

Approved: 4-4-97  
Date

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE & LABOR.

The meeting was called to order by Chairman Al Lane at 9:05 a.m. on March 12, 1997 in Room 526-S of the Capitol.

All members were present except: Rep. David Adkins - excused

Committee staff present: Jerry Donaldson, Legislative Research Department  
Bob Nugent, Revisor of Statutes  
Bev Adams, Committee Secretary

Conferees appearing before the committee: Theresa Hodges, KDHE  
Judy Moler, KS Assn. of Counties  
Terry Rewerts, Osage County Appraiser  
Linda Peterson, Marion County Commissioner  
Mark Beck, Property Valuation Division

Others attending: See attached list

Hearing on: **SB 121 - Staggered terms for the Compliance Advisory Panel for the Small Business Assistance Program under the Air Quality Act.**

Theresa Hodges, Acting Director, Office of Science and Support, Kansas Department of Health and Environment (KDHE), appeared as a proponent of the bill. With the current method of appointing members to the compliance advisory panel, it does not allow for continuity of oversight activities. Staggering the appointments so that everyone's appointment does not begin and end at the same time would assure more continuity. (see Attachment 1)

No others were present to testify for or against the bill and Chairman Lane closed the hearing on **SB 121**.

Hearing on: **SB 2501 - County appraisers; vacancies; qualifications.**

Judy Moler, Kansas Association of Counties (KAC), appeared before the committee, but not as a proponent or opponent of the bill. The KAC has identified five primary legislative objectives for the 1997 Legislature and the issue of this bill, appraiser certification, is the number one priority. A task force met and the language that is contained in the original **SB 142** was agreed upon by the group. This bill, **SB 142**, which broadens the ways that county appraisers can be certified, was heard in Senate Committee, and also in the House Taxation Committee on March 11, 1997. They are neutral on **HB 2501** because they would rather have the Senate bill passed. (see Attachment 2) She concluded by answering questions from the committee.

Terry Rewerts, Osage County Appraiser, sitting in the audience, answered a question about the difference between mass and fee appraisals.

Mark Beck, Director of the Property Valuation Division, stated from the audience that it was a definite advantage to the county appraiser to know the fee side, however, the primary responsibility is valuing all the property in the county. The fee experience is helpful, and they encourage appraisers to get it, but mass appraisal is their primary responsibility.

Linda Peterson, Marion County Commissioner, appeared to testify on the bill. She states that the current certification required by the Kansas Real Estate Appraisal Board for county appraisers is creating a lot of problems for counties. The smaller counties are not able to pay new appraisers the salary that are being asked and the current policy does not allow appraisers to be shared with a neighboring county. She feels that **SB 142** is better than the current law or **HB 2501**. She does not understand what qualifications for certification County Appraisers will be expected to have under **HB 2501**. (see Attachment 3) She finished by answering questions from the committee.

Mark Beck stepped forward to address several issues brought up in the hearing. There has been some question about whether County Boards can set criteria for hiring County Appraisers. The criteria must be set

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE & LABOR, Room 526-S  
Statehouse, at 9:05 a.m. on March 12, 1997.

before hiring. The Kansas Real Estate Appraisal Board set stricter requirements for certification in 1993. As **HB 2501** is drafted, it removes almost all qualifications for certification for county appraisers. It would send the law back to pre 1993. He stated that the bill is better than current law, but they really need something in between the new stricter qualifications and no qualifications at all.

No others were present to testify for or against the bill and Chairman Lane closed the hearing.

Action on: **SB 83 - Recoupment of food stamp overissuances.**

Rep. Geringer made a motion to pass out the bill favorably and place it on the Consent Calendar. It was seconded by Rep. Beggs. The motion passed.

Action on: **SB 121 - Staggered terms for the Compliance Advisory Panel for the Small Business Assistance Program under the Air Quality Act.**

Rep. Grant made a motion to pass out the bill favorably and place it on the Consent Calendar. It was seconded by Rep. Crow. The motion passed.

Action on: **HB 2155 - Drug screening program for certain state officers and employees and applicants for state employment.**

Rep. Geringer made a motion to put back in all stricken language, remove new italicized language, and go back to current law except for section (g), which would be left in. It was seconded by Rep. Pauls. The motion carried on a vote of 9-6. Reps. Beggs, Boston, McCreary, Mason and Wilson requested that their no votes be recorded.

Chairman Lane adjourned the meeting at approximately 10:00 a.m.

The next meeting is scheduled for March 13, 1997.



State of Kansas

Bill Graves



Governor

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Department of Health and Environment

James J. O'Connell, Secretary

Testimony presented to

House Business, Commerce and Labor Committee

by

The Kansas Department of Health and Environment

Senate Bill 121

Good morning, Mister Chairman and members of the House Business, Commerce and Labor Committee. I am here today to speak as a proponent of Senate Bill 121. A seven member compliance advisory panel was established in 1993 pursuant to K.S.A. 65-3027(h) to provide oversight of the Small Business Stationary Source Technical and Compliance Assistance Program. Four panel members are owners or represent owners of small business stationary sources. One is appointed by the president of the Senate, one by the minority leader of the Senate, one by the speaker of the House of representatives, and one by the minority leader of the House of Representatives. Two members, who are not owners or representatives of owners of small business stationary sources, are appointed by the governor to represent the general public. One member is appointed by the secretary to represent the Department of Health and Environment. K.S.A. 65-3027(h) stipulates two year terms. All original appointments were made within a six month period. Only two members were reappointed in 1995. This does not allow for continuity of oversight activities. A list of past and current compliance advisory panel members is attached.

The proposed amendment provides a mechanism to stagger the appointments of advisory panel members. It would extend to June 30, 1998, the terms of the current members appointed by the governor, president of the Senate and speaker of the House of Representatives. The members appointed by the minority leaders of the Senate and House and the appointment by the secretary of the Department of Health and Environment would expire June 30, 1997. The statute does not prohibit reappointments to the panel. All subsequent appointees would serve for two years beginning July 1 of the appropriate years. Vacancies would be filled for the unexpired terms by the original appointing authority.

The current compliance advisory panel supports the proposed amendment and the Department recommends that the bill be passed as written.

Testimony presented by: Theresa L. Hodges

Acting Director, Office of Science and Support

March 12, 1997

*Business, Commerce  
& Labor Committee*

*3/12/97*

*Attachment 1*

COMPLIANCE ADVISORY PANEL

Initial Panel :

<u>Appointing Authority</u>	<u>Appointee</u>	<u>Date</u>	<u>Term Expiration</u>	<u>Proposed Amendment</u>
Senate President	Don Timmel	6/13/93	6/13/95	
Speaker of House	Frank Fogle, Jr	7/23/93	7/23/95	
Senate Minority Leader	Pete DeHoff	5/11/93	5/11/95	
House Minority Leader	Sean White	8/9/93	8/9/95	
Governor	Ann Havenhill	9/30/93	9/30/95	
	Anna Mae Shaffer	9/30/93	9/30/95	
KDHE	Theresa Hodges	4/14/93	4/14/95	

1995 Panel:

Senate President	Beau Guyette	12/27/95	12/27/97	6/30/98
Speaker of House	Jay Lacy	5/15/95	5/15/97	6/30/98
Senate Minority Leader	Dale Davis	6//1/95	6/1/97	6/30/97
House Minority Leader	Sean White	9/13/95	9/13/97	6/30/97
Governor	Sharon Steele	12/20/95	12/20/97	6/30/98
	Bill Lessen	12/20/95	12/20/97	6/30/98
KDHE	Theresa Hodges	4/14/95	4/14/97	6/30/97



"Service to County Government"

TESTIMONY  
HB 2501  
by Judy Moler  
Kansas Association of Counties  
March 12, 1997

Thank you, Chairman Lane and Members of the Committee for the opportunity to speak to you on HB 2501. I am Judy Moler, General Counsel and Legislative Services Director for the Kansas Association of Counties.

The Kansas Association of Counties is not speaking in favor of or in opposition to HB 2501. We do understand the immediacy of the problem that HB 2501 is attempting to address. The Kansas Association of Counties has identified five primary legislative objectives for the 1997 legislative session. This issue...that of appraiser certification... is the NUMBER ONE PRIORITY of the KAC.

K.S.A. 19-430 currently requires all county appraisers to be certified by the Kansas Real Estate Appraisal Board (KREAB) as a General Certified Appraiser as of July 1, 1997. A county appraiser can be reappointed to a position that they hold as of that date without meeting the KREAB certification (grandfather clause). No one, however, can be newly appointed to a County Appraisal position without meeting the KREAB certification requirement. Prior to 1996 General Certification could be achieved by demonstrating 2000 hours experience in mass appraisal. In 1995 the KREAB through regulation changed license requirements to allow only 500 hours of mass appraisal experience to count toward the 2,000 hours required for General Certification. The other 1500 hours must be single property appraisal experience.

The majority of Kansas counties prohibit County Appraisal staff from performing single county appraisals for fee within their county. In addition, an appraiser working full time within their job would have little time to work single property appraisals. The result is that the 1500 hours of single property appraisal is difficult, if not impossible, for a County Appraiser or staff member to obtain. This leaves many counties in a CRITICAL situation on July 1, 1997.

At the time of the KAC Annual Meeting in November of 1996, the resolution of this issue was still being debated among commissioners and appraisers. A task force of county commissioners and appraisers was convened in order to resolve this dilemma.

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*Business, Commerce  
& Labor Committee  
3/12/1997  
Attachment 2*



The result of this one day meeting, the language that is contained in the original SB 142 (attached) was agreed upon by this group. The language in that bill would provide for three different ways by which county appraisers can be certified. In addition to the current KREAB certification, appraisers could also be certified if they met the IAAO (International Association of Assessing Officers) designation for certification as well as having three years of mass appraiser experience. The third option for certification would be a new designation of "registered mass appraiser". There would be specific educational requirements for this certification as well as 2000 hours of mass appraisal experience required. County appraisers or potential county appraisers who meet one of the three certification standards could be appointed by the county commission to a four year term on July 1, 1997. Those who do not have any of the three certifications, but who have three years mass appraisal experience and are approved by PVD could be appointed for a two year term. This would give them until July 1, 1999, to qualify for one of the three options.

The Kansas Association of Counties recognizes first hand the necessity of increasing the pool of those qualified to be appointed county appraisers. The KAC does, however, also believe those persons should be properly certified so that they (the appraisers) can serve in the county and the taxpayers best interest.

*[As Amended by Senate Committee of the Whole]*

*As Amended by Senate Committee*

*Session of 1987*

## SENATE BILL No. 142

By Committee on Assessment and Taxation

1-29

12 AN ACT relating to qualifications for appointment as a county or district  
13 appraiser; amending K.S.A. 19-430 and repealing the existing section.  
14

15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 19-430 is hereby amended to read as follows: 19-  
17 430. On July 1, 1993, and on July 1 of each fourth year thereafter, the  
18 board of county commissioners of each county shall by resolution appoint  
19 a county appraiser for such county who shall serve for a term of four years  
20 and until a successor is appointed. County appraisers appointed in coun-  
21 ties having a population of more than 20,000 shall devote full time to the  
22 duties of such office but county appraisers appointed in counties having  
23 a population of 20,000 or less may be appointed either as a full-time or  
24 a part-time county appraiser as prescribed in the resolution providing for  
25 such appointment. No person shall be appointed or reappointed to or  
26 serve as county appraiser in any county under the provisions of this act  
27 unless such person shall have at least ~~one year of~~ *three years of mass*  
28 appraisal experience and be qualified by the director of property valuation  
29 as an eligible Kansas appraiser under the provisions of this act. Whenever  
30 a vacancy shall occur in the office of county appraiser the board of county  
31 commissioners shall appoint an eligible Kansas appraiser to fill such va-  
32 cancy for the unexpired term and until a successor is appointed. The  
33 person holding the office of county ~~assessor or district appraiser~~ or per-  
34 forming the duties thereof on the effective date of this act shall continue  
35 to hold such office and perform such duties until a county appraiser is  
36 appointed under the provisions of this act. No person shall be appointed  
37 to the office of county or district appraiser or to fill a vacancy therein  
38 unless such person is currently a ~~state licensed real property appraiser, a~~  
39 ~~certified general real property appraiser or certified residential real prop-~~  
40 ~~erty appraiser pursuant to article 41 of chapter 58 of the Kansas Statutes~~  
41 ~~Annotated, and amendments thereto, except that from and after July 1,~~  
42 ~~1997, no person shall be appointed to the office of county or district~~  
43 ~~appraiser or to fill a vacancy therein, in any county under the provisions~~



1 of this act unless such person is currently: (1) A certified general real  
2 property appraiser pursuant to article 41 of chapter 58 of the Kansas  
3 Statutes Annotated and amendments thereto; (2) *a registered mass ap-*  
4 *praiser pursuant to guidelines established and administered jointly rules*  
5 *and regulations adopted by the Kansas real estate appraisal board and*  
6 *the Kansas department secretary of revenue; or (3) holding a valid res-*  
7 *idential evaluation specialist or certified assessment evaluation designa-*  
8 *tion from the International Association of Assessing Officers. Notwith-*  
9 *standing the foregoing provision, any person who holds the office of*  
10 *county or district appraiser upon the expiration of the term of such office*  
11 *on the effective date of this act and who is not eligible for reappointment*  
12 *pursuant to this section shall be eligible for reappointment to such office*  
13 *or appointment as a county or district appraiser in another county*  
14 *regardless of whether such person is so certified or licensed for a term*  
15 *expiring on July 1, 1999, and if any such person qualifies for an original*  
16 *appointment or reappointment prior to July 1, 1999, such person may be*  
17 *reappointed for a full term[, and any other person who has at least*  
18 *three years of mass appraisal experience and is qualified by the*  
19 *director of property valuation as an eligible Kansas appraiser shall*  
20 *be eligible for appointment to such office for a term expiring on July*  
21 *1, 1999, and if any such person qualifies for an original appoint-*  
22 *ment prior to July 1, 1999, such person may be reappointed for a*  
23 *full term].*

24 New Sec. 2. The secretary of revenue in conjunction with the Kansas  
25 real estate appraisal board shall develop and adopt guidelines *shall adopt*  
26 *rules and regulations prior to October 1, 1997*, necessary to establish  
27 qualifications for the designation of a registered mass appraiser.

28 Sec. 3. K.S.A. 19-430 is hereby repealed.

29 Sec. 4. This act shall take effect and be in force from and after its  
30 publication in the statute book.

TESTIMONY

HB 2501

Linda Peterson

Marion County Commissioner

and President of KS County Commissioners Assoc.

March 12, 1997

Thank you for allowing me to visit with you about HB 2501.

I appreciate what HB 2501 is trying to do. The issue of County Appraisers is very complex.

I am not sure what certification County Appraisers will be expected to have according to this bill. County Commissioners do want to hire qualified individuals for county appraisers. We do have to answer to the taxpayers.

The current certification required by the KREB for county appraisers is creating a lot of problems for counties. First, of all, there are 65 individuals who are currently certified under the KREB and there are 105 counties. I believe only 30 to 40 of these individuals are county appraisers. The balance work in the larger county appraiser offices, are self employed, or work for the state. The problem is supply and demand.

Marion County is looking for an appraiser. We and other small counties are finding that the certified appraiser who is "looking around" doesn't want to move and live in our county and/or wants 15 to 20,000 dollars more per year than we currently pay. Each certified appraiser will tell you he is worth that but it sure creates severe internal pay equity problems.

Also the current <sup>statute</sup> certification allows county appraisers to be grandfathered in but only in the county they currently work. So appraisers who are grandfathered in are not allowed to move or allowed to be shared with a neighboring county who's appraiser may have retired.

A committee of county appraisers and county commissioners met about appraiser certification. We comprised among ourselves and developed the possibility of two additional certifications. These efforts showed up in SB 142. We would like for you to review this bill and consider the context of it as you work HB 2501.

Thanks again for your time.

*Business, Commerce  
& Labor Committee  
3/12/97  
Attachment 3*