, on April 5, 1982, the Capital-Journal said, "What the 21 senators who voted against the tax were saying was that the state does not need the revenue a severance tax would have provided." But if those senators changed their minds and tried to increase taxes, they would have a difficult time gaining public approval.[2]

> The vote against the severance tax will be hard to sell to voters, as Gov. John Carlin is bound to point out in his re-election campaign. If it had passed, he could have accepted the laurels for advocating it. Since the tax has been defeated, Carlin will turn it into a key campaign issue.
>
> A severance tax has its benefits and flaws. In the final analysis, the benefits should have been strong enough to outweigh the disadvantages.[3]

The Capital-Journal criticized the 21 senators who voted against the severance tax, but it did not list them by name as the Hutchinson News and the Salina Journal did. "Twenty-one senators have plenty of explaining to do. However, since senators do not stand for election until 1984, that time of reckoning is two years away."[4]

As the 1982 legislative session neared the end, the Capital-Journal said Carlin had slightly exaggerated the state's need for money which

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[1] Ibid.

[2] "No More Revenue," April 7, 1982, p. 4.

[3] Ibid.

[4] Ibid.

should have been provided by a severance tax.[1] However, the Republicans were also exaggerating the fact that the state had no financial problems. Both sides were a "little bit right" and a "little bit wrong."[2]

In summary, the Capital-Journal supported a severance tax throughout the study period. The oil and gas producers could afford the tax, and it would bring in substantial revenue the state needed, it said. Kansas should also be compensated for the depletion of its non-renewable resources as other major mineral-producing states were. Kansas and California were the only major mineral-producing states that did not levy a severance tax, the newspaper said.

The Hutchinson News

Reno County, home of the Hutchinson News, was considered a moderate oil- and natural-gas producing county in this study. Nevertheless, it wholeheartedly supported a severance tax throughout the study period. In fact, it devoted more editorial attention to the issue than any of the other newspapers in the study. The News published fifty-seven editorials mentioning the severance tax. This includes thirty-two Class A editorials rated at +2 and no editorials in the other Class A ratings. Under Class B, the News published twelve neutral and thirteen positive editorials. During the 1981 legislative session, it published twenty-three editorials mentioning the severance tax, and nineteen in the 1982 session.

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[1] "A Little Bit Right," April 21, 1982, p. 4.

[2] Ibid.

At the beginning of the 1981 legislative session, the Hutchinson News praised Gov. John Carlin's proposal for an 8 percent severance tax on oil, gas, and coal.[1] "Kansas should have enacted a severance tax decades ago. It should do so now." Kansas was subsidizing other states that levy severance taxes, the News said. Therefore, the state needed to enact such a tax "for its own good, and its own self-defense." All of the other major mineral-producing states in the Midwest have severance taxes, the newspaper argued. Wyoming, for example, ships coal throughout the country.[2] The price of that coal included a 16 percent severance tax which the state used to benefit its citizens. Thus, Kansas residents were subsidizing Wyoming and other energy-producing states by paying their severance taxes.

> With its own severance tax, Kansas would at the very least have the opportunity of protecting itself to avoid subsidizing other states in the interchange of energy and mineral resources. Self-defense is only one of the many good reasons why Kansas should join the union of severance-taxing states.[3]

The News also said a state has an interest in the mineral wealth it produces.[4] A severance tax should be enacted to "compensate the entire state for the wealth that has been removed, forever, from that state." After the House of Representatives approved a 5 percent severance tax on March 9, 1981, the News commended the legislators

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[1]"Carlin is Right," Jan. 9, 1981, p. 4.

[2]"Self-Protection," Jan. 15, 1981, p. 4.

[3]Ibid.

[4]"Not a Welfare Case," Feb. 1, 1981, p. 4.

for their decision. By approving a severance tax, the House was saying a state had the right to its own mineral wealth.[1] A severance tax should be used to provide lasting improvements that would benefit the state. The News urged the Senate to also approve the severance tax which the House had said was "reasonable, prudent, and constructive."[2]

After the Supreme Court turned down Louisiana's tax on natural gas flowing through its pipelines en route to other states, the News agreed with the decision.[3] "Louisiana earned the nation's contempt for carrying its greed into a plainly unconstitutional tax." However, the state was correct in levying severance taxes, just as Kansas should do. "There is a solid philosophical and rational justification for a severance tax, as a state gradually surrenders forever some of its natural wealth."[4] But because it failed to enact a severance tax, Kansas would continue to subsidize Louisiana and other mineral-producing states.

The Hutchinson News disagreed with severance tax opponents' arguments that such a tax would take western Kansas wealth and use it to benefit the more-populous eastern part of the state.[5] All taxes represent transfers of revenue to other parts of the state, the newspaper said. For example, sales taxes collected at Johnson County shopping centers could very well be used in western Kansas. "Who

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[1]"A Correct Decision," March 10, 1981, p. 4.

[2]Ibid.

[3]"Louisiana's Gouge," May 30, 1981, p. 4.

[4]Ibid.

[5]"Ellis Agrees," Feb. 22, 1981, p. 6.

receives more, or less in these transfers, however, is not known." The public's right to a state's mineral wealth justified a severance tax in Kansas.[1]

Although the oil industry protested loudly over the windfall profits tax, the News said it did not harm production or exploration. In fact, both production and the search for oil and gas increased in Kansas after the windfall profits tax was imposed.[2] The News also disputed the oil industry's claim that it would be hurt by a severance tax. "Since production, and search, increased in Kansas after a windfall profits tax, a good argument could be made that a severance tax would stimulate further production and searches."[3] A modest severance tax was essential for Kansas, the newspaper said.[4] "Each Kansas senator should be encouraged to break the oil industry's shackles and vote for it."

The Senate sought to avoid levying "new taxes" during the 1981 legislative session, but the News said someone would pay increased taxes in Kansas during the 1982 fiscal year -- the oil and gas industry, or students, motorists, and other citizens. Every other major mineral-producing state had a severance tax which benefitted the state. Kansas could also have those benefits if it would pass a severance tax.[5]

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[1]Ibid.

[2]"A Year Later," March 1, 1981, p. 4.

[3]Ibid.

[4]"A Good Tax," March 26, 1981, p. 4.

[5]"No New Taxes?" March 21, 1981, p. 4.

As the 1981 legislative session progressed without a severance tax being passed, the News harshly criticized the Republican lawmakers:

> Republican legislatures have been the hand-maidens for the oil and gas industry for two generations in Kansas, and the only result of that intimate relationship is the rape of all innocent bystanders in the state.

Kansas residents continued to pay severance taxes to other mineral-producing states. The Republican legislators needed to be told that the time had come for a severance tax in Kansas.[1]

After the Senate decided on April 29, 1981, not to vote on a severance tax bill, the News said Kansans would continue to pay other states' severance taxes.[2] The result of the Senate's vote would be insufficient funds to run schools, and there would be no benefits to future generations that a severance tax could provide. By voting to kill the tax, the Senate voted in favor of "continued Kansas subsidization of all the other states' schools and public functions."[3]

As school districts were reporting their property taxes for the upcoming school year later in the summer of 1981, the News said the effect of the Senate's rejection of a severance tax was being seen.[4] Hutchinson public schools would increase spending by only 5.2 percent, but property taxes would go up 15 percent. A severance tax would have provided funds for schools without raising sales taxes as the Republican

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[1]"Be Specific," April 6, 1981, p. 4.

[2]"The Severance Vote," May 3, 1981, p. 6.

[3]Ibid.

[4]"Paying for Severance," Aug. 1, 1981, p. 4.

legislators had proposed, the News said. "And the proposed severance tax would have been paid largely by non-Kansans, and even then, those most able to pay for a tax that is philosophically sound as well as economically essential."[1]

As Kansas taxpayers were receiving their property tax bills in December 1981, the News said they would have had lower bills if a severance tax had been enacted.[2] But as it was, the severance was taking on a "new lustre" that would be seen in the 1982 Legislature. "The tax is needed. It is essential. It is long overdue," the News said.

When House Speaker Wendell Lady announced a compromise severance tax plan just before Christmas in 1981, the Hutchinson News praised his proposal. Lady's plan called for a 3-percent severance tax and a 3-percent increase in the state motor fuels tax.[3] Severance tax revenue was to be invested in public schools, and revenue from the motor fuels tax would be designated for highways. The severance tax would help ensure that some of the depleting oil and gas wealth was preserved for future generations, the News said. However, present Kansas residents should pay for their use of the state's highways. "And in that, Mr. Lady's compromise makes philosophical sense."[4]

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[1]Ibid.

[2]"'Best Alternative,'" Dec. 7, 1981, p. 4.

[3]"A Superb Step," Dec. 24, 1981, p. 4.

[4]Ibid.

When Gov. John Carlin formally proposed a severance tax again at the beginning of the 1982 legislative session, the oil and gas lobby quickly renewed its "weeping and wailing" over the proposal.[1] Once again, the Hutchinson News said the oil industry had claimed the windfall profits tax would destroy it. But exploration had actually increased after the tax was imposed. A severance tax would also not hurt the industry, and the Legislature should fight the oil and gas lobby to get the tax enacted, the News said.

> The state Legislature must develop the courage to overcome the riches of the oil and gas lobby, as it should have done generations ago. The severance tax is an essential tool in ensuring that some of today's mineral wealth in Kansas is transformed into benefits that will linger for our grandchildren and their children in the years after all the oil and gas is gone.[2]

The News also praised a citizens' coalition that was formed to support the severance tax.[3] The group's purpose was to persuade the Legislature, mainly the Senate, to approve the tax which it believed a majority of Kansans favored. But to get the tax approved, Kansas senators would have to break the "golden chains" of the oil and gas lobby. "That will be difficult because the Kansas senators obviously love those golden chains." But the coalition had the power to break those chains and the 1982 legislative session was the time to do it.[4]

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[1]"The Allure of Oil," Jan. 15, 1982, p. 4.

[2]Ibid.

[3]"Fighting Back," Feb. 25, 1982, p. 4.

[4]Ibid.

After the oil and gas lobbyists revealed the results of an $80,000 study on the severance tax, the News harshly criticized it. A Kansas State University professor, M. Jarvin Emerson, had called the study a "poor piece of work." Thus, Emerson "abruptly buried whatever qualities the study might have provided in the state's severance tax discussion."[1]

After the House approved the severance tax, 70-54, in March 1982, the News said:

> The Kansas House has correctly, and courageously, rejected the predictably feverish claims of poverty made by the oil and gas lobby. The Kansas House has properly listened to, and then exposed as nonsense, the unending stream of wailing by the lobby.[2]

The severance tax's fate then rested with the Senate, which should not be allowed to kill the tax as it had in 1981, the News said.

As the 1982 legislative session continued, the News harshly criticized the Senate, calling it the Kansas equivalent of the British House of Lords.[3] This came after the Senate Ways and Means Committee killed two versions of the severance tax bill. The blame could not be placed on the committee or Senate President Ross Doyen, the News said. Instead, each senator shared the blame. The House seemed to agree with public sentiment for a severance tax.

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[1] "The $80,000 Study," Feb. 26, 1982, p. 4.

[2] "The Time Has Come," March 4, 1982, p. 4.

[3] "House of Lords," March 28, 1982, p. 4.

> Yet the Kansas House of Lords has remained in the golden embrace of a lobby whose interests run counter to Kansans who seek tax equity, funds for public education and other resources enjoyed by every other mineral-producing state in the Union.[1]

Kansans should insist on the right to initiate legislation by petition outside of the Legislature since lawmakers could not be depended upon to provide responsible, progressive leadership, the News said.[2]

When the Senate defeated the severance tax, 21-19, on April 5, 1982, the senators were continuing to say, "I love you" to the oil and gas industry.[3] The Senate's vote would cause a sharp increase in property taxes and would be a tragedy for future generations of Kansans. Senators' "love affair" with the oil and gas industry would siphon desperately needed resources away from public schools and into the "already bulging coffers of profit-bloated oil companies."[4]

In summary, the Hutchinson News wholeheartedly favored the severance tax throughout the study period. It claimed the oil industry had not suffered because of the windfall profits tax, and a severance tax would also not hurt it. Kansas should enact a severance tax to protect itself from other mineral-producing states that imposed such taxes. As it was, Kansas consumers were subsidizing other states by paying their severance taxes. A severance tax could also be used to benefit future generations

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[1]Ibid.

[2]Ibid.

[3]"Big Oil Wins Again," April 7, 1982, p. 4.

[4]Ibid.

of Kansans after oil and gas reserves ran out, the News said. A severance tax could also help shift some of the burden from property taxpayers.

The Salina Journal

In this study, Saline County was considered a moderate oil producer -- 178,000 barrels in 1980 -- and a non-producer of natural gas. It was predicted the Salina Journal would oppose a severance tax. The newspaper opposed the tax at the beginning of the study period, but ended the study by endorsing it. A breakdown of the Journal's Class A editorials includes: five rated at -2; three rated at -1; four neutral editorials; none rated at +1; and two rated at +2. Class B editorials include one negative editorial, two neutral, and two positive editorials. The newspaper published five editorials mentioning the severance tax in the 1981 legislative session and six in the 1982 session.

At the beginning of the 1981 legislative session, the Journal opposed Gov. John Carlin's proposed 8 percent severance tax.[1] The proposal would be good for the governor politically since he seemed to be planning to seek re-election. However, a severance tax would not be good economics, the newspaper said. Severance tax costs would be passed on to consumers through higher gasoline and utility costs. The Journal also asked why the mineral industry should have another tax levied on top of the windfall profits tax. Alternatives to a

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[1]"Severance Tax is a Poor Idea," Jan. 10, 1981, p. 4.

severance tax would be raising the state sales tax and exempting food and medicine. A 3-cent-per-gallon increase in the motor fuels tax would also bring in additional revenue.[1]

> No new taxes are appetizing, of course, but the severance tax is particularly objectionable in these times of high utility and gasoline bills, and in these times when we need all the oil and gas we can find.[2]

The Journal called Carlin's severance tax proposal "cynical politics" because he was using the old political ploy of casting the oil and gas producers as villians and attempting to "punish" them.[3] There was little reason to believe such tactics would not work again, especially since mineral producers and utility companies were more unpopular than usual, the newspaper said. Even if Carlin lost the severance tax issue, he could very well be re-elected in 1982. Voters are acutely aware of higher sales taxes, but they tend to forget they would pay a severance tax in the form of higher gasoline and utility bills.[4]

By proposing a severance tax, Carlin wanted to tax "the other guy. But don't be fooled by his plan . . . we are the 'other guy'."[5] If the state budget was balanced, there would be no need to increase taxes, the Journal said. Inflation had dramatically increased state tax

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[1]Ibid.

[2]Ibid.

[3]"Cynical Politics," Jan. 16, 1981, p. 4.

[4]Ibid.

[5]"'The Other Guy' Happens to be Us," March 11, 1981, p. 4.

collections, but the state had refused to share with local governments, forcing property tax increases to fund local governments and schools.[1] The Journal favored trimming Carlin's proposed 1982 fiscal budget. But if that was not possible a small increase in the state sales tax, with food and medicine exempted, was the best answer.[2]

At the end of the 1981 legislative session, the Journal said there were no clear winners in that session's legislative process.[3] The Legislature had achieved a balanced budget, but had raised property taxes and cut a number of state services. Carlin's proposed budget failed, but the governor gained some advantages which would help his 1982 re-election bid.

During the summer of 1981, Carlin recommended that an interim committee study a severance tax as part of a school finance package. The Journal criticized this recommendation: "Nothing could be more detrimental to the interim committee's work." The committee should leave the severance tax to be discussed in the 1982 legislative session, the newspaper said.[4]

In August 1981, the Journal showed slight signs of softening its stance on the severance tax.[5] The Salina school board was considering a 9 percent tax increase to fund the local schools in the 1981-82

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[1] Ibid.

[2] "Surprise!," April 4, 1981, p. 4.

[3] "No Big Winners; No Big Losers," May 8, 1981, p. 4.

[4] "Don't Drag Severance Tax Issue in Again," June 16, 1981, p. 4.

[5] "The Chickens Come Home to Roost," Aug. 4, 1981, p. 4.

school year. During the 1981 session, the Legislature had given schools the choice of raising local property taxes if they wanted to increase the budget. Or they could cut the school budget to compensate for reduced state aid. The Journal said it "didn't think a severance tax was the way to go, but at least it was a way. As things turned out, nothing much at all was done to aid school districts."[1]

Later in 1981, the Journal warned against the severance tax becoming a regional conflict between eastern and western Kansas.[2] It criticized the Kansas Association of School Boards (KASB) for opposing a severance tax which would "yield millions of dollars in support of public education" and "relieve some of the pressure on local property taxes." Apparently the primary influence KASB decision was western Kansans' distrust of their eastern counterparts, the Journal said. Since each school district had an equal vote in the KASB, the severance tax vote was split along rural-urban lines with the smaller districts outnumbering the larger ones. However, in the Legislature, the more populous areas had more political influence. The Journal warned that severance tax opponents had the most to lose if the conflict turned into a regional one:

> An issue that was largely split along party lines during its legislative debut last winter could become a regional conflict influenced more by demographics than political ideology.

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[1]Ibid.

[2]"Severance Tax: West vs. East," Dec. 17, 1981, p. 4.

> If that proves to be the case, sparsely populated western Kansas stands little chance of winning out against the eastern Kansas horde.[1]

The Journal did not address the severance tax issue at the beginning of the 1982 legislative session. But as the Senate was about to vote on the tax in April, the newspaper changed from its opposition of the previous year and endorsed the tax wholeheartedly.[2] The central question of the issue was whether or not the state had an inherent right to tax the production of finite resources in the interest of the public. The Journal said Kansas had such a right: "The exploitation of our oil and gas reserves is a unique opportunity for those who pursue it." A severance tax could force some marginal wells to be shut down, the newspaper conceded. But that risk would be minimized by the proposals exempting low-production wells, and the tax rate of 3.5 percent was not excessive. The tax promised considerable public benefit with the hope of new revenue. "But in the end, the debate centers on two key points: Is there a right to tax, and is there a need to tax? In both cases, the answer is 'yes'."[3]

After the Senate defeated the severance tax, the Journal wrote an editorial harshly criticizing the vote and listing the senators who had voted no. After defeating the severance tax, the Senate approved a 3-cent-per-gallon increase in the motor fuels tax. "That's favoritism

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[1] Ibid.

[2] "It's a Proper Tax," April 2, 1982, p. 4.

[3] Ibid.

for the few at the expense of the many," the newspaper said. If elections were being held then, "there would be some emptied Senate seats."[1]

When the 1982 legislative session was nearly over, the Journal called it "disastrous." The newspaper criticized the Senate for its irresponsibility. The severance tax was the "best likely source of badly needed revenue to alleviate the onerous burden the property taxpayers are carrying." By defeating the severance tax, the Senate "refused to tax a few for the benefit of many."[2]

In summary, the Salina Journal opposed a severance tax at the beginning of the study period because it would raise utility costs and hinder mineral exploration. It was also a ploy Gov. John Carlin was using to gain votes in his 1982 re-election bid. Instead of a severance tax, the Journal advocated increasing the state sales tax, with the exceptions of food and medicine. But as the Salina school board was considering a 9 percent property tax increase for the 1981-82 school year, the Journal seemed to be reconsidering its stance on the severance tax. Later, in the 1982 legislative session, the newspaper endorsed the severance tax because it would "tax a few for the benefit of many" and would help relieve property taxes.

The Manhattan Mercury

Riley County, home of the Manhattan Mercury, was considered a non-producer of oil and natural gas in this study. It was predicted

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[1]"Public Be Damned," April 8, 1982, p. 4.

[2]"Disastrous Session," April 11, 1982, p. 4.

the Mercury would support the severance tax. But it began the study period by supporting the tax only moderately. Halfway through the study period, however, the Mercury began to support the severance tax wholeheartedly. It published seventeen editorials mentioning the severance tax, including ten in the 1981 legislative session and three in the 1982 session. Class A editorials included five rated at +1; two rated at +2, and two neutral editorials. In Class B, there were six neutral editorials and two positive ones.

At the beginning of the 1981 legislative session, the Mercury said by proposing a severance tax, Gov. John Carlin seemed to be abandoning direct ways of raising revenue, such as increasing the state sales tax.[1] "A severance tax is hardly the most attractive bait to dangle in front of a Legislature right now and what's more there are certain to be strong segments of the oil and gas industries that can be expected to fight such a levy down to the last ditch." But the severance tax presented some "attractive possibilities" for raising revenue the state needed. However, other alternatives might be able to temporarily help the state's school and highway needs. Therefore, the severance tax should be "put on the front burner, but for interim study."[2]

As the governor proposed his 1982 budget, he placed the Legislature on the defensive in the severance tax issue.[3] House Speaker Wendell Lady

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[1] "Best Idea: On Hold," Jan. 7, 1981, Section A, p. 4.

[2] Ibid.

[3] "A Craft Document," Jan. 13, 1981, Section A, p. 4.

supported the tax, but Senate President Ross Doyen opposed it. The Mercury hesitated to predict the severance tax's fate:

> This, of course, does not spell either the success or failure of the severance proposal, and indeed at this early date it is difficult, if not impossible, to get any sort of a handle as to how legislative feeling is going. Nor is it yet possible to gauge the bottom line of the always powerful oil and gas lobby.[1]

As the House Assessment and Taxation Committee was hearing testimony on the severance tax, the Mercury endorsed the tax because it would help provide funds for higher education, such as Kansas State University in Manhattan.

> The severance tax, in some reasonable form, on the other hand, would not only provide the needed money for public school support and highways, but would also take off other fiscal pressure that would allow a reasonable approach to adequate funding for public education.[2]

Even a snowball in hell had a better chance of survival than the severance tax had in the Kansas Senate, the Mercury said after the House passed it, 64-61. The tax would be lucky if it ever emerged to the Senate floor after being sent through the "labyrinths of two committees, possibly even three."[3]

After the Senate Assessment and Taxation Committee killed the severance tax bill on April 1, 1981, the Mercury said some of the

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[1]Ibid.

[2]"It Is The Alternative," Feb. 26, 1981, Section A, p. 4.

[3]"Chances Somewhat Better," March 10, 1981, Section A, p. 4.

blame should rest on the Senate's Republican leadership. However, Gov. John Carlin was also at fault.[1]

When House Speaker Wendell Lady announced his compromise severance tax plan in December 1981, the Mercury applauded it. Lady proposed a 3-percent severance tax and a 3-cent-per-gallon increase in the state motor fuels tax. Severance tax revenue would be used for financing public schools and the motor fuels tax increase would be used for the state's highways. "We think the Lady plan is the best meeting point between Carlin's sock-it-to-'em severance tax and the oil and gas producers' intractable, so far, anybody-but-us attitude."[2]

At the beginning of the 1982 legislative session, the Mercury reviewed the issues the Legislature would face, including the severance tax. "We look forward to doing combat with the Kansas Independent Oil and Gas Association over the severance tax," the newspaper said.[3]

The Mercury paid little attention to the severance tax until the Senate defeated it 21-19 on April 5, 1982. Carlin should take the defeat and use it as an issue in his re-election campaign, the newspaper said. Senate President Ross Doyen was accused of securing the twenty-one votes against the tax before the vote was taken. Doyen's opposition to the severance tax may have assured Carlin of a re-election victory in November 1982, the Mercury said.[4]

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[1]"Coming Up Short," April 2, 1981, Section A, p. 4.

[2]"Lady Be Good," Dec. 21, 1981, Section A, p. 4.

[3]"Combat Boots," Jan. 11, 1982, Section A, p. 4.

[4]"Democrats' Best Friend," April 6, 1982, Section A, p. 4.

In summary, the Mercury began the study period by supporting the severance tax moderately. But about halfway through the study, it began to support the tax wholeheartedly. One reason why the Mercury supported the tax was because it promised to provide funds for higher education, such as Kansas State University in Manhattan.

The Osawatomie Graphic

The Osawatomie Graphic, a weekly newspaper, is published in Miami County which was considered a moderate oil-producer -- 274,000 barrels in 1980 -- and a non-natural gas producer. Since the county is a moderate oil producer it was predicted the Graphic would oppose the severance tax. On the contrary, the newspaper supported the tax, although it occasionally seemed to contradict itself. It published two Class A editorials, including one rated at +2 and one rated at +1. Class B editorials included one positive, four neutral, and one negative editorial.

At the beginning of the 1981 legislative session, the Graphic said Gov. John Carlin's proposed severance tax caught the Republican Legislature by surprise. The Republicans did not respond well to the proposal. Carlin seemed to realize Kansans would favor a severance tax over an increase in the state sales tax. But instead of raising taxes, the state should "live within its means."[1]

The Graphic was not convinced Kansans needed a big tax increase. The Legislature should first see if it could cut expenses. But if more

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[1]"Spenders Want More," Jan. 15, 1981, Section C, p. 6.

money was still needed, then lawmakers should closely examine the severance tax. "The governor's proposal may be too rich for most people's blood, but the principle might be in order," the newspaper said. "It seems fairer to us than a big sales tax hike."[1]

But the Graphic seemed to contradict itself in a March 1981 editorial. Ronald Reagan's presidential victory in November 1980 seemed to indicate voters were tired of "too much government and too many taxes." Consequently, the federal government was preparing to reduce taxes, but Kansas legislators were looking at an additional $200 million to be levied from a severance tax. "Topeka apparently hasn't received the message," the Graphic said.[2]

As the 1981 legislative session neared the end, the newspaper said it was quite likely a severance tax would be passed in that session.[3] Factors that made it likely were: oil profits in Kansas had never been higher; educators were searching for another $50 million to $60 million in additional funding; and Gov. John Carlin was flying around the state to promote the tax. The cards were stacked against the oil industry, and the timing was right for a severance tax to be passed. "In such a political climate, harassed legislators may be forced to vote for the severance tax. If not this year, next year for sure."[4]

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[1] "Why More Taxes," Jan. 22, 1981, Section B, p. 8.

[2] "Missed Message," March 12, 1981, Section B, p. 10.

[3] "Severance Tax Likely," April 23, 1981, Section C, p. 6.

[4] Ibid.

After the Supreme Court upheld Montana's 30 percent severance tax on coal, the Graphic said, "Perhaps Kansas should take a closer look at the severance tax in light of the recent court decisions."[1] Studies showed that the majority of a severance tax would be paid by out-of-state consumers. "By adopting a severance tax, Kansas would be saying to people in other states that they should be paying something extra for a natural resource that cannot be replaced." But if the severance tax was adopted, other taxes should be reduced by the same amount.[2]

Later in 1981, the Graphic seemed to contradict itself again. As the 1982 legislative session approached, Gov. John Carlin was once again proposing a severance tax, and legislative leaders wanted to raise the motor fuels tax to fund highway improvements.[3] But the Graphic did not endorse either proposal. "We think Kansans are paying about all the taxes they can handle these days. Figures just released show that the average citizen of this state pays more than $1,000 in state and local property taxes each year." Instead of raising taxes, the Legislature should cut expenditures, the newspaper said.[4]

During the 1982 legislative session, the Graphic published only two editorials mentioning the severance tax. At the beginning of the session, it predicted the Legislature would not accomplish much since 1982 was an election year. Gov. John Carlin was still advocating a

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[1] "Severance Tax Look," July 16, 1981, Section B, p. 8.

[2] Ibid.

[3] "Wrong Direction," Nov. 26, 1981, Section B, p. 8.

[4] Ibid.

severance tax, but the Graphic said most observers doubted the tax would be passed.[1] Unlike 1981, the Graphic did not endorse a severance tax in the 1982 legislative session.

In summary, the Osawatomie Graphic seemed to favor a severance tax if the state needed more money. Yet the newspaper also advocated cutting spending to meet the projected revenue.

Profiles of Newspapers Opposing the Severance Tax

The newspapers in this study which opposed a severance tax also had several common arguments. One argument against the tax was that it would distort the state's ability to finance itself after oil and gas reserves were depleted. A severance tax would also be an unfair burden on the oil and gas industry. Other arguments against the tax were that it might force a cutback in production of marginal wells, and it was a way for eastern Kansas to rob western Kansas' mineral wealth. The newspapers in this study which opposed a severance tax were: the Wichita Eagle-Beacon; the Hays Daily News; the El Dorado Times; Hugoton Hermes; and the Jewell County Record, Mankato.

The Wichita Eagle-Beacon

Sedgwick County, where the Wichita Eagle-Beacon is published, was considered in this study to be a moderate oil producer and a non-natural gas producer. It produced 493,000 barrels of oil and 383 mmcf of natural gas in 1980. The Eagle-Beacon mentioned the severance tax in nineteen

[1]"Quiet Session," Jan. 21, 1982, Section B, p. 6.

editorials. Class A included six editorials given a -2 rating. Ten of the thirteen Class B editorials were given negative ratings, and the other three were rated neutral. It mentioned the severance tax in eleven editorials during the 1981 legislative session and in five editorials in 1982.

In its 1981 editorial agenda, the Eagle-Beacon outlined the major legislative issues as property reappraisal, funding for highway maintenance and repair, and school finance.[1] "In each case, we will work for a resolution that is effective and fair, not one that sticks any one group, such as the proposed severance tax on oil, natural gas, and coal." Instead of a severance tax, the Eagle-Beacon advocated reappraisal of taxable property, a user tax to finance highway use and repairs, and shifting part of school finance from property taxes to sales taxes with tradeoffs, such as eliminating the sales tax on food. The "politically safe" way to raise funds for Kansas schools and highways would be to levy a severance tax, but the "responsible and less popular course" would be to increase the state sales tax to fund schools and increase motor fuels taxes for highway funds.[2]

A severance tax might be popular with taxpayers, but the Eagle-Beacon said it did not make sense to hitch a "free ride on what is perceived as a wealthy industry." It questioned why one industry should be forced to raise revenue for schools and highways. The severance

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[1]"A 1981 Editorial Agenda for a Better Kansas," Jan. 11, 1981, Section B, p. 2.

[2]"No Easy Way for Legislators," Jan. 13, 1981, Section B, p. 2.

tax was a "something for nothing plan" and deserved "all the opposition it is bound to get."[1]

As the 1981 legislative session neared the end, the Eagle-Beacon said a severance tax would perpetrate Kansas tax woes by deceiving taxpayers into thinking it would solve the state's financial problems.

> The disincentive of a severance tax makes hitching the state's education and transportation wagon to such an uncertain star a risky business. When the severance tax peters out, what industry will be tapped to pay the taxpayers' taxes for them -- farming, aircraft manufacturing?[2]

After the 1981 session ended, the newspaper criticized the Legislature's last-minute school finance plan which raised property taxes by more than $35 million statewide. Nevertheless, the governor should not veto the bill unless he was willing to consider another school finance plan besides a severance tax. Carlin's insistence on a severance tax "aided in bogging down efforts for an enlightened school financing plan." Other proposals, such as increasing the state sales tax, were overshadowed by the severance tax. Thus, after the tax was defeated, "there was nothing left to put in its place other than the traditional placebo of hiking the property tax."[3]

In the fall of 1981, Carlin outlined a new school finance plan, linking it to a 5 percent severance tax on oil and natural gas, instead

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[1]"Severance Tax Isn't Justified," Jan. 18, 1981, Section D, p. 2.

[2]"Killing the Oil and Gas 'Goose'," April 21, 1981, Section B, p. 2.

[3]"Blame to Share on School Bill," May 7, 1981, Section D, p. 2.

of the 8 percent tax he had proposed earlier. The Eagle-Beacon continued to strongly oppose any kind of a severance tax, saying the new school finance proposal did not appear to be much of an improvement over the one Carlin had pushed for earlier.[1]

> But the inequity of singling out a lone industry apparently perceived to be unpopular with the general public, to bear the burden of new state school aid is still there, too. And it is just as wrong this time around as it was the first time out.[2]

Carlin's new severance tax school finance plan would also have raised approximately $185 million to $205 million more than was needed for the state's share of school expenses, the Eagle-Beacon said. Under this plan, the state would have eventually provided about two-thirds of Kansas public school funding in three years, instead of the 46.5 percent it was then providing. "The wisdom of having the state as the majority funding source for local school districts is open to much legitimate criticism."[3] Using a severance tax to provide more state aid to public schools could undermine the autonomy of local school boards, "and that is too high a price to pay."[4]

As the Eagle-Beacon outlined its goals for the 1982 legislative session, it reiterated its stance against the severance tax. "Even as we continue to oppose a minimal severance tax on principle, we recognize

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[1]"New Concern on Severance Tax," Oct. 24, 1981, Section D, p. 2.

[2]Ibid.

[3]Ibid.

[4]Ibid.

the need to find a better, fairer method of financing public education."[1] In March 1982, the newspaper approved a House plan to increase the motor fuels tax by 2 cents per gallon, but criticized linking it with a 3.5 percent severance tax.[2] The Eagle-Beacon also criticized lawmakers for not recognizing and meeting highway finance needs straightforwardly; instead the Legislature "plays politics and ends up doing little or nothing." Instead of a severance tax, the Eagle-Beacon backed the two-cent-per-gallon increase in the motor fuels tax which would have brought in an extra $28 million for highway needs.[3]

Later in the 1982 session, the Eagle-Beacon once again urged lawmakers to take action on highway finance, "instead of just wringing their hands over it." The House was criticized again for linking a motor fuels tax increase with a severance tax. It was not sound planning to link a tax to the "vagaries of petroleum production," the newspaper said.[4]

In summary, the Eagle-Beacon opposed saddling one industry, the oil and gas industry, with the burden of providing school and highway funds. Instead, it favored taxing highway users through increasing the motor fuels tax. The newspaper also believed some of the burden on property taxpayers to fund public education should be relieved by raising the state sales tax.

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[1] "1982 Legislative Goals," Jan. 10, 1982, Section B, p. 2.

[2] "Gas Tax, Politics Shouldn't Mix," March 13, 1982, Section B, p. 2.

[3] Ibid.

[4] "End the Gas Tax Shenanigans," April 2, 1982, Section D, p. 2.

The Hays Daily News

Ellis County, home of the Hays Daily News, led Kansas in oil production in 1980, producing 4.8 million barrels. The News began the study period by opposing a severance tax. Toward the end of the study it seemed to become resigned that the tax would eventually pass. However, the newspaper never endorsed a severance tax. A breakdown of Class A editorials includes: two in the -2 category; two rated at -1; one neutral; and one rated at +1. In Class B, there was one positive editorial; six neutral, and four negative editorials. In all, there were seventeen editorials mentioning the severance tax, including seven in the 1981 legislative session and four in the 1982 session.

As the 1981 legislative session was about to begin, the Hays Daily News said Gov. John Carlin was not showing courage in taking on the oil and gas industry over the severance tax. Instead he was being savvy by appearing to be the politician who would forestall increases in sales and motor fuels taxes.[1] Although the oil industry was making profits, these profits were not generally affecting the average citizen, the newspaper said.

> So, for the average person, the question is, is this fight (over the severance tax) worth the bitter emotions? Does the vehemence reflect someone else's greed? If this region wins by defeating the tax, will I be better off than now? If not, who will be?

[1]"Time and the Tax," Jan. 9, 1981, p. 4.

The News said it would not answer those questions at that time. But it warned that Carlin may have sensed "the ranks of oil's allies may not be as deep as the producers assume."[1]

Although oil producers claimed a severance tax would be a production disincentive, the News could not find much sympathy for them.

> Whatever their increases in costs in recent years, and whatever the truth about production 'disincentives' such a tax would present, the fact is that prices paid for domestic oil have been inflated artificially by a group of exporting countries whose piracy defies any explanation but greed.[2]

One of the newspaper's first arguments against a severance tax was "flatly parochial. It's the belief that once again the urban areas are approaching someone else's trough at the expense of others." It also argued that the severance tax would be a "quick fix" that would keep the state from facing its financial problems. And what would be taxed when the Kansas oil supply ran out in some future generation?[3]

The News also rejected severance tax supporters' arguments that Kansas should follow the lead of other major mineral-producing states and levy a severance tax. "That's the logic of a bystander who, instead of calling the cops, becomes a party to the theft." The newspaper also said it wanted better evidence that a severance tax should be enacted in Kansas.[4]

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[1]Ibid.

[2]"Severance: Fix Too Quick," Jan. 14, 1981, Section A, p. 4.

[3]Ibid.

[4]Ibid.

The issue of lobbying arose in the Hays area and the News addressed it editorially. The Northwest Planning and Development Commission had voted to grant office privileges to a legislative policy group which was opposing the severance tax. By doing this, the commission had become the "partner of a publicly paid pressure group.

> No one can contend that lobbying by one public body or another is wholly improper. If that were the case, we would have to say that the Governor's office is out of bounds in pushing its own tax measure.[1]

Later in the 1981 legislative session, the Hays Daily News said the severance tax fight had made it clear that oil-producing counties rely heavily on oil property taxes. It was concerned about the long-term effects of this reliance. Producing counties' greatest dilemma was that the oil property tax will be gone when oil supplies run out. High prices and federal decontrol were giving producers incentives to seek more oil. Those two factors alone would "hasten the appearance of the last drop." Producing counties should begin to consider what their tax alternatives would be when oil supplies run out, the newspaper said.[2]

> This state is no Alaska. We don't have oil reserves in such rich abundance. That high world prices have quickened exploration and recovery simply brings the day of our reckoning closer. The oil will run out.[3]

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[1]"Was the Vote Necessary?" Feb. 27, 1981, p. 4.

[2]"Oil in our Future," April 8, 1981, Section A, p. 4.

[3]"The Tax and Carlin," May 1, 1981, p. 4.

Yet the newspaper conceded that blocking the severance tax was futile unless the need for revenue to fund public works and institutions disappeared and the average taxpayer was willing to pay more taxes. "Because neither of these is likely to happen, we can expect support for a severance tax to grow."[1]

As the 1982 legislative session approached, the Kansas Association of Commerce and Industry released the results of a survey which showed 84 percent of the 1,300 business people surveyed opposed a severance tax. The News said the association should have extended its survey to a sampling that would show the opinions of the state at large. Then the newspaper began to express some resignation that a severance tax would eventually be adopted in Kansas.[2]

> So, the guess here is that sentiment for a severance tax will grow. We expect opposition to become increasingly moot, and we believe all the talk about the Legislature's next session giving birth to a Republican version of the tax.[3]

During the 1982 legislative session, the Hays Daily News devoted less attention to the severance tax. But after the Senate defeated the tax in April, it said severance tax supporters seemed to be upset. "One wonders why; this is one war they are certain to win." The Legislature had moved from killing the tax in a Senate committee in 1981 to defeating it by a two-vote margin in 1982. "If that's a victory for oil, it's

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[1] Ibid.

[2] "Did KACI Strike Out?," Dec. 21, 1981, Section A, p. 4.

[3] Ibid.

elusive." Revenues for fiscal 1982 were projected to be down, and the state would have to dig into its reserves.[1]

> Alas, the signs for a severance tax are on the Statehouse wall, and the oil people know it. They won the battle in a losing war. The foolish among them will stay in the trench.[2]

In summary, the Hays Daily News, which is published in the state's largest oil producing county, opposed the severance tax. However, as the 1982 legislative session approached, and during that session, it seemed to express resignation that a severance tax would eventually pass. Oil producers did not have the support in opposing the tax that they thought they had, the newspaper said.

One of its first arguments against the severance tax was that revenue produced in western Kansas would be used to benefit the more populous eastern part of the state. Plus a severance tax would be a "quick fix" that would keep the state from facing the reality of its financial situation. The News also said future generations of Kansans should not have to worry about what to tax when mineral supplies run out.

The Hugoton Hermes

Stevens County, where the Hugoton Hermes is published, was considered a major natural gas producer and a moderate oil producer in this

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[1] "Ready for Severance?," April 8, 1982, p. 4.

[2] Ibid.

study. It produced 166,496 mmcf of natural gas and 142,000 barrels of oil in 1980. Like some of the other small daily and weekly newspapers in this study, the Hermes did not have a regular page devoted completely to editorial matter, such as unsigned editorials and letters to the editor. When the Hermes ran an editorial, it was generally a signed column by Editor Sherry Goering which ran on page 2. Since this was an opinion column, it was counted as an editorial in this study. Generally, Goering discussed local and state issues. The Hermes published eight editorials mentioning the severance tax, including two Class A editorials rated at -2; one rated at -1; two Class B negative editorials and three Class B neutral editorials.

At the beginning of the 1981 legislative session, Goering expressed fear that a severance tax could wipe out the local tax base and "shoulder" us with horrible tax increases." Severance tax supporters were not taking into consideration that gas companies would have to increase their prices, resulting in higher utility bills for many Kansans, she said. A southwest Kansas legislator had said the western one-third of the state opposed a severance tax. "Let's hope they are able to raise up and strike that bill with a killing blow," Goering said.[1] Before the House voted on the severance tax in March 1981, several letter-writing campaigns were organized to oppose the tax. "I hope they have the desired effect."[2]

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[1]"Some Political Tidbits," Jan. 22, 1981, p. 2.

[2]"Tax Battle," March 5, 1981, p. 2.

Later in the 1981 session, the Hermes discussed how Sen. Leroy Hayden, D.-Satanta, had said he might challenge Gov. John Carlin for the Democratic nomination for governor in 1982. Hayden said he was encouraged to consider running for governor by people who were disappointed with Carlin's promotion of a severance tax. If Hayden ran for governor, it would surely weaken Carlin's bid for re-election.[1]

The Hermes did not comment on the severance tax again in 1981, and the next editorial discussing it was at the beginning of the 1982 legislative session. Carlin was expected to introduce his severance tax proposal at the beginning, and Goering predicted a "bloody session." Stevens County Appraiser Tim Hagemann had predicted an "uphill struggle" for severance tax opponents.[2]

In February 1982, Goering suggested western Kansas should join the Texas and Oklahoma panhandles, eastern Colorado, and northeastern New Mexico in forming a "High Plains state."

> The Oklahoma and Texas panhandles have been singing the same song and have added their own verses for years now. With the prospect that western Kansas may be drained of even more tax revenues in event a severance tax is enacted, the melody is beginning to sound pretty good.[3]

Goering also took issue with a statement made during a Wichita television newscast which said a severance tax would reduce the city's property taxes by $16 million.

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[1]"Capital News," March 26, 1981, p. 2.

[2]"Bloody Session Predicted," Jan. 7, 1982, p. 2.

[3]"A High Plains State? Postal Costs Surge," Feb. 25, 1982, p. 2.

> Human nature being what it is, or the propensity to spend, it would be a landmark occasion should that even come to pass. Ronald Reagan was right when he turned down an opportunity to increase taxes to take care of an increasing deficit. His summation was, 'They'll just spend it.'[1]

After the Senate defeated the severance tax in April 1982, Gov. John Carlin went on the road to promote the tax during the two-week interval before the wrap-up legislative session. Goering said many people thought the interval would be an advantage for the governor, but "I submit that this isn't necessarily the case." Like a glass can either be "half full or half empty," the severance tax opponents' cup "just may be half full." While such newspapers as the Salina Journal and the Hutchinson News were publishing lists of the twenty-one senators who voted against the tax, Goering suggested a letter-writing campaign to thank those senators.[2]

In summary, the Hugoton Hermes, which is published in a major natural-gas producing area, agreed with the hypothesis and opposed a severance tax. The newspaper said a severance tax would result in higher utility bills for Kansans. It would also hurt western Kansas by eroding the local property tax base.

The Jewell County Record

Jewell County was considered a non-producer of oil and natural gas in this study. Therefore it was predicted the Jewell County Record,

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[1]"They'll Just Spend It!," Feb. 4, 1982, p. 2.

[2]"Our Cup's Half Full," April 15, 1982, p. 2.

a weekly newspaper, would support a severance tax. However, the newspaper opposed the tax.

Like some of the other weekly and small daily newspapers in this study, the Jewell County Record did not run editorials consistently. Most editorials were signed by Editor McDill "Huck" Boyd. The editorials devoted much attention to railroad issues and other topics, such as President Ronald Reagan's economic policies. Only two editorials were devoted to the severance tax and were considered to be Class A, -2.

At the end of the 1981 legislative session, Boyd said Gov. John Carlin was unhappy because his proposed severance tax had failed to pass. The severance tax was supposed to relieve property taxes, but Boyd said, "Hogwash! Every new tax leads to more spending and higher consumer costs." A severance tax would lead to higher state spending, and consumers would end up paying the costs, he said.[1]

> The governor's proposal is the biggest tax ever suggested since Kansas became a state, and if it had been enacted by the Legislature, the door to future gigantic expenditures would have been wide open. Just raise the tax, spend more money, and let the stupid public pay the bill. Ugh![2]

After the 1981 legislative session ended, Boyd said the severance tax issue had finally been laid to rest. He praised the Legislature for refusing to raise taxes, reducing spending, and balancing the state budget. Local school boards were then able to decide how much

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[1]"New Taxes Costly," April 23, 1981, Section 2, p. 1.

[2]Ibid.

property tax they would levy in their districts. Boyd said he did not object to spending money for schools, but the decision should be made on the local, not the state, level.

> Consumers pay the tab anyway, at every level. Those who believe that someone else will pay their taxes for them would be better off putting their faith in the Good Fairy.
>
> We believe that less money will be spent and more value for it will be obtained when tax money is raised and spent where the service is performed.[1]

In summary, the Jewell County Record opposed a severance tax, saying it would lead to increased state spending. Consumers pay for such increases. Therefore tax money should be raised where it would be spent, Boyd said.

The El Dorado Times

The El Dorado Times is published in Butler County which was considered a major oil-producing county in this study -- it produced 2.6 million barrels in 1980. Since the Times is published in a major oil-producing county, it was predicted the newspaper would oppose a severance tax. The newspaper published only three editorials mentioning the tax during the study period. Instead, the Times focused much of its attention on national and world affairs instead of local and state issues. Two of the editorials mentioning the severance tax were put in Class A; one was rated at -2 and the other, -1. The Class B editorial was considered neutral.

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[1]"Tax Grab Stopped," May 14, 1981, Section 2, p. 1.

At the end of the 1981 legislative session, the Times published an editorial opposing a severance tax.[1] Kansas did not need any new taxes, it argued. Instead, the state needed to improve its property and sales tax system, or cut costs to fit its income. If property appraisal had kept pace with inflation the state would have few financial problems, the Times said. If a severance tax was enacted, the oil companies would pass the additional costs on to consumers. "A vote for a severance tax in Kansas -- just because other states have it -- is a weak reason and using the funds to fan inflation is contrary to present national thinking."[2]

Late in the 1982 legislative session, the Times warned that a severance tax was possible in Kansas.[3] Opponents of the tax waited until a legislator was elected and then tried to persuade him to adopt their line of thinking, the newspaper said. But when various issues arose in the Legislature, the lawmaker "no longer fearing the wrath of the voter, swells with righteous indignation and says that 'he will vote his conscience'." A severance tax was possible in Kansas because the "shift in population and the makeup of the Legislature will eventually come to that." Special interest groups should make their views known while a candidate is seeking office and not wait until after he is elected, the newspaper said.[4]

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[1]"Deliver Us From Severance," April 29, 1981, Section B, p. 1.

[2]Ibid.

[3]"Sever the Candidates," March 30, 1982, p. 4.

[4]Ibid.

In summary, the El Dorado Times opposed a severance tax. Instead it advocated changes in the state's property and sales tax system. If a severance tax was enacted, oil companies would pass the increased costs on to consumers. The Times also urged special interest groups to make their views known on such issues as the severance tax before a candidate is elected, and not afterward.

Discussion of Neutral Newspapers

Ten of the twelve newspapers in this study took a stand of some sort on the severance tax. The remaining two newspapers did not take a stand and were considered to be neutral.

The Goodland Daily News

The Goodland Daily News posed some problems in this study. First, it did not publish an editorial, or have an editorial page every day like most larger daily newspapers. Most of its editorials were entitled "A Daily Comment" or "Editorials," and most were signed by the editor, Thomas A. Dreiling. Dreiling also published a column nearly every day called "T.D.'s Notepad," "Goodland Today," or "Midweek Madness." These columns were not included in this study.

Some of the editorials were provided by Enterprise News Services and others, written by Dreiling, commented on local school issues, city government, and conservation. But the severance tax was mentioned in only one editorial, "School Bill Veto is Justified," published April 12, 1981. In this editorial, Dreiling harshly criticized the Legislature's school finance bill:

> The more the editor boils over the bill they (the legislators) passed, the more he's beginning to take a second look -- perhaps a more favorable look -- at the governor's severance tax proposal.
>
> If those who do our legislating at Topeka don't mind sticking the PEOPLE, then they shouldn't mind sticking the oil and gas interests, either.

From this editorial, it seems Dreiling opposed a severance tax. But this was the only Goodland Daily News editorial during the study period that even mentioned the tax. Since there was only one editorial, this was not believed to be enough to make a judgment on the newspaper's attitude toward a severance tax. Therefore the newspaper was considered to be neutral in its stance as far as this study is concerned.

The Atchison Daily Globe

The Atchison Daily Globe is published in Atchison County which was considered a non-producing county in this study. It was predicted the newspaper would support a severance tax since the county had no oil or gas production that would be harmed by such a tax. However, the Daily Globe did not mention the severance tax in any of its editorials and thus did not take a stand on the issue. Most of its editorials focused on local issues and a few state issues. The newspaper also reprinted editorials from such major newspapers as the Sacramento Bee, Milwaukee Journal, Philadelphia Inquirer, Minneapolis Tribune, and the St. Louis Globe-Democrat. Since the Atchison newspaper did not take a stand on the severance tax, it was considered to be neutral as far as this study is concerned.

Mentions of Elected Officials in Severance Tax Editorials

The results of this part of the study showed that Gov. John Carlin received the most attention in severance tax editorials. He was followed by Senate President Ross Doyen, R.-Concordia, and House Speaker Wendell Lady, R.-Overland Park. Carlin was mentioned in seventy-two editorials, including fifteen positive mentions; thirty-five neutral mentions, and twenty-two negative mentions. Doyen was mentioned in twenty-five editorials; he received three positive mentions; nine neutral, and thirteen negative mentions. Lady was mentioned in eighteen editorials, including eight positive mentions, seven neutral, and three negative mentions. Attention was also devoted to Attorney General Robert T. Stephan, especially concerning his ruling on a severance tax lobbying group (see Table 8). Other elected officials mentioned were often those in a newspaper's home district, or those who voted contrary to the newspaper's position on the severance tax.

Gov. John Carlin

Kansas Gov. John Carlin proposed a severance tax on the state's mineral production just before the 1981 legislative session began. Newspapers in this study immediately began publishing editorials, some praising and some lambasting Carlin for his proposal. The accolades and criticism continued throughout the study period. Some newspapers believed Carlin's proposal would be the salvation for the state's financial woes. Others believed the tax was wrong and would harm the state.

TABLE 8

MENTIONS OF THE FIVE MOST PROMINENT ELECTED OFFICIALS:

POSITIVE, NEUTRAL, AND NEGATIVE RATINGS

Name	+ (Positive)	0 (Neutral)	- (Negative)	Total
1. Gov. John Carlin	15	35	22	72
2. Sen. Ross Doyen (R. - Concordia)	3	9	13	25
3. Rep. Wendell Lady (R. - Overland Park)	8	7	3	18
4. Sen. Paul Hess (R. - Wichita) Senate Ways & Means Committee Chairman	0	4	4	8
5. Robert T. Stephan Attorney General	0	3	2	5

The Topeka Capital-Journal, a severance tax supporter, said Carlin was "politically shrewd" for announcing his proposal just before the 1981 legislative session began. By promoting the tax as a major source of school and highway funds, Carlin kept the Republican legislative leaders on the defensive much of the time, the newspaper said.[1] By unveiling his severance tax plan at that time, Carlin "brought in a gusher." His proposal was a "political master stroke. The governor has hit on a way to produce big chunks of money without relying on two traditionally disdained taxes, motor fuels and sales."[2]

Raising taxes is risky for a governor who wanted to be re-elected, the Hutchinson News said. By proposing a severance tax instead of other tax increases, Carlin was paying attention to those risks.

> John Carlin may now move to the head of the class in the Art of Paying Attention to Political Risks. More than that, John Carlin ought to start teaching the class. More than that, the class ought to start paying attention. John Carlin is right.[3]

The Hutchinson News said the governor should be "enthusiastically encouraged" to pursue a severance tax. If that should lead to his re-election, "Well, that's what politics is all about, too." Carlin's severance tax proposal was an "outstanding alternative to the Republican sales-tax idea of socking-it-to-the-little guys."[4]

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[1]"Severance Tax Should Be Enacted," Jan. 11, 1981, p. 14.

[2]Ibid.

[3]"Carlin Is Right," Jan. 9, 1981, p. 4.

[4]Ibid.

The Manhattan Mercury criticized Carlin for announcing his severance tax proposal at the beginning of the 1981 legislative session with no prior warning. Carlin needed to apply "stick-to-it-iveness" to gain certain funding proposals, instead of "acting like an amateur angler who won't leave his bait in the water long enough for the fish to get interested, let alone take it."[1] That was the Mercury's conclusion after Carlin abandoned direct ways of raising more revenue, such as increasing the state sales tax, and proposed a severance tax instead. Nevertheless, Carlin was in the "driver's seat" even though he was subject to strong criticism for proposing the tax with no prior warning.[2]

After Carlin announced his severance tax plan, the Hays Daily News, which opposed the tax, said there was a notion going around the state that Carlin should be given "high marks for gall and guts. Anyone who would take on the oil and gas industry over the severance tax must be courageous."[3] However, the News believed Carlin was "less courageous than savvy." He would appear to want to save voters money by forestalling increases in sales and motor fuels taxes. Carlin also seemed to believe "some of the talk about all persons west of Salina being dead set against the tax, is at least to some degree, an oversimplication."[4] It was difficult to condemn Carlin for proposing a severance tax, the newspaper said. His job was to seek revenue sources for state

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[1]"Best Idea on Hold," Jan. 7, 1981, Section A, p. 4.

[2]Ibid.

[3]"Time and the Tax," Jan. 9, 1981, p. 4.

[4]Ibid.

government, and the revenue that would be reaped from a severance tax looked very attractive. Yet the News said Carlin was wrong to seek a severance tax in Kansas. It was a way for the state's urban areas to take revenue produced in the rural areas.[1]

The Wichita Eagle-Beacon, another severance tax opponent, said using severance tax revenue to finance public schools and highways might be politically popular for Carlin. The governor reasoned that Kansas was the only state in the region without a severance tax and the time had come to levy one. But Carlin was ignoring the fact that Kansas oil and gas production and exploration was showing signs of expansion and recovery for the first time in twenty-five years, the newspaper said. It also seemed contradictory for Carlin to hint he would veto a highway finance plan that would raise the motor fuels tax, fearing voters' disapproval, and then announce his severance tax plan. Such a tax would certainly increase gasoline and other energy costs, the Eagle-Beacon said.[2]

As Carlin unveiled his proposed 1982 budget, the Hutchinson News said it would be "dreary, indeed" without his proposed severance tax. The tax would provide funds to improve highways, schools, and communities, as well as fight inflation. The governor's proposed budget and "severance tax rescue plan stand as a superb political and economic suggestion."[3]

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[1]"Severance: Fix Too Quick," Jan. 14, 1981, Section A, p. 4.

[2]"Severance Tax Isn't Justified," Jan. 18, 1982, Section D, p. 2.

[3]"Self-Protection," Jan. 15, 1981, p. 4.

The Wichita Eagle-Beacon also approved of Carlin's pledge to run a "fiscally tight operation" in the 1982 budget year. But the governor was wrong to rule out a sales tax increase and insist a severance tax was the only way to fund highway improvements and relieve taxpayers of the burden of financing public education, the newspaper said. Such a hard-nosed stand in dealing with a Legislature where his party was the minority would be unwise.[1]

When the House Assessment and Taxation Committee opened hearings on the severance tax in February 1981, the Eagle-Beacon continued to criticize Carlin for being unwilling to compromise and accept a fund-raising plan other than his proposed severance tax.[2]

> Mr. Carlin has said, in effect, that it will be either the severance tax or nothing in the search for funding for highways and schools. But if those are the game rules, it is likely it will be 'nothing' since it appears there are enough lawmakers opposed to tacking a new tax on the reawakening Kansas oil and gas industry to block its implementation.

The governor was ignoring two logical means of raising school and highway funds: raising the motor fuels tax and increasing the state sales tax from 3 percent to 5 percent.[3]

As the 1981 legislative session continued, the Eagle-Beacon continued to urge Carlin to reconsider his threat to veto any legislation that would raise the state motor fuels tax. A severance tax might be

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[1]"Carlin Budget Not Bad, Overall . . ." Jan. 15, 1981, Section E, p. 2.

[2]"Severance Tax Not the Way," Feb. 17, 1981, Section B, p. 2.

[3]Ibid.

"initially appealing," but it would not be in the state's long-term best interest, the newspaper said. "In order to do what is best for the state as a whole, all viable options should be considered, without the threat of a veto impeding necessary debate."[1]

After Sen. Leroy Hayden, D.-Satanta, announced he might challenge Carlin for the Democratic nomination for governor in 1982, the Hugoton Hermes said Hayden's announcement would harm Carlin's chance of being re-elected.

> With his severance tax bill suffering from what may be fatal flaws which would render it completely useless and the proliferation of ABC (Anybody But Carlin) stickers out here, I imagine the Carlin in '82 staff has issued new maps of Kansas with the lefthand portion of the state strangely missing.[2]

As the 1981 legislative session continued, Carlin continued to receive criticism for being unwilling to compromise on his severance tax stand. After the Senate Assessment and Taxation Committee killed the severance tax on April 1, 1981, the Manhattan Mercury said some of the blame should rest on Carlin.[3] The governor should have been willing to accept a compromise, such as a severance tax and some reasonable increase in the sales or motor fuels taxes. Carlin was also at fault for "pulling the severance tax out as a complete surprise just as the curtain was going up on the 1981 Legislature." If Carlin had announced

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[1] "Of the KCC and Severance Tax," March 13, 1981, Section C, p. 2.

[2] "Capitol News," March 26, 1981, p. 2.

[3] "Coming Up Short," April 2, 1981, Section A, p. 4.

his proposal earlier, it might have given his opponents more time to build their case, the Mercury said.

When Carlin went on the road in April 1981 to promote the severance tax, the Mercury speculated on what would happen if the governor would compromise and accept a severance tax combined with an increase in sales and motor fuels taxes. The stubbornness of the governor and the Republican leaders in the Senate made prospects look bad for Kansas taxpayers. "But in terms of political harvest, at this point it would seem that Carlin's crop looks best."[1]

Another issue that arose in the 1981 legislative session was the attempts of some senators to trade votes on the severance tax and a port authority bill that would have helped construct a General Motors assembly plant in Kansas City, Kan. "You vote against the severance tax, and I'll vote for the GM bill, some Kansas City-area senators have been told by colleagues from other parts of the state," the Topeka Capital-Journal said. The newspaper praised Carlin for attacking such dealings; he called the senators' tactics "totally unfair to the people of this state."[2]

After the Legislature reached first adjournment for the 1981 session, the Wichita Eagle-Beacon said Carlin would have to consider alternatives other than the severance tax. These options should have had first priority during the regular legislative session.[3] As the

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[1]"Sorting Out a Winner," April 14, 1981, Section A, p. 4.

[2]"In the Back Door," April 4, 1981, p. 4.

[3]"Legislators' Main Work Ahead," April 12, 1981, Section B, p. 2.

wrap-up session approached, the Eagle-Beacon said Carlin's proposed severance tax still remained "an unfair approach that not only ignores the hard realities of Kansas' current tax woes, but in fact perpetrates them by promising individual taxpayers an easy way out of a difficult situation." Although the Legislature had turned down the severance tax, the governor was still hoping to see it implemented -- "by dint of veto, if by no other means."[1] During the 1981 wrap-up session, the Legislature passed a last-minute school finance bill which raised property taxes statewide. But the Eagle-Beacon said Carlin should not veto the measure, forcing legislators to return to Topeka, unless he was willing to consider some other way to finance schools than his proposed severance tax. The newspaper blamed Carlin's intransigence for hindering efforts to obtain a better school finance plan.[2]

Carlin revised his severance tax plan in the fall of 1981 from the original 8 percent to 5 percent on natural gas and oil, and 2 percent on coal. The Eagle-Beacon said his new plan was not much of an improvement over his earlier proposal. The plan held political appeal by promising to reduce residential property taxes for one year and keep them at the same rate for the next two years. Yet a severance tax was unfair because it would force one industry to raise the revenue for school finance.[3]

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[1]"Killing the Oil and Gas Goose," April 21, 1981, Section B, p. 2.

[2]"Blame to Share on School Bill," May 7, 1981, Section D, p. 2.

[3]"New Concern on Severance Tax," Oct. 24, 1981, Section D, p. 2.

At the beginning of the 1982 legislative session, the Eagle-Beacon criticized Carlin for seeking to raise $124 million for public school aid by levying a severance tax. That source of aid might not materialize, the newspaper warned.

> Such an approach is too strongly reminiscent of the governor's intransigent attitude of a year ago, when he in effect presented lawmakers with a take-it-or-leave-it scenario. There are some indications he may compromise more this session, but it appears that it would be only on the percentage of the severance tax he would accept, not on funding alternatives, should the tax be turned down.[1]

After the Senate defeated the severance tax in April 1982, the governor traveled around the state seeking support to resurrect the tax. Sherry Goering, editor of the Hugoton Hermes, said, "This same Democratic governor has taken to the skies at taxpayers' expense to try to further antagonize battered senators who are reluctant to impose yet another tax upon the people of Kansas . . . isn't it sweet?" Goering hoped the severance tax would resurface during the 1982 wrap-up session and be "voted down resoundingly." That would dampen future chances for such a tax and lessen Carlin's hopes for re-election, she said.[2]

Another aspect of the study on Carlin was the attention the Hays Daily News devoted to what it called the governor's changing character. The newspaper, a severance tax opponent, said the fight over the tax had transformed Carlin and was making him into a more poised leader.[3]

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[1] "For Timely School Financing," Jan. 15, 1982, Section B, p. 2.

[2] "Our Cup's Half Full," April 15, 1982, p. 2.

[3] "The Tax and Carlin," May 1, 1981, p. 4.

> Too many around the state dismissed him as a hayseed from that dairy down at Smolan. They should look again. The fight has transformed him.
>
> Behind a microphone in front of an audience he appears to be the master of all he surveys. This new polish comes from the belief that he's right and that a majority of Kansans agree with him. The confidence is appealing. He betrays not a hint of arrogance or vindictiveness.

Even though the Hays Daily News disagreed with Carlin's proposed severance tax, it said the Senate's action during the 1981 Legislature would re-elect him. "The oil people should get ready. They won the first skirmish, but it promises to be one helluva war."[1]

Although the newspaper continued to oppose a severance tax, it kept noting how Carlin was changing as the leader of Kansas:

> Carlin is stronger. He has the looks of a winner . . . He is now smoother in front of a crowd than even he might have hoped. But the most interesting part is this: Carlin's newfound strength and his relaxed demeanor seem to coincide with that hell-for-leather fight with the oil producers over the severance tax.[2]

When Norbert Dreiling, Hays attorney and former state Democratic chairman, went to Topeka to oppose the severance tax, Carlin said, "I don't mind Mr. Dreiling representing the oil interests. I'll represent the people." The News said although the oil and gas producers were upset over the severance tax fight, it was obvious Carlin could "put his opponents in a noose over the issue."[3]

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[1]Ibid.

[2]"Joe and John," Aug. 4, 1981, p. 4.

[3]Ibid.

In summary, Gov. John Carlin received the most attention of the elected officials mentioned in editorials in this study. In general, newspapers that favored the severance tax praised Carlin. Newspapers opposing the tax tended to criticize the governor. Carlin was criticized the most for being unwilling to compromise and accept funding alternatives besides a severance tax, or a severance tax combined with some kind of tax increase.

Sen. Ross Doyen

Sen. Ross Doyen, Concordia Republican and Senate president, played a key role in opposing the severance tax in the 1981 and 1982 legislative sessions. This opposition resulted in some of the most colorful criticism that any legislator received. Yet Doyen was generally praised when he allowed the full Senate to vote on the severance tax late in the 1982 legislative session. He was mentioned in twenty-five editorials in this study, including three positive mentions, nine neutral, and thirteen negative mentions.

Early in the 1981 legislative session, Doyen contracted with a University of Wyoming economist for a special study on the effects of a severance tax. The Topeka Capital-Journal said the study was a good idea, but that Doyen seemed to be trying to gain publicity from it.[1]

The Capital-Journal later disputed Doyen's arguments against a severance tax. Doyen claimed a severance tax would be an unfair burden on the oil and gas industry. But the industry is financially stable,

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[1]On a Collision Course," Feb. 14, 1981, p. 4.

the newspaper said. A 5 percent severance tax was unlikely to halt oil and gas exploration in Kansas. Doyen also contended that the state did not need any new taxes. "But he was a most vocal advocate during the 1980 legislative session of boosting the motor fuels tax for highway maintenance. Then Doyen claimed it was vital for the state to have additional revenue for the highways."[1]

The Capital-Journal also criticized Doyen for saying tax responsibility should be turned over to local school boards, allowing them to levy any amount of property tax they could get local patrons to pay. In many school districts, the property tax base was already extended as far as it would allow. Such districts needed state funds to continue operating at their present levels, the newspaper said. Only a severance tax would provide the needed revenue.[2]

The Manhattan Mercury acknowledged that Doyen was a powerful leader in the Legislature, calling him a "man who speaks softly, but carries -- and wields -- a mighty big and effective legislative stick." The severance tax had a slim chance of surviving in the Senate, based on Doyen's opposition.[3] Although the Mercury conceded that Doyen was a powerful leader, it was later extremely critical of him. As the 1982 legislative session opened, it said Doyen, "the oil and gas interests' Concordia representative," seemed to be the only legislator who opposed a

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[1]"Tax Opponents and Strategy," March 25, 1981, p. 4.

[2]"Tax Increase Inevitable," March 10, 1981, p. 4.

[3]"Chances Somewhat Better," March 10, 1981, Section A, p. 4.

severance tax. "We hope the day is past when a handful of selfish persons can run the Legislature and this state according to their whims."[1]

At the beginning of the 1982 session, Gov. John Carlin said the severance tax's fate would rest in the hands of the Senate majority leadership, especially Doyen. But the Hutchinson News disagreed: "At least one senator is much more equal, or perceived so, than the other senators when a major tax issue involving oil and gas is being considered." Although Doyen had considerable power, the other senators had the responsibility of not letting him tell them what to do, the News said. "The intransigence of one senator may be a large deterrent to action, but it will never be big enough for the other senators to hide behind and disclaim responsibility."[2]

As the severance tax fight continued in the 1982 session, the Hutchinson News said the media were describing Doyen as being "imperial, abusive, maneuvering, and threatening" in his "creative use of parliamentary skills."[3] The issue was whether or not Doyen would allow the Senate to vote on the severance tax, the News said. In 1981 he did not allow such a vote, and as the 1982 legislative session progressed, it also appeared he would not allow a Senate vote on the tax. "Sen. Doyen may, indeed, be properly criticized for his decisions involving creative

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[1]"Plaudits for Tax Stand," Jan. 18, 1982, Section A, p. 4.

[2]"Up to Doyen?," Jan. 21, 1982, p. 4.

[3]"He's Not Alone," March 10, 1982, p. 4.

obfuscations of democracy." But there were thirty-nine other senators who shared the blame.[1]

When Doyen announced in April 1982 that he would allow the Senate to vote on the severance tax, the Topeka Capital-Journal was quick to praise him. "Whatever Doyen's reasons for the switch, the decision is welcome and he is to be complimented. A vote by the full Senate is the only way to decide the issue."[2] The Salina Journal also praised Doyen for allowing the full Senate to vote on the severance tax. "However the vote goes, we shall feel content that democracy has been served. And for that we can thank Sen. Doyen."[3]

After the Senate defeated the severance tax, the Manhattan Mercury published one of the most critical editorials about Doyen, calling him the "Democrats' Best Friend" and the "Lord Mayor of Kansas."[4] Doyen was accused of securing the twenty-one votes against the tax before the Senate vote was even taken. "Doyen is too clever and Machiavellian a politician to leave anything to chance. His pockets were filled with twenty-one votes before the first red light flashed in the Senate chamber." The Mercury also accused Doyen of "coddling the energy interests" and said this would kill his chances of becoming a candidate for governor in 1982.

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[1] Ibid.

[2] "Severance Tax Showdown," April 4, 1982, p. 16.

[3] "Democracy to Be Served," April 4, 1982, p. 4.

[4] "Democrats' Best Friend," April 6, 1982, Section A, p. 4.

> Indeed, Doyen may be the most interesting thing that's happened to Kansas Democrats since John R. Brinkley, the goat-gland doctor from Milford who ran for governor in 1930. And he may be the best thing that's happened to the Democrats since Gov. William Avery who increased both income and sales taxes during his single term.[1]

Doyen had caused so much division in the Republican party that any Democrat would have an easy victory for the governorship in 1982, the Mercury said. "As one Democrat, who has had his differences with Carlin, said, 'It would take a personality transplant for Doyen to be a candidate now'."[2]

In summary, Doyen was harshly criticized for opposing the severance tax and for using parliamentary complications to kill the tax. He was also accused of favoring the oil and gas industry in the issue. Nevertheless, it was acknowledged that he held considerable power in the Legislature.

House Speaker Wendell Lady

House Speaker Wendell Lady, R.-Overland Park, also played a major role in the severance tax issue during the study period. Generally, newspapers who supported the severance tax agreed with Lady's actions, and those who opposed the tax criticized him. Lady was mentioned in eighteen editorials, including eight positive, seven neutral, and three negative mentions. The Topeka Capital-Journal, the Manhattan Mercury,

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[1] Ibid.

[2] Ibid.

and the Hutchinson News paid the most editorial attention to Lady and his actions on the severance tax.

After Gov. John Carlin unveiled his proposal for an 8 percent severance tax at the beginning of the 1981 Legislature, Lady said he personally approved of the plan. He hinted he would also give legislative support to the governor's plan. The Topeka Capital-Journal called Lady "one powerful ally" for the severance tax.[1] However, it later said his endorsement of the tax would not hurt him since there are no oil or gas wells in his Johnson County district.[2]

Lady received the most editorial attention for his compromise plan calling for a 3 percent severance tax and a 3-cent per gallon increase in the motor fuels tax. The Capital-Journal called this plan the "most logical" of the proposals to boost state revenue that lawmakers would examine during the 1982 session. "Lady's proposal is more realistic than the others forwarded. It recognizes the importance of a severance tax in any additional tax package, and the need to assess users to support highway repairs."[3] The Manhattan Mercury also praised Lady's proposal. It would lessen the burden on western Kansas counties which said the severance tax would take property tax money they needed for funding schools.[4]

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[1]Jan. 11, 1981, p. 14.

[2]Feb. 14, 1981, p. 4.

[3]Jan. 31, 1982, p. 14.

[4]Jan. 31, 1982, Section A, p. 4.

Early in the 1982 legislative session, Lady predicted there would be a tax increase in Kansas that year. He said the Senate leaders would decide if the tax would be paid by property owners or the oil and gas industry in the form of a severance tax. "If the state surrenders once again to the wealthy oil lobby and the rich oil and gas companies, then Mr. Lady will be shown to have been remarkably accurate once again," the Hutchinson News said.[1]

The Wichita Eagle-Beacon criticized Lady when the House passed a bill in March 1982 calling for a 2-percent increase in the motor fuels tax, but hinging it on a severance tax. Such legislative strategy was devoid of statesmanship, the Eagle-Beacon said. The newspaper said it respected Lady's right to campaign for a severance tax which it had opposed editorially. But putting the two measures together jeopardized both of them.[2]

In summary, Lady played a major role in getting the House to take action on the severance tax during the 1981 and 1982 sessions. Lady supported the tax and was not usually criticized harshly in editorials for his stance. He received the most praise for his compromise plan seeking a 3 percent severance tax and a 3-cent-per-gallon increase in the state motor fuels tax.

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[1]"The Tax Increase," Feb. 20, 1982, p. 4.

[2]March 13, 1982, Section C, p. 2.

Attorney General Robert T. Stephan

Attorney General Robert T. Stephan did not have a direct role in the severance tax issue like the governor and legislators did. But early in the fall of 1981, Stephan made a ruling that brought out another aspect in the severance tax conflict. Stephan said the Southwest Kansas Legislative Policy Group, a coalition of southwest Kansas counties, could use public funds to lobby against the severance tax if such lobbying served a "public purpose." Severance tax supporters argued that the group was fighting for the oil and gas producers, not the public. In his ruling, Stephan needed to clarify the definition of public purpose, the Topeka Capital-Journal said. "Taxpayers need to know where and how their money is spent."[1]

After Stephan's ruling on the legislative policy group, the Hutchinson News said it was disappointed such a question had to be asked.[2] The News said it was reasonable for public money to be used, "in moderation, to promote ideas, or stimulate discussion of them." But the disappointing part of the severance tax fight was public officials seemed to have surrendered to the notion that lobbying was essential in discussing a major public issue. It also seemed that elected officials in southwest Kansas had abandoned hope that legislators could conduct business without the help of professional lobbyists. "The next logical

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[1]"Define 'Public Purpose'," Sept. 8, 1981, p. 14.

[2]"The Lobby War," Sept. 3, 1981, p. 4.

step would be simply to convene lobbyists, not legislators, whenever public policy is needed to be established in Kansas."[1]

The Hays Daily News agreed that Stephan needed to clarify the definition of public purpose and how it differs from activities conducted to benefit private individuals.[2] Oil-producing counties have a public interest in the severance tax issue, it said. Each year, oil production is part of the formula used for determining how much oil is left for formulating the next year's property tax.

> Here's the key worry. A severance tax might prompt a cutback in production of marginal wells. And the cutbacks could lead some producers to haul production gear away for still another downward projection of the property tax in a producing county.[3]

The Wichita Eagle-Beacon also criticized Stephan's ruling on the Southwest Kansas Legislative Policy Group's use of public funds for lobbying against the severance tax. It said local governments might be able to use tax money to lobby against any legislation opposed by a majority of a governing body "as long as the aim can be said to be a 'public one'." Stephan was also accused of trying to gain support for his own gubernatorial campaign in 1982 by opposing Gov. John Carlin's severance tax plan.[4]

The Manhattan Mercury also accused Stephan of using the issue for political gain. By ruling that the group could use public funds to lobby

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[1] Ibid.

[2] "Severance Shouting," Sept. 8, 1981, p. 4.

[3] Ibid.

[4] "Stephan Wrong on Lobby Group," Sept. 3, 1981, Section D, p. 2.

against the severance tax, Stephan had committed himself to keeping the tax out of Kansas.

> There's nothing wrong with spending public money for a public purpose. But there is something wrong with Stephan suddenly deciding it's okay for a public group to fight the severance tax, a single issue if there ever was one. But for the severance tax opponents, it's strictly a private issue. No amount of cloaking it by bringing in public officials hides that fact.[1]

In summary, Stephan did not play a major role in the severance tax conflict because he did not have the powers of a legislator or the governor. Nevertheless, his ruling that the Southwest Kansas Legislative Policy Group could use public funds to lobby against the severance tax brought out a new aspect in the issue. Some of the newspapers in the study said Stephan needed to clarify his ruling and define exactly what a public purpose is. He was also accused of using the issue for political gain in case he decided to run for governor in 1982.

Other Elected Officials

Sen. Paul Hess, Wichita Republican and Senate Ways and Means Committee chairman, was mentioned in eight editorials, including four neutral and four negative mentions. Hess was one of the twenty-one senators who voted against the severance tax on April 5, 1982. He was mentioned mostly in lists that included other senators who voted against the tax, either on the Senate floor, or in committee votes.

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[1]"Playing I Spy (A Governor)," Sept. 3, 1981, Section A, p. 4.

As for other legislators, generally those who voted for the severance tax in accordance with a newspaper's stance on the issue were mentioned positively in editorials. Those who voted contrary to the newspaper's position were mentioned negatively. The Hutchinson News published lists of the senators who voted for and against the severance tax during the Senate vote on April 5, 1982. The Salina Journal published the names of senators who voted against the tax, but not for it. The Hutchinson News said the senators who voted against the tax should be removed from office.[1] And the Salina Journal said, "It's a good thing the legislative elections aren't being held this week. There would be some emptied Senate seats."[2]

Mentions of other elected officials in this study are summarized in Tables 9, 10, 11, and 12. Senators who voted for the severance tax on April 5, 1982, are covered in Table 9. Senators who opposed the tax in that vote are mentioned in Table 10. Table 11 is devoted to miscellaneous senators mentioned in the study. And Table 12 is devoted to miscellaneous representatives.

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[1]April 7, 1982, p. 4.

[2]April 8, 1982, p. 4.

TABLE 9

MENTIONS OF SENATORS SUPPORTING SEVERANCE TAX:

POSITIVE, NEUTRAL, OR NEGATIVE RATINGS*

Name	+ (Positive)	0 (Neutral)	- (Negative)
Bill Mullich (D. - Kansas City)	2	0	0
Jack Steineger (D. - Kansas City)	2	0	0
Norma Daniels (D. - Valley Center)	2	0	0
Jane Eldredge (R. - Lawrence)	2	0	0
Paul Feleciano (R. - Wichita)	2	0	0
Mike Johnston (D. - Parsons)	2	0	0
Bill McCrary (D. - Wichita)	2	0	0
Jan Meyers (R. - Overland Park)	2	0	0
Nancy Parrish (D. - Topeka)	2	0	0
Tom Rehorn (D. - Kansas City)	2	0	0

*These senators listed voted for the severance tax during the full Senate vote on April 5, 1982.

TABLE 10

MENTIONS OF SENATORS OPPOSING SEVERANCE TAX:

POSITIVE, NEUTRAL, OR NEGATIVE RATINGS*

Name	+ (Positive)	0 (Neutral)	- (Negative)
Robert Talkington (R. - Iola)	0	0	3
Dan Thiessen (R. - Independence)	0	0	3
Joe Warren (D. - Maple City)	0	0	3
Ron Hein (R. - Topeka)	0	0	3
Fred Kerr (R. - Pratt)	0	0	3
Bill Morris (R. - Wichita)	0	0	3
Jim Allen (R. - Ottawa)	0	0	3
Charlie Angell (R. - Plains)	0	0	3
Neil Arasmith (R. - Phillipsburg)	0	0	3

*These senators listed voted against the severance tax in April 1982.

TABLE 11

MENTIONS OF MISCELLANEOUS SENATORS:

POSITIVE, NEUTRAL, OR NEGATIVE RATINGS*

Name	+ (Positive)	0 (Neutral)	- (Negative)	Total Mentions
Ed Roitz (R. - Pittsburg)	0	0	2	2
Ben Vidricksen (R. - Salina)	0	0	2	2
Jim Francisco (D. - Wichita)	0	0	2	2
Richard Gannon (D. - Goodland)	0	0	2	2
Norman Gaar (R. - Westwood)	2	1	0	3
Don Montgomery (R. - Sabetha)	1	1	1	3
Merrill Werts (R. - Junction City)	3	1	1	5
Bert Chaney (D. - Hutchinson)	3	0	0	3
Frank Gaines (D. - Augusta)	1	0	2	3
August Bogina (R. - Lenexa)	1	0	0	1
Elwaine Pomeroy (R. - Topeka)	1	0	1	2
Ed Reilly (R. - Leavenworth)	1	0	1	2
John Chandler (R. - Holton)	1	0	1	2
Roy Ehrlich (R. - Hoisington)	0	1	3	4
Joe Norvell (D. - Hays)	1	0	3	4
Gerald Karr (D. - Emporia)	2	2	1	5

TABLE 12

MENTIONS OF MISCELLANEOUS REPRESENTATIVES:

POSITIVE, NEUTRAL, OR NEGATIVE RATINGS*

Name	+ (Positive)	0 (Neutral)	- (Negative)	Total Mentions
Bill Bunten (R. - Topeka)	0	1	0	1
Denny Burgess (R. - Wamego)	1	1	1	3
Tim O'Sullivan (D. - Hutchinson)	1	0	0	1
John Myers (D. - Hutchinson)	1	0	0	1
Jack Maloney (D. - Hutchinson)	1	0	0	1
Bob Frey (R. - Liberal)	0	1	1	2
Keith Farrar (R. - Hugoton)	1	2	0	3
Ivan Sand (R. - Riley)	1	1	0	2
Joe Knopp (R. - Manhattan)	1	1	0	2
Ed Rolfs (R. - Junction City)	1	0	1	2

CHAPTER IV

SUMMARY AND CONCLUSIONS

This chapter will summarize the findings reported in Chapter III. The factor of the local oil and natural gas production and the prominence of the issue in the selected newspapers will be discussed. Other topics will include the benefits and liabilities of the tax and a general discussion.

The Local Oil and Natural Gas Production Factor

Oil and natural gas production in the newspaper's home county was a factor in the editorial opinions toward a severance tax. Yet it was not the determining factor in support or opposition as it was believed it would be. There were three instances of newspapers in oil-and-gas producing areas which supported the tax and one newspaper in a non-producing area which opposed it.

Newspapers in non-producing areas that supported a severance tax were the Topeka Capital Journal and the Manhattan Mercury. Newspapers in producing areas that opposed a severance tax were the Wichita Eagle-Beacon, Hays Daily News, El Dorado Times, and the Hugoton Hermes.

The Hutchinson News, Salina Journal and the Osawatomie Graphic are published in mineral-producing areas, and they supported a severance tax. The Jewell County Record, Mankato, is published in a non-producing area, and it opposed the tax. The Goodland Daily News and the Atchison Daily Globe were expected to support the tax, but did not take a stand on the issue.

Prominence of the Severance Tax Issue

One underlying purpose of this study was to see how much editorial attention would be given to a controversial state issue. In the twelve newspapers studied, the number of editorials mentioning a severance tax ranged from fifty-seven published by the Hutchinson News to the Atchison Daily Globe which printed no editorials on the subject during the study period. This discussion will first focus on the newspapers which favored the tax and then on those which opposed it.

Supporting Newspapers

The Topeka Capital-Journal, published in the state capital, consistently supported a severance tax during the study period. This was not surprising since Shawnee County produces no oil or natural gas. However, the writer thought the Capital-Journal would be hesitant to take a strong stand on the issue. Legislators and lobbyists from mineral-producing areas would tend to criticize it for its stance. Yet this did not seem to be a deterrent. The Capital-Journal devoted a moderate amount of attention to the severance tax, publishing twenty-three editorials mentioning it.

The Hutchinson News published fifty-seven editorials mentioning the severance tax. This surprised the writer since Reno County was considered a moderate producer of oil and natural gas. Such an adamantly supportive stance was probably unpopular with its readers. One reason why the News highly favored the severance tax could be due to the fact that Publisher Richard Buzbee worked for the Olathe Daily News before transferring to Hutchinson about three years ago. Olathe is in eastern Kansas where the tax seemed to be more favored. The Hutchinson News devoted such an extreme amount of attention to supporting a severance tax that the writer thought the newspaper's arguments began to lose their effectiveness.

The Manhattan Mercury is published in what was considered a non-producing area. It also supported a severance tax and published twenty editorials mentioning it. During the first part of the study period, the Mercury was ambiguous in its stance on the tax. It was considered to be moderately in favor, yet the editorial writing was so evasive that it was difficult to make a certain judgment. Around the middle of the study period, the writing style became clearer, and the newspaper began to support a severance tax wholeheartedly. Perhaps this could be attributed to the fact that Editor Bill Colvin became the newspaper's senior editor, and David Hacker, a Kansas State University professor, became editor.

Another supportive newspaper was the Salina Journal which is published in a moderate-producing area. It began the study period by opposing a severance tax. But around the middle of the study period, it showed signs of softening its stance. In the 1982 legislative session, the newspaper endorsed the tax. It published nineteen editorials on the subject.

The Osawatomie Graphic is also published in a moderate-producing area. Its attitude toward a severance tax was considered to be favorable in this study. However, the newspaper seemed to take a wavering stance on the issue. It believed the state should try to cut its expenditures to meet its revenue. But if more money was needed, a severance tax should be considered. The Graphic is published in eastern Kansas where the tax seemed to be favored. Yet Miami County has some oil production. Perhaps the Graphic was hesitant to wholeheartedly endorse a severance tax for fear of angering mineral producers, or its advertisers. The Graphic is a weekly newspaper and published eight editorials on the tax during the study period.

Opposing Newspapers

Among the newspapers in this study which opposed a severance tax was the Wichita Eagle-Beacon. It published nineteen editorials mentioning the tax. This newspaper seemed to be the most organized in its editorial coverage of those studied. In January of 1981 and 1982, the Eagle-Beacon listed its editorial agendas for the year which included opposing a severance tax. Sedgwick County was considered a moderate oil producer, and it seemed logical for the Eagle-Beacon to oppose a severance tax. In its editorials, the newspaper said a severance tax would be an unfair burden on the oil and gas industry. The Eagle-Beacon seemed to take a conservative stance and advocated spreading the tax burden by increasing the state sales and motor fuels tax. Of the newspapers studied, the writer thought the Eagle-Beacon's arguments against a severance tax were the most convincing. It did not get on a soapbox about the issue like the Hutchinson News did. This helped its arguments against the tax to remain believable.

The Hays Daily News also opposed a severance tax, but not in a vehement manner. Its opposition was not surprising since it is published in Ellis County, the top oil-producing county in Kansas. It would be foolish for the newspaper to take an adamantly supportive stance like its sister Harris newspaper, the Hutchinson News, did. One of the Hays Daily News' arguments against the tax centered on regional conflict. This was not surprising since it is located in the western part of the state. However, the writer was surprised when the newspaper began to concede that a severance tax was possible in Kansas. The newspaper seemed to grow tired of the conflict, but it did not endorse a severance tax during the study period. The writer expected the Hays Daily News to consistently and adamantly oppose the tax. The newspaper also discussed how the severance tax conflict seemed to have helped Gov. John Carlin become a more confident leader. This was surprising since Carlin was promoting a severance tax which the newspaper opposed. Yet the Hays area seems to support the Democrat party.

The third opposing newspaper in this study was the El Dorado Times. Since Butler County is a major oil producer, it was not surprising that the newspaper would oppose a severance tax. However, the writer thought the Times would devote a great deal of attention to the issue, perhaps like the Hutchinson News did. But the Times published only three editorials mentioning the tax and focused most of its attention on national and world affairs instead of local and state issues.

The Hugoton Hermes, a weekly newspaper, also opposed a severance tax. It published eight editorials mentioning the issue. This was not surprising since Stevens County is a major natural-gas producer and is situated on top of the massive Hugoton natural gas field. The newspaper was consistently against a severance tax during the study period. But since Hugoton is so far from the state capital and the populous areas, the writer thought its opposition probably had little effect.

A final newspaper in this study which opposed the severance tax was the Jewell County Record, at Mankato. Since Jewell County was considered a non-producing county in this study, the writer predicted the newspaper would support a severance tax. The Record only published three editorials on the tax, but adamantly opposed it. This was probably due to Editor Huck Boyd, a prominent Republican, opposing the tax promoted by Carlin, a Democratic governor. Boyd also seemed to be very conservative and advocated the state cut spending to meet its revenue. He claimed a severance tax would help increase inflation.

Neutral Newspapers

The Goodland Daily News mentioned the severance tax in only one editorial during the study period. Since this editorial was not totally devoted to the tax, it was not considered enough to make a judgment on the newspaper's stance on the issue. It was predicted the News would support a severance tax since it is published in a non-producing area. Since a severance tax would not seem to affect the Goodland area, perhaps the editor did not think it was important enough to editorialize on.

The Atchison Daily Globe is also located in a non-producing area. Again it was predicted this newspaper would support a severance tax. However, it did not publish a single editorial on the issue. Most of its editorials focused on local and a few state issues. The Daily Globe also used reprinted editorials extensively. Perhaps this is another case where the editor did not think the severance tax was an important issue.

Benefits and Liabilities of the Severance Tax

A second corollary question this study wanted to answer was: Whom or what areas did the newspapers believe would benefit from or be harmed by a severance tax? This section will focus first on the benefits of the tax mentioned in editorials and then on its liabilities.

Benefits of a Severance Tax

Editorials supporting a severance tax often used several common arguments. First, the tax would raise more revenue for public school finance and highway maintenance without resorting to such unpopular means as raising the state sales and motor fuels taxes. A severance tax would also lessen the burden on property taxpayers who commonly support local school systems and governing units. Supporting editorials also urged that the state has the right to be compensated for its mineral wealth which has been removed forever. A severance tax could also be used to provide benefits for future generations of Kansans, such as improving school systems. Another supportive argument was that Kansas should enact a severance tax to protect itself from other mineral-producing states that levy such a tax. It was also argued that the windfall profits tax had not harmed the oil industry and neither would a severance tax.

Liabilities of a Severance Tax

Newspapers opposing a severance tax argued that it would be unfair to expect one industry to provide the majority of revenue to support Kansas schools and highways. The tax could also force some marginally producing wells to be shut down since it would no longer be profitable to operate them. In addition, opposing newspapers wondered what the state would tax when its mineral wealth ran out. Another argument against a severance tax was that eastern Kansas was trying to drain the mineral wealth produced in the western part of the state. It was also argued that the state should cut its expenditures to meet its revenue instead of levying a severance tax. In general, a severance tax was considered to be a disincentive to the oil and gas industry which was just beginning to show signs of recovery during the study period.

Elected Officials

This study also focused on newspaper attitudes toward elected officials and their actions concerning a severance tax. Chapter III mentioned this aspect of the study. In general, newspapers that supported the severance tax were also favorable toward elected officials who worked to get the tax passed in the Legislature. Supporting newspapers criticized officials who voted against the tax, or tried to block it. The opposite was true for newspapers that opposed the tax. These newspapers were favorable toward officials who tried to prevent the Legislature from passing it.

One of the most admired qualities in elected officials mentioned in the editorials studied was a willingness to compromise. Supporting newspapers praised Gov. John Carlin for promoting a severance tax. But newspapers on both sides of the issue criticized him for being unwilling to compromise and perhaps accept a severance tax combined with other tax increases. Supporting newspapers also criticized Senate President Ross Doyen for being unwilling to compromise his stance against the tax. House Speaker Wendell Lady seemed to demonstrate more of a willingness to compromise and usually received favorable comments in editorials. In general, the newspapers studied focused on Carlin, Doyen, Lady, and lawmakers from their area.

Observations

For a clearer perspective on the attitudes of all Kansas newspapers toward a severance tax, more newspapers should have been included in the study. Some of the newspapers that would have been interesting to include are: the Parsons Sun, the Iola Register, Garden City Telegram, Great Bend Tribune, Lawrence Journal-World, and the Kansas City Kansan. Ideally, all Kansas newspapers of general circulation would have been studied if time had permitted.

In order to achieve more accuracy in coding editorials, more than one coder would have ideally been used for the whole project. Generally, it was easy to determine if an editorial was for or against a severance tax. But once the direction was determined, it was sometimes difficult to determine intensity inspite of the effort to precisely define coding categories.

This study would also have been more effective if it had covered a longer time period. The severance tax became a key issue in the 1982 governor's race between incumbent John Carlin, a Democrat who ardently advocated a severance tax, and Republican Sam Hardage, a Wichita businessman who opposed such a tax. Since Carlin was re-elected, the severance tax is likely to re-surface in the 1983 legislative session. In order to gain a better idea of these newspapers' attitudes on this issue, the study would have been more effective if it had included the 1983 legislative session, especially since Carlin was re-elected. However, the writer's goal was to finish this study before Thanksgiving in 1982. Therefore it would not have been practical to include the 1983 legislative session in the study. As Klaus Krippendorf says:

> As is true for most research, content analyses are also rarely ever finished. Although a good content analysis will answer some question, it is also expected to pose new ones, leading to revisions of the procedures for future applications, stimulating new research into the bases for drawing inferences, not to mention suggesting new hypotheses about the phenomena of interest. The beginning and end of a content analysis mark but an arbitrary segment of time.[1]

This study shows how a sampling of Kansas newspapers believe about a severance tax. In general, all of the newspapers studied, except the Hutchinson News, paid only a moderate amount of attention to the issue.

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[1] Content Analysis: An Introduction to Its Methodology (Beverly Hills, Calif.: Sage Publications, 1980) p. 169.

Yet this is only a study on the attitudes of selected newspapers and not the opinions of the general public. The writer believes this is one aspect of the issue that has been ignored, although the 1982 governor's election was considered by some to be a referendum on the severance tax. Lobbyists and legislative policy groups have voiced their opinions on the severance tax, but the opinions of the average voter do not seem to be known. Perhaps a public opinion poll of voters from each county in the state would help. Or letters to the editor in newspapers could be studied. This study was originally going to focus on severance tax editorials and letters to the editor under the "umbrella" of newspaper opinion matter. But this would have complicated the study, so the idea of using letters to the editor was abandoned. Such letters would have represented the writer's opinion and not the newspaper's.

A final conclusion to this study is that it shows the independence of selected newspapers on an issue that has affected and will probably continue to affect the state of Kansas.

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Hutchinson News, Jan. 1, 1981 to April 30, 1982.

Jewell County Record, Jan. 1, 1981, to April 30, 1982.

Manhattan Mercury, Jan. 1, 1981 to April 30, 1982.

Osawatomie Graphic, Jan. 1, 1981 to April 30, 1982.

Salina Journal, Jan. 1, 1981 to April 30, 1982.

Topeka Capital-Journal, Jan. 1, 1981 to April 30, 1982.

Wichita Eagle-Beacon, Jan. 1, 1981 to April 30, 1982.

APPENDICES

APPENDIX A

SAMPLE OF CODING SHEET

Newspaper:______________________________

Issue Date:_____________________________

Editorial Title:_____________________________________ Page:______

Class:______ Rating (+2) (+1) (0) (-1) (-2) (+) (0) (-)

Statements that support editorial's rating:

<u>Elected officials mentioned</u>:

(1).________________________________ (+) (0) (-)

(2).________________________________ (+) (0) (-)

(3).________________________________ (+) (0) (-)

(4).________________________________ (+) (0) (-)

<u>Statements on elected officials (see back for additional comments)</u>

APPENDIX B

INTER-CODER RELIABILITY

	Newspaper	Coder 1	Coder 2	Coder 3
1.	Capital Journal Jan. 11, 1981**	Class A (+2)	Class A (+2)	Class A (+2)
2.	Capital-Journal April 7, 1982	Class A (+1)	Class A (+2)	Class A (+2)
3.	Capital-Journal March 25, 1981**	Class A (+2)	Class A (+2)	Class A (+2)
4.	Manhattan Mercury Jan. 7, 1981**	Class A (+1)	Class A (-1)	Class A (+1)
5.	Manhattan Mercury March 25, 1982**	Class A (+2)	Class A (+2)	Class A (+2)
6.	Manhattan Mercury April 6, 1982*	Class B (0)	Class B (0)	Class B (+)
7.	Eagle-Beacon Jan. 13, 1981**	Class B (-)	Class B (-)	Class B (-)
8.	Eagle-Beacon Jan. 18, 1981**	Class A (-2)	Class A (-2)	Class A (-2)
9.	Eagle-Beacon April 2, 1982	Class B (-)	Class A (-2)	Class A (-2)
10.	Osawatomie Graphic Jan. 22, 1981*	Class B (+)	Class A (+2)	Class B (+)
11.	Osawatomie Graphic Jan. 14, 1982	Class B (-)	Class B (0)	Class B (0)
12.	Hutchinson News Jan. 9, 1981**	Class A (+2)	Class A (+2)	Class A (+2)

**Where both coders agree with the writer.

*Where one coder agrees with the writer.

APPENDIX B (Continued)

INTER-CODER RELIABILITY

	Newspaper	Coder 1	Coder 2	Coder 3
13.	Hutchinson News May 3, 1981**	Class A (+2)	Class A (+2)	Class A (+2)
14.	Hutchinson News Jan. 15, 1982**	Class A (+2)	Class A (+2)	Class A (+2)
15.	Hutchinson News April 25, 1982**	Class A (+2)	Class A (+2)	Class A (+2)
16.	Hays Daily News Jan. 14, 1981*	Class A (-2)	Class A (-2)	Class A (-1)
17.	Hays Daily News April 30, 1982	Class A (-2)	Class A (-1)	Class A (-1)
18.	Salina Journal Jan. 10, 1981**	Class A (-2)	Class A (-2)	Class A (-2)
19.	Salina Journal April 2, 1982*	Class A (+2)	Class A (+2)	Class A (+1)
20.	Salina Journal April 11, 1982**	Class B (+)	Class B (+)	Class B (+)
21.	Hugoton Hermes Jan. 22, 1981*	Class A (-2)	Class A (-2)	Class B (-)
22.	Hugoton Hermes Feb. 25, 1982**	Class B (-)	Class B (-)	Class B (-)
23.	Goodland Daily News April 12, 1981	Class B (-)	Class B (+)	Class B (+)
24.	Jewell County Record May 14, 1981	Class A (-2)	Class B (-)	---
25.	El Dorado Times April 29, 1981**	Class A (-2)	Class A (-2)	Class A (-2)

AN ANALYSIS OF SEVERANCE TAX EDITORIALS IN SELECTED KANSAS NEWSPAPERS FROM JANUARY 1, 1981 TO APRIL 30, 1982

by

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B.A., Baylor University, 1978

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During the 1981 and 1982 Kansas legislative sessions, one of the most controversial topics was whether or not the state should levy a severance tax on its mineral production. In this study, editorials from twelve Kansas newspapers were examined to determine attitudes toward a severance tax. The study's secondary goal was to determine the newspapers' attitudes toward elected officials who played a role in the issue.

A purposive sample was used to select newspapers for the study. Circulation size was the first criterion for selection. An effort was also made to include newspapers from oil- and natural-gas producing areas of Kansas and from areas without mineral production.

Severance tax editorials were divided into two classifications: Class A, editorials solely about the tax, and Class B, editorials on a different topic, but mentioning the tax. Class A editorials were coded for direction and intensity. Class B editorials were coded only for direction. Commentary regarding elected officials' behavior concerning the severance tax was coded only as favorable, negative, or neutral.

The results of the study showed that four producing-area newspapers opposed a severance tax, and three favored it. In the non-producing area newspapers, two favored the tax, and one opposed it. Two newspapers did not take a stand on the issue.

In the elected officials' category, Gov. John Carlin received the most editorial attention, followed by Senate President Ross Doyen, and House Speaker Wendell Lady.