

Journal of the Senate

FIFTEENTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Monday, January 31, 2005—2:30 p.m.

The Senate was called to order by President Stephen Morris.
The roll was called with thirty-four senators present.
Senators Betts, Brownlee, Gilstrap, McGinn, Schodorf and Wagle were excused.
Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,

Ronald Reagan said that when he was governor of California it seemed that every time he turned around someone was handling him a crisis and it was beginning to depress him until he realized he was looking in the wrong direction. "Instead of looking around," he said, "I started looking up and I've been looking up every since."

Lord, it seems to me that a lot of people experience depression because they don't pray daily. Or they pray only when a crisis occurs.

As usual, your apostle Paul explained what "looking up" really means in his letter to the Colossians: "Set your minds on things above, not on earthly things . . . rid yourselves of all such things as these: anger, rage, malice, slander, and filthy language . . . clothe yourselves with compassion, kindness, humility, gentleness, and patience." (Colossians 3:2,8,12)

Help us, O God, to take the advice of your inspired apostle and discover its liberating effect on our nature.

And if there is such a thing as a P.S. on a prayer, and if there are those who happen to read this prayer, motivate them to read the entire passage in Colossians, chapter three, verses one through seventeen.

I thank You in the Name of Jesus Christ,

AMEN

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills and resolution were introduced and read by title:

SB 140, An act concerning insurance; relating to limiting the insurance value of improvements on real property to its replacement cost; amending K.S.A. 40-905 and repealing the existing section, by Committee on Financial Institutions and Insurance.

SB 141, An act concerning elections; relating to lists of advance voters; amending K.S.A. 25-1126 and 25-2320a and K.S.A. 2004 Supp. 25-2320 and repealing the existing sections, by Committee on Elections and Local Government.

SB 142, An act concerning elections; relating to advance voting ballots; amending K.S.A. 25-1132 and 25-1136 and K.S.A. 2004 Supp. 25-1124 and 25-1128 and repealing the existing sections, by Committee on Elections and Local Government.

SB 143, An act concerning elections; relating to electronic and electromechanical voting systems; amending K.S.A. 25-4401, 25-4403, 25-4404, 25-4405, 25-4406, 25-4407, 25-4409, 25-4410, 25-4411, 25-4412, 25-4413 and 25-4414 and repealing the existing sections; also repealing K.S.A. 25-1307, 25-1308, 25-1309, 25-1310, 25-1311, 25-1312, 25-1313, 25-1314, 25-1315, 25-1317, 25-1318, 25-1319, 25-1320, 25-1321, 25-1322, 25-1324, 25-1325, 25-1326, 25-1327, 25-1328, 25-1329, 25-1330, 25-1331, 25-1332, 25-1333, 25-1334, 25-1335,

25-1336, 25-1337, 25-1338, 25-1339, 25-1341 and 25-1343, by Committee on Elections and Local Government.

SB 144. An act concerning civil procedure; relating to civil liability for certain actions involving alcoholic beverages; amending K.S.A. 41-715 and repealing the existing section, by Committee on Judiciary.

SB 145. An act concerning court records; amending K.S.A. 20-160 and repealing the existing section, by Committee on Judiciary.

SB 146. An act concerning medical malpractice screening panels; amending K.S.A. 65-4907 and repealing the existing section, by Committee on Judiciary.

SB 147. An act concerning the limitation of actions; relating to increasing general time limitation; amending K.S.A. 2004 Supp. 21-3106 and repealing the existing section, by Committee on Judiciary.

SB 148. An act concerning driving under the influence of alcohol or drugs; relating to driving privileges; amending K.S.A. 8-1013 and repealing the existing section, by Committee on Judiciary.

SB 149. An act relating to motor vehicles; prohibiting requirement of indemnification from motor carriers for certain acts or omissions; exception, by Committee on Judiciary.

SB 150. An act enacting the individual development account program act; prescribing certain duties and responsibilities on the department of commerce; amending K.S.A. 74-5005 and K.S.A. 2004 Supp. 79-32,117 and repealing the existing sections; also repealing K.S.A. 79-32,117h and K.S.A. 2004 Supp. 79-32,117j and 79-32,117k, by Senator Haley.

SENATE CONCURRENT RESOLUTION No. 1605

By Senator Haley

A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the Senate and two-thirds of the members elected (or appointed) and qualified to the House of Representatives concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

“§ 1. System of taxation; classification; exemption (a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, 1993, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. *Effective January 1, 2006, the legislature shall provide by law to limit property tax increases on single-family residential real property which is owned by and the principal place of residence for at least ten years of Kansas residents who are 65 years of age or older as of January 1 of the tax year to an amount not to exceed the annual rate of inflation. The legislature may provide by law for subsequent adjustments in the age and the property tax increase limitations and enact such other legislation as is necessary to administer this provision.* The legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

Class 1 shall consist of real property. Real property shall be further classified into seven subclasses. Such property shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (1) Real property used for residential purposes including multi-family residential real property and real property necessary to accommodate a residential community of mobile or manufactured homes including the real property upon which such homes are located..... 11½%
- (2) Land devoted to agricultural use which shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution..... 30%
- (3) Vacant lots 12%
- (4) Real property which is owned and operated by a not-for-profit organization not subject to federal income taxation pursuant to section 501 of the federal internal revenue code, and which is included in this subclass by law 12%
- (5) Public utility real property, except railroad real property which shall be assessed at the average rate that all other commercial and industrial property is assessed 33%
- (6) Real property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use 25%
- (7) All other urban and rural real property not otherwise specifically subclassified 30%

Class 2 shall consist of tangible personal property. Such tangible personal property shall be further classified into six subclasses, shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (1) Mobile homes used for residential purposes 11½%
- (2) Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 100 mcf or less, which shall be assessed at 25% 30%
- (3) Public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed..... 33%
- (4) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985..... 30%
- (5) Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property..... 25%
- (6) All other tangible personal property not otherwise specifically classified 30%

(b) All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation."

Sec. 2. The following statement shall be printed on the ballot with the amendment as a whole:

"Explanatory statement. This amendment would require the legislature to limit property tax increases on single-family residential real property which is owned by and the principal place of residence for at least ten years of Kansas residents who are 65 years of age or older to an amount not to exceed the annual rate of

inflation. The legislature may provide for subsequent adjustments in the age and property tax increase limitations and other legislation to administer this provision.

“A vote for this proposition would require the legislature to limit property tax increases on single-family residential real property which is owned by and the principal place of residence for at least ten years of Kansas residents who are 65 years of age or older and allow the legislature to make subsequent adjustments in the age and property tax increase limitations and enact other legislation as necessary to administer this provision.

“A vote against this proposition would maintain the current system of property taxation which provides no such prohibition.”

Sec. 3. This resolution, if approved by two-thirds of the members elected (or appointed) and qualified to the Senate, and two-thirds of the members elected (or appointed) and qualified to the House of Representatives shall be entered on the journals, together with the yeas and nays. The secretary of state shall cause this resolution to be published as provided by law and shall cause the proposed amendment to be submitted to the electors of the state at the general election to be held on November 7, 2006.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Commerce: **SB 138, SB 139.**

Education: **SB 130, SB 131.**

Elections and Local Government: **SB 132, SB 133, SB 134.**

Judiciary: **SB 129, SB 135, SB 136, SB 137.**

Ways and Means: **SB 128.**

COMMUNICATIONS FROM STATE OFFICERS

KANSAS DEPARTMENT OF CORRECTIONS

January 26, 2005

Roger Werholtz, Secretary, submitted a comprehensive plan for the expansion of maximum, medium, and minimum security prison capacity, for specialized facilities, and for a training academy.

KANSAS INSURANCE DEPARTMENT

January 26, 2005

Pursuant to KSA 2003 Supp. 40-5109(b), John W. Campbell, General Counsel, submitted a report on issues relating to the use of credit history in the underwriting and rating of personal insurance and implementation of the Kansas Insurance Score Act, KSA 2003 Supp. 40- 5101, *et seq.*

KANSAS CORPORATION COMMISSION

Utilities Division

January 27, 2005

Brain J. Moline, Chair, submitted the Annual Report pursuant to the provisions of KSA 66-117b. The report can be viewed on the website at http://www.kcc.state.ks.us/05_legis_rpt.pdf.

DEPARTMENT OF ADMINISTRATION DIVISION OF ACCOUNTS AND REPORTS

January 28, 2005

Dale Brunton, Director, Division of Accounts and Reports, submitted a revised CD containing the 51st Annual Financial Report of the State of Kansas for fiscal year ending June 30, 2004. The CD includes revised audit finding 2004-01 and the management response to this finding. It is also available on line at <http://da.state.ks.us/ar/finrpt>.

The President announced the above reports are on file in the office of the Secretary of the Senate and are available for review at any time.

REPORT ON ENGROSSED BILLS

SB 1 reported correctly engrossed January 27, 2005.

REPORT ON ENROLLED BILLS

SR 1806 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on January 31, 2005.

On motion of Senator D. Schmidt the Senate adjourned until 2:30 p.m., Tuesday, February 1, 2005.

HELEN MORELAND, CAROL PARRETT, BRENDA KLING, *Journal Clerks*.

PAT SAVILLE, *Secretary of the Senate*.

