

MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Chairperson Phill Kline at 10:15 a.m. on April 28, 1995 in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Chris Courtwright, Legislative Research Department
Tom Severn, Legislative Research Department
Don Hayward, Revisor of Statutes
Ann McMorris, Committee Secretary

Conferees appearing before the committee: none

Others attending: See attached list

Chair opened for discussion and possible action on:

HB 2209 - Municipalities; bonds; notice requirement for election and ballot (as amended by the Senate)

Chris Courtwright reported on the action taken by the Senate on **HB 2209** as explained in supplemental note on **House Bill No. 2209**.

Senate amendments include extension by two years on the aggregate tax lid to July 1, 1997. Two new exemptions to the aggregate tax lid, one would be for the expenditures of cities to deter juvenile delinquency; second, rebates to owners of property in connection with a neighborhood revitalization program. The original **SB 41** which would require counties to pay interest under certain circumstances when property taxes are overpaid. Repeal of individual fund levy limits which are scattered throughout the bills, should aggregate tax limit sunset, the individual fund levy would kick in.

Chair called for discussion, amendments as relates to **HB 2209**.

Moved by Larkin, seconded by Graeber, remove the original provisions of **SB 41** which had been amended into **HB 2209**. Motion withdrawn until answer to question on effective date of 12% interest was answered.

Question on when the payment of 12% interest on refund of protested taxes would take effect. Consensus 12% interest would start on publication in statute book. Further clarification was requested.

Moved by Graeber, seconded by Aurand, reinsert the original language of **HB 2209** dealing with disclosure statement on the issuance of bonds when a vote of the people is required. Motion carried.

Moved by Welshimer, seconded by Larkin, amend **HB 2209** to allow agents to sign sales validation questionnaire prior to filing with the register of deeds. Motion carried.

Moved by Welshimer, seconded by Larkin, amend **HB 2209** to allow real estate agent licensees access to the sales validation questionnaire from the county courthouse. Motion failed.

Welshimer comments: Licensed appraisers have access under the Kansas Open Records Act for the purpose of conducting appraisals. Sales are the proof of value and anyone making an appeal of the value placed on their property by the county appraiser needs access to the sales validation questionnaire in order to prepare an appeal. The licensed appraisers have access to them without conducting an appeal. Real estate agents do not have access without conducting an appeal and this leaves them without access to information to conduct their

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work. Due to changes made in Kansas Banking Department rules and regulations, banks will not be using licensed appraisers which reduces their importance. The S&Ls also plan to use unlicensed people to do their appraisals. This means the licensed appraiser has to drop his license and go to real estate agent license in order to get work and this leaves them without access to the sales validation information. If these two amendments do not pass, we have an entire profession in the State of Kansas who are going to be very much hindered in doing their work. I am working to open this up so there can be accurate appraisals in Kansas. If this were adopted, appeals would drop considerably, pressure would be taken off county appraisers and PVD would be most grateful.

In response to the comment, "it's not their business" Rep. Welshimer noted it isn't much different not allowing real estate sales people to have access to the records, than it would in farming not allowing farmers to have access to information needed to do their farming.

Chair requested discussion on **HB 2209**:

Moved by Lawrence, seconded by Graeber, amend **HB 2209** by repealing the fund levy limits. Motion carried. McKinney and Welshimer are recorded as voting NO.

Moved by Mays, seconded by Powell, amend **HB 2209** to reduce by 1.5 mills from state school finance mill levy and particularly that portion dedicated to the state building fund and to require local units to report if they don't roll back the mill levy, the impact of the increased assessed value. Motion withdrawn.

Chair called for recess while a caucus was held.

After recess, Chair called for consideration of **HB 2209**.

Moved by Donovan, seconded by Graeber, amend **HB 2209** by inserting the latest version of **SB 150**. Motion carried.

Moved by Vickery, seconded by Powell, amend **HB 2209** to include a one year sunset on the tax lid. Motion carried.

At this point, the Larkin motion made earlier and then withdrawn was reconsidered.

Moved by Larkin, seconded by Graeber, remove the original provisions of **SB 41** which had been amended into **HB 2209**. Motion carried. Yes 13, No 8. NO votes recorded by Edmonds, Powell, Welshimer, Pugh and Vickery.

Substitute motion by Krehbiel, seconded by Pugh, amend **HB 2209** by inserting the language from **SB 275** on page 15, lines 19 thru 23 "The provision of this subsection prior to its amendment by this act shall apply to any protest of taxes or action concerning changes in valuation commenced prior to July 1, 1994, or to any appeal taken from any order relating to such protest or action." Motion failed. Yes 8, No 12.

Moved by Edmonds, seconded by Wilson, reconsider the motion to amend proposed by Welshimer to amend **HB 2209** to allow agents to sign sales validation questionnaire prior to filing with the register of deeds. Motion carried. Yes 11, No 7

Reconsideration of amendment by Rep. Welshimer. Motion failed. Yes 9, No 13.

Welshimer commented the purpose of this amendment was to allow attorneys who are handling real estate closings to perform more efficiently.

Moved by Hayzlett, seconded by Graeber, pass out **HB 2209** favorably as amended. Motion carried.

Adjournment.

The next meeting: none scheduled, session concluded.