

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson Les Donovan at 9:30 am on Tuesday, March 08, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Gordon Self, Office of Revisor of Statutes
Chris Courtwright, Legislative Research Department
Edward Penner, Legislative Research Department
Adam Siebers, Office of Revisor of Statutes
Judy Seitz, Kansas Legislative Committee Assistant
Mike Heim, Office of Revisor of Statutes

Conferees appearing before the Committee:

Senator Jake LaTurner, District 13
Luke Bell, General Counsel/VP Governmental Affairs, Kansas Association of Realtors (KAR)
Dave Trabert, President, Kansas Policy Institute
Eric Stafford, VP of Governmental Affairs, Kansas Chamber of Commerce and Daniel Murray, National Federation of Independent Businesses (NFIB)
Allen Cobb, Americans for Prosperity (AFP)
Jim Howell, Chairman, Board of County Commissioners, Sedgwick County
Karl Peterjohn, Sedgwick County Commissioner

Others in attendance:

[See Attached List](#)

Possible bill introductions

Senator King requested the introduction of a bill concerning the definition of wage and non wage income and exemption from taxation.

There being no objection from any member present, the Chair declared a motion to introduce the bill adopted by consensus.

Hearing on: (proponents) SB316 — Property tax lid; effective date; exemptions.

Senator Jake LaTurner testified in support of **SB316**. ([Attachment 1](#)) He said that this bill seeks to make the property tax lid bill passed in 2015 more meaningful by removing some exemptions and moving the implementation date up. Senator LaTurner also stated that this bill would allow local government to increase the revenue they receive from property taxes at the rate of inflation. He said that the people deserve the right to vote on property taxes and should not have to wait until 2018 and the lid should be meaningful.

CONTINUATION SHEET

MINUTES of the Committee on Assessment and Taxation at 9:30 am on Tuesday, March 08, 2016 in Room 548-S of the Capitol.

Luke Bell spoke in support of **SB316**. ([Attachment 2](#)) noting that over 76 percent of likely Kansas voters favor the property tax vote requirement. He also said that the only way to stop politicians from raising taxes more than necessary is to let voters make the final decision on property taxes.

Dave Trabert provided testimony in support of **SB316** saying that local government has not been honest about property tax increases. ([Attachment 3](#)) Local government has offered a variety of excuses when confronted with very large tax increases, but those excuses don't stand up to scrutiny. Mr. Trabert said that a poll found that 60% of Kansans want the right to vote on property tax increases and 50% believe the voting should begin this year.

Eric Stafford testified in support of **SB316**. ([Attachment 4](#)) He also spoke on behalf of Daniel Murray, National Federation of Independent Business. Mr. Stafford said that the Chamber's 2015 Business Leader's Poll showed that 85% supported a vote of the people if property taxes are to increase more than inflation. Mr. Stafford also noted that property tax revenue collected by local governments in Kansas more than doubled from 1997 to 2014, going from \$774 million to \$1.5 billion during that time and far exceeded rates of inflation and population growth. He also noted this growth is excessive and unsustainable.

Allen Cobb appeared in support of **SB316** saying that this bill removes five exemptions in the current law that collectively undermine the taxpayer protection which is at the heart of the statute. ([Attachment 5](#))

Jim Howell presented testimony in support of **SB316** and offered a proposed amendment which would change certain reporting deadlines to speed up the municipal budgeting process. ([Attachment 6](#)) He said that this is a temporary solution with an eye on a more permanent solution in the future.

Karl Peterjohn, Sedgwick County Commissioner, spoke as a proponent of **SB316** stating that voter empowerment is needed in Kansas. He also urged the Committee to make it workable with mail ballots in the near future and further changes so that city and county property tax hike proposals can appear on election ballots in 2017 and beyond, the way local sales tax hikes do today. There was no written testimony available.

The following submitted written testimony in support of **SB316**:

Ryan Flickner, Kansas Farm Bureau ([Attachment 7](#))

Moji Fanimokun, General Counsel, Realtors of South Center Kansas (RSCK) ([Attachment 8](#))

The conferees took questions from Committee members.

Those in opposition to **SB316** will be heard tomorrow.

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.

CONTINUATION SHEET

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Adjournment

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for tomorrow, Wednesday, March 9 at 9:30 a.m.

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