

## MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin KleeB at 3:30pm on Wednesday, February 03, 2016, 582-N of the Capitol.

All members were present

### Committee staff present:

Scott Wells, Office of Revisor of Statutes  
Reed Holwegner, Legislative Research Department  
Phyllis Fast, Kansas Legislative Committee Assistant  
Chris Courtwright, Legislative Research Department

### Conferees appearing before the Committee:

Antonio Soave, Secretary, Kansas Department of Commerce  
Melissa Roberts, Enterprise Center  
Todd Gentry, HyperBorean, Winfield  
Dennis Ridenour, BioKansas, Fairway  
Kent Comfort, Lodge Tools, Olathe  
Nicholas Franano, FlowForward & Metactive Medical, Olathe  
Ryan Weber, KCnext, KC MO  
Wayne Carter, Life Sciences Institute, KC MO  
Dan Aries, HylaPharm, Lawrence  
John Beverlin II, Association of Well Service Contractors, Pratt  
Randall Allen, Kansas Association of Counties  
Larry Baer, League of Kansas Municipalities

### Others in attendance:

[See Attached List](#)

Today's meeting was held in Room 218-N of the Capitol.

### **Bill introductions**

Representative Peck requested a bill concerning a sales tax exemption for rebates on new vehicles be introduced. Representative Lunn made a motion to request the bill be introduced. Ranking Minority Member Sawyer seconded the motion. Motion passed.

Chairman KleeB opened a hearing on **HB2405**.

### **Hearing on: HB2405 — Extending the sunset on the angel investment tax credit program.**

Scott Wells briefed the Committee on **HB2405** by offering historical information concerning the bill. He stood for questions.

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Secretary Soave presented testimony in support of **HB2405** by giving an overview of the program. ([Attachment 1](#)) He stood for questions.

Melissa Roberts presented testimony in support of **HB2405** by indicating that "for a decade, Kansas has been a national leader in the angel investment world". ([Attachment 2](#)) She stood for questions.

Todd Gentry presented testimony in support of **HB2405** by explaining how the "program has helped . . . [him] to raise funds at a difficult early phase of the business". ([Attachment 3](#)) He stood for questions.

Dennis Ridenour presented testimony in support of **HB2405** by saying he sees the "program as the last remnant of an impressive arsenal of economic development tools". ([Attachment 4](#)) He stood for questions.

Ken Comfort presented testimony in support of **HB2405** by explaining how the program has assisted him. ([Attachment 5](#)) He stood for questions.

Dr. Nicholas Franano presented testimony in support of **HB2405** by stating that the "program is the single most important factor when entrepreneurs choose to start or relocate a high growth potential business in Kansas". ([Attachment 6](#)) He stood for questions.

Ryan Weber presented testimony in support of **HB2405** emphasizing the "program . . . has helped . . . attract investment from outside the state". ([Attachment 7](#)) He stood for questions.

Wayne Carter presented testimony in support of **HB2405** by saying "the companies testifying before you today represents a small fraction of the benefit to the state of Kansas". ([Attachment 8](#)) He stood for questions.

Dan Aries presented testimony in support of **HB2405** by describing the details of his business. ([Attachment 9](#)) He stood for questions.

Written only testimony presented in support of **HB2405** was offered by:

Eric Stafford, Kansas Chamber of Commerce ([Attachment 10](#))

Tim McKee, Olathe Chamber of Commerce ([Attachment 11](#))

Matt Condon, Kansas City Chamber of Commerce ([Attachment 12](#))

Kevin Sweeney, Polsinelli, KC Mo ([Attachment 13](#))

Travis Holt, Brush Creek Partners, KC Mo ([Attachment 14](#))

Rebecca MacKinnon, Fifth Dimension Strategies, Inc. ([Attachment 15](#))

Kelly Pruneau, Women's Capital Connection ([Attachment 16](#))

Chris Cheatham, ClaimKit, Overland Park ([Attachment 17](#))

Davyeon Ross, ShotTracker, Overland Park ([Attachment 18](#))

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Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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Tammie Wauhaus, ELIAS Animal Health, Olathe ([Attachment 19](#))

Chris Cardinal, Welltodo, Prairie Village ([Attachment 20](#))

Rick Vaughn, Mid America Angels, Fairway ([Attachment 21](#))

No testimony neutral to or in opposition of **HB2405** was presented to the Committee.

After numerous questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2405**.

Chairman Kleeb opened a hearing on **HB2264**.

**Hearing on: HB2264 — Valuation and taxation of certain oil and gas equipment and materials.**

Scott Wells briefed the Committee on **HB2264** by detailing the stipulations of the bill. He stood for questions.

John Beverlin presented testimony to the Committee in support of **HB2264** because it "clearly defines" "what equipment is used in operating an oil and gas well". ([Attachment 22](#)) He stood for questions.

Written only neutral testimony presented for **HB2264** was offered by Ed Cross, Kansas Independent Oil and Gas Association. ([Attachment 23](#))

Randall Allen presented testimony to the Committee in opposition to **HB2264** because it would take some existing machinery/equipment off the county tax rolls. ([Attachment 24](#)) He stood for questions.

Larry Baer presented testimony to the Committee in opposition to **HB2264** because of several reasons. ([Attachment 25](#)) He stood for questions.

After all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2264**.

Chairman Kleeb announced **HB2496** would be heard next week. The meeting was adjourned at 4:51pm.