

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 10:40 A.M. on February 13, 2007 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Kansas Legislative Research Department
Martha Dorsey, Kansas Legislative Research Department
Gordon Self, Office of Revisor of Statutes
Judy Swanson, Committee Assistant

Conferees appearing before the committee:

Senator Mark Taddiken
Jere White
Senator Chris Steineger
Miles Schnaer
Tom Thompson
John Ellena
Senator Roger Pine
Duane Simpson
Leslie Kaufman
Jennie Chinn

Others attending:

See attached list.

Senator Apple moved to report SB 198 favorably for passage. Senator Donovan seconded the motion, and the motion carried.

Chris Courtwright reviewed SB 91 and SB 92.

Senator Lee moved to make a technical amendment to SB 92 on Line 39 by using the same language that is used on Lines 30 and 31 of the bill. Senator Schmidt seconded the motion, and the motion carried. Senator Apple moved to further amend SB 92 by amending the bill to require weekly collection of sales taxes rather than daily collection of sales taxes. Senator Schmidt seconded the motion, and the motion carried. Senator Lee moved to report SB 92 as amended favorably for passage. Senator Schmidt seconded the motion, and the motion passed.

Senator Lee moved to report SB 91 favorably for passage. There was no second to the motion.

Senator Apple moved to table SB 91. Senator Bruce seconded the motion. The motion carried with Senator Lee voting No.

SB 298--Property tax exemption for storage structures used for the storage of cellulose matter

Hearing was opened on SB 298. Senator Mark Taddiken testified in support of the bill. (Attachment 1) He said newly constructed cellulosic storage facilities would qualify for the same tax treatment that grain and hay storage structures currently receive.

Jere White, Kansas Corn Growers, testified the bill sets a framework to encourage preparation for the day when cellulosic ethanol plants begin to spring up in Kansas. (Attachment 2) Kansas has much to gain from cellulosic ethanol production.

Hearing closed.

SB 140--Income tax credit for hybrid motor vehicles and fuel efficient motor vehicles

CONTINUATION SHEET

MINUTES OF THE Senate Assessment and Taxation Committee at 10:40 A.M. on February 13, 2007 in Room 519-S of the Capitol.

Hearing was opened on **SB 140**.

Senator Chris Steineger testified SB 140 would simplify the current law. ([Attachment 3](#)) It would give a \$750 individual income tax credit to those who purchase a Hybrid vehicle or a vehicle that gets over 40 MPG. It is supported by automobile businesses and promotes cleaner air and sustainable energy use by promoting low emission vehicles. He noted the General Motors Fairfax plant will be producing Hybrid cars. This bill is just a small step in the big picture for reducing dependency on imported oil, but a step in the right direction. He said he did not understand why the fiscal note was so large.

Miles Schnaer, Kansas Automobile Dealers Association, testified in support of **SB 140**. ([Attachment 4](#)) Incentive programs such as this will encourage consumers to take a closer look at alternative-fueled vehicles. Eventually, hybrid vehicles will have to appeal to consumers based on their own attributes like any other product, but first consumers must be encouraged to try the new technology.

Tom Thompson, Kansas Chapter of the Sierra Club, said the biggest single step the United States can take to curb global warming and save oil is to raise the fuel economy of our vehicles. ([Attachment 5](#)) If this bill is enacted, it will help encourage people to buy hybrids and high mileage cars and help decrease greenhouse gasses and their effect on ecosystems throughout the world.

John Ellena testified in support of **SB 140**. ([Attachment 6](#)) It is much more expensive to produce a vehicle with hybrid technology than one with a traditional engine. This bill would promote cleaner air and sustainable energy by encouraging Kansans to purchase and drive high fuel economy and low emission vehicles.

Hearing closed.

SB 278--Sales tax exemption for precision farming equipment

Hearing on **SB 278** was opened with Duane Simpson, Kansas Agribusiness Retailers Association, testifying in support of the bill. ([Attachment 7](#)) His objective is to ensure the term "farm machinery and equipment" is representative of traditional farm machinery and equipment, as well as new technology-derived farm machinery and equipment. He thought the fiscal note should be between \$100,000 and \$200,000. ATVs should be excluded from this bill.

Leslie Kaufman, Kansas Cooperative Council, supports **SB 278**. ([Attachment 8](#)) The bill updates the current tax exemption approach to better reflect what is happening on the ground in modern agriculture practices. She presented written testimony from Dana Peterson, Kansas Association of Wheat Growers, supporting the bill. ([Attachment 9](#))

During discussion, Richard Cram, KDOR, said the language in **SB 278** goes beyond the KDOR's working definition of precision farm equipment. Senator Pine said that was not the intent of the bill. Mr. Cram will provide a written statement of what is currently considered precision farming equipment. Mr. Simpson said some of the equipment is portable, and some of the equipment is permanently attached. Interested parties will meet and draft an amendment to clarify the language in the bill.

Hearing was closed.

SB 331--Income tax credits and grant program for renovation, preservation or operation of certain historic sites

Hearing was opened on **SB 331**. Jennie Chinn, Kansas State Historical Society, said many historic sites are struggling to fulfill their missions. ([Attachment 10](#)) The proposed tax credits in this bill for donations to historic sites, would greatly enhance chances of obtaining increased financial donations from private donors. She would like clarification on how the ten sites for inclusion will be selected. Senator Schmidt said there are several mechanical problems with **SB 331** and offered to assist in revising the bill into a less costly and more streamlined bill. At the request of Senator Allen, Senator Schmidt agreed to bring a balloon amendment

CONTINUATION SHEET

MINUTES OF THE Senate Assessment and Taxation Committee at 10:40 A.M. on February 13, 2007 in Room 519-S of the Capitol.

back to the Committee for consideration.

The hearing was closed.

A letter from Senator Susan Wagle was distributed with language she would like considered when the Committee works **SCR 1602**. (Attachment 11)

Written testimony supporting **SB 59** from the Kansas Board of Regents was entered into the record. (Attachment 12)

Written testimony from the Kansas Chamber expressing concerns about certain provisions in **SB 115** was entered into the record. (Attachment 13)

Senator Bruce moved to approve the minutes of the February 7 Committee meeting. Senator Jordan seconded the motion, and the motion carried.

Being no further business, the meeting adjourned at 11:45 a.m. The next meeting will be February 14.

SENATE
ASSESSMENT & TAXATION COMMITTEE

GUEST LIST

DATE: 02-13-07

NAME	REPRESENTING
Bruce Larkin	KDOR
Richard Cram	KDOR
Joan Waggon	"
David R. Corbin	KDOR
Kathleen Smith	KDOR
Tom Thompson	Sierra Club
Don McNEELY	KANSAS AUTO DEALERS ASSN.
JOHN ELLENA	JACK ELLENA HONDA
MILES SCHNAER	CROWN AUTO. ORG.
Diane Albert	KDOR-Vehicles
Clayton Allevette	KDOR
Will Deer	Federico Consulting
Richard Samaviego	KCTA
Michelle Peterson	Capitol Strategies
Mike Roselt	Yaches Braden
Stacy Wentz	KNASW

STATE OF KANSAS



TOPEKA

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MEMBER: NATURAL RESOURCES
UTILITIES
WAYS & MEANS
JOINT COMMITTEE ON SPECIAL
CLAIMS AGAINST THE STATE
LEGISLATIVE EDUCATIONAL
PLANNING

TESTIMONY IN SUPPORT OF **SB 298**

February 13, 2007

SENATE ASSESSMENT AND TAXATION COMMITTEE

by Senator Mark Taddiken

Chairman Allen and Committee members:

Thank you for the opportunity to visit with you today regarding **SB 298**.

We are living in an exciting time in Kansas regarding the production of alternative fuels. The acceptance and demand for ethanol based fuels is expanding at a phenomenal rate.

Currently, most ethanol production is grain based. Extensive research is underway to bring cellulosic production on line in the next few years. Plans are already underway for a commercial-sized cellulosic production facility in Iowa.

Kansas needs to position itself to be a viable participant as this technology is implemented. The cellulosic material used in the production of ethanol must be stored in a manner that preserves its quality.

SB 298 would allow newly constructed storage facilities to qualify for the same tax treatment as grain and hay storage structures currently receive, that being an exemption from property taxes for a period of 8 (eight) years.

I respectfully ask that you look upon **SB 298** with favor.

Assessment & Taxation
Date 2-13-07
Attachment # 1



TO: Senate Assessment and Taxation Committee
FROM: Jere White, Executive Director
DATE: February 13, 2007
SUBJECT: Senate Bill 298

I am here today to provide testimony on behalf of the Kansas Grain Sorghum Producers Association and Kansas Corn Growers Association in favor of Senate Bill 298 which provides property tax exemptions to cellulosic storage structures.

Our associations have supported the production of ethanol from corn and grain sorghum for years. It only makes sense that we would also support ethanol production from cellulosic materials including corn and grain sorghum residue as well as silage.

President Bush has set aggressive goals for renewable fuel production and there is no doubt that cellulosic ethanol production should and will play a role in reaching those goals. While cellulosic ethanol faces some logistical and technological challenges today, we expect, with strong research investment, that cellulosic ethanol production will soon become economically feasible.

Kansas is well situated for cellulosic ethanol production. This bill wisely sets a framework to encourage preparation for the day when cellulosic ethanol plants begin to spring up in our state. This time may come sooner than many people think.

Kansas has much to gain from cellulosic ethanol production, and we look forward to the day when a wide variety of our abundant agricultural products can be used to make not only food and fiber, but also renewable energy. This bill helps us to prepare for that day. Thank you.



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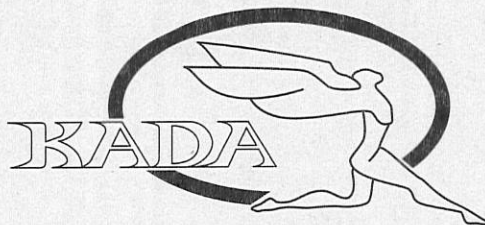


TOPEKA
—
SENATE CHAMBER

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Hybrid Vehicle Tax Credit SB 140

- SB 140 simplifies the current law, which allows a \$750 tax credit, but in a cumbersome way.
- SB 140 gives a \$750 dollar individual tax credit to those who purchase a Hybrid vehicle or a vehicle that gets over 40 MPG. The bill will sunset in 3 years.
- **Common sense and common ground** It is supported by business such as Kansas Auto Dealers Association, by labor unions such as the UAW, and by environmental groups like the Sierra Club.
- Kansas needs to strive for sustainability. SB 140 promotes cleaner air and sustainable energy use by promoting low emission vehicles.



KANSAS AUTOMOBILE DEALERS ASSOCIATION

February 13, 2007

To: The Honorable Barbara Allen, Chair
And Members of the Senate Committee on Taxation

From: Miles Schnaer, Crown Automotive Group, Lawrence, KS

Re: SB 140 – Income Tax Credit for Hybrid Motor Vehicles
and Fuel Efficient Motor Vehicles

Good morning Madam Chair Allen and Members of the Senate Committee on Assessment and Taxation. I am Miles Schnaer and I appear before you today on behalf of the Kansas Automobile Dealers Association and as a Toyota and Chevrolet dealer in Lawrence, Kansas in support of SB 140, which would provide an income tax credit to consumers who purchase certain qualified alternative fueled motor vehicles.

Perhaps once a novelty, through expanding technology, hybrid, electric and alternative fueled vehicles are becoming more and more mainstream as these vehicles become usable and adaptable to the needs of American consumers. Incentive programs such as that created by SB 140 will encourage consumers to take a closer look at alternative-fueled vehicles when they are looking for a new vehicle. In addition, it will also help reduce our country's reliance on fossil fuels for our transportation needs, benefit the agriculture industry in our state through an expanded market for their products and benefit all Kansans through cleaner emissions.

Eventually, hybrid vehicles will have to appeal to consumers based on their own attributes like any other product. But, first we must encourage consumers to try the new technology. While we are mindful of the fiscal note of this legislation, tax credits have worked and the federal tax credits enacted during the last congressional session are a good example of government and industry working together toward a common goal.

I thank you for the opportunity to present these comments in support of SB 140 and would be more than happy to address any questions the committee may have.

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Assessment & Taxation
Date 2-13-07
Attachment # F

**Testimony before the Senate Assessment and Taxation
Committee
February 13, 2007
Proponent for S.B. 140**

Chairperson Allen and Honorable Members of the Committee:

My name is Tom Thompson and I represent the Kansas Chapter of the Sierra Club. I have come today to speak in support of S.B. 140.

S.B. 140 allows for up to a \$750 tax credit on the purchase of qualifying new hybrid vehicles or vehicles having fuel efficiency ratings of 40 or more miles per gallon.

Certainly hybrid vehicles and high mileage cars allow owners to benefit from more efficient operation. As a result owners get more miles per gallon saving them money on fuel. They also operate more cleanly.

The biggest single step that the United States can take to curb global warming and save oil is to raise the fuel economy of our cars and light trucks. By making our cars, pickup trucks, and SUVs go farther on a gallon of gas, Americans can save billions of dollars, curb global warming pollution, and slash our dependence on oil — making our nation safer and more secure.

This is not the only part of the solution to the global warming issue. Other things need to be done to have a real impact. Energy conservation and efficiency, better mass transportation alternatives and clean renewable energy generation also need to be part of this equation. However, S.B. 140 does move Kansas in the right direction.

This bill, if enacted will help encourage people to buy hybrids and high mileage cars. If they do, it will help decrease greenhouse gasses and their effect on ecosystems throughout the world. This will help to provide a better quality of life for all Americans.

The Sierra Club supports S.B. 140 for these reasons.

Thank you for your time

Sincerely

Tom Thompson
Sierra Club

Testimony for Senate Bill 140

by

John Ellena

I am here to voice my support of Senate Bill 140 and the Hybrid Vehicle Tax Credit it includes.

We have been selling hybrid vehicles since 2000 when Honda introduced the first production hybrid vehicle, the Honda Insight. This initial vehicle and the idea of getting up to 60 miles to a gallon of gas captured the attention of numerous automotive consumers. Enough so that almost every other major automobile manufacturer has either, introduced or is developing, hybrid technology for one or more of its product lines. Honda, for example, quickly followed up the Insight by offering hybrid technology as an alternate source of power in its two most popular vehicles, the Honda Civic and the Honda Accord.

It is obvious that hybrid technology continues to be a growing segment of the automotive market. Currently, however, it is still much more expensive to produce a vehicle with hybrid technology than one with a traditional, internal combustion engine alone. On the vehicles we sell, for instance, consumers who opt for the hybrid technology will pay a twenty to twenty-five percent premium over a similar vehicle with a conventional engine. While a few of these consumers will reap enough benefits from the increased fuel economy a hybrid offers to offset this premium, most will not.

It is our experience that only 15% of the hybrid sales we've made over the years have come from those buyers who will see enough benefit from the increased fuel mileage to offset the additional cost of the hybrid. The remaining 85% of hybrid purchases are made by those people who are doing it for what I like to refer to as the "right reasons".

These are the people who are concerned enough with cleaner air and sustainable energy that they make the commitment to pay the premium price for the hybrid, knowing full well

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Assessment & Taxation
Date 2-13-07
Attachment # 6

that they will never realize enough savings from additional fuel economy to offset it. --- People like Max Rife, a retired school administrator who has put only 11,000 miles on his 2006 Honda Civic Hybrid since he purchased it almost 14 months ago. At his average mileage per year and current gas prices Mr. Rife would have to drive this car over 12 years to offset the extra money he paid to own a hybrid.

We always see an increased interest by the car buying public in hybrid models when gas prices rise dramatically as they did the last few years. With gas prices stabilizing anything we can do to encourage car buyers to consider hybrid technology for the "right reasons" will be of benefit to us all.

I can certainly see why this bill has such a wide range of support. I understand that it is supported by, not only auto manufacturers, but also labor unions and environmental groups. It is truly a win-win-win for everybody by encouraging Kansas auto buyers to consider the purchase of hybrid vehicles as well as other more fuel efficient vehicles.

I like the fact that the SB 140 is for a short, three-year term. I firmly believe that by the end of the decade auto makers will be able to improve the affordability of hybrid technology, making it available to more consumers. Honda for example is currently developing an all new hybrid-powered family vehicle that will sell for less than the current Civic.

The State of Kansas needs to use whatever means it has available to continually encourage individual Kansans to be conscious of their responsibility to conserve our natural resources and protect our clean air. I believe SB 140 should be one piece of that effort.

SB 140 promotes cleaner air and sustainable energy by encouraging Kansans to purchase and drive high fuel economy and low emission vehicles.



KANSAS AGRIBUSINESS RETAILERS ASSOCIATION

SAFE AND ABUNDANT FOOD THROUGH SOUND SCIENCE

**Statement in Support of Senate Bill 278
Senate Assessment and Taxation Committee
Senator Barbara Allen, Chair
February 13, 2007**

Thank you Madam Chair and Members of the Committee my name is Duane Simpson; I am Vice President of Government Affairs for the Kansas Agribusiness Retailers Association. KARA is a volunteer organization that represents over 700 agribusiness firms that are primarily retail facilities that supply fertilizers, crop protection chemicals, seed, petroleum products and agronomic expertise to Kansas farmers. KARA's membership base also includes ag-chemical and equipment manufacturing firms, distribution firms and various other businesses associated with the retail crop production industry.

I appear today in support of Senate Bill 278, which broadens the sales tax exemption for what is considered to be farm machinery and equipment. I want to point out that the language contained in SB 278 is model language that was adopted by the State of Illinois in 2000 to include precision farming equipment such as soil testing sensors, computers, monitors, software and global positioning and mapping systems, in the definition of farm machinery and equipment.

Our objective with this bill is to simply ensure the term "farming machinery and equipment" is representative of both traditional farm machinery and equipment items as well as new technology derived machinery and equipment items. These items are increasingly being utilized by agricultural producers, crop consultants and retail fertilizer and agricultural chemical dealers across Kansas. In fact, if you purchase a new tractor or spray rig with this equipment, you don't sales tax on the equipment. You only pay sales tax today if you are purchasing the equipment aftermarket and installing it or if you are using the equipment on an ATV.

I want to note that this bill does not exempt ATVs from the state sales tax. While KARA continues to believe that ATVs should be included as farm machinery and equipment, this bill does not address that issue. The bill also does not exempt handheld GPS devices or devices in cars. These are guidance systems that are installed on the machinery and I have copies of advertisements for the committee to review to better understand what equipment is covered by SB 278.

The purpose of precision ag equipment is to reduce fertilizer, pesticide and seed put on the ground by analyzing the soil and applying the right product, in the right amount at the right time. By doing so, the producer saves money, the environment is protected and yields are improved. The state of Kansas is seven years behind other ag states on this legislation. Often times, retailers and farmers are simply unaware that Kansas has not exempted this equipment from the sales tax law. I appreciate the opportunity to appear in support of SB 278 and urge the committee to modernize our farm machinery and equipment law to bring it into the 21st Century. Thank you, Madam Chair I will stand for questions at the appropriate time.



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Senate Committee on Assessment & Taxation

February 13, 2007

Topeka, Kansas

SB 278 - Sales Tax Exemption for Precision Farming Equipment

Chair Allen and members of the Senate Assessment & Taxation Committee, thank you for the opportunity to share our support for SB 278 providing a sales tax exemption for precision agriculture equipment. I am Leslie Kaufman and I serve the Kansas Cooperative Council as Executive Director.

The Kansas Cooperative Council represents all forms of cooperative businesses across the state -- agricultural, utility, credit, financial and consumer cooperatives. Approximately half our members are involved in agriculture co-ops. As farmer cooperatives, they are owned and controlled by their ag producer members.

The exemption before you today, via a change in the definition of "farm machinery and equipment", really is not a new concept. For years, the state has appropriately provided tax exemptions for farm machinery and equipment. As we see it, SB 278 essentially recognizes the technical advances being made in the agriculture industry, bringing our state tax policy in-line with modern production agriculture practices.

Precision agriculture equipment provides significant benefits to the producer and to the environment, benefiting all Kansans. For example, soil testing and precision input application mean just the right nutrient mix is applied in the specifically appropriate amount. Farmers, ranchers and agribusinesses continually strive to maximize stewardship efforts within their production operations. Precision agriculture technologies are helping take these stewardship endeavors to even new levels.

We believe SB 278 updates our current tax exemption approach to better reflect what is happening "on the ground" in our modern agriculture practices. Additionally, important stewardship advances can be encouraged through the addition of precision ag equipment within the definition of "farm machinery and equipment". As such, we respectfully request the committee act favorably on SB 278. Thank you.

Assessment & Taxation
Date 2-13-07
Attachment # 18



KANSAS ASSOCIATION OF WHEAT
GROWERS

217 Southwind Pl • Manhattan, KS 66502 • (785) 587-0007 • FAX (785) 539-8946

Senate Assessment and Taxation Committee
Tuesday, February 13, 2007
Testimony on SB 278

Madam Chairwoman Allen and committee members, I am Dana Peterson, representing the Kansas Association of Wheat Growers. Our members support the tax exemptions for precision agriculture equipment in SB 278.

Precision agriculture equipment is increasingly necessary to agriculture producers operating in today's technological world. This equipment allows more efficient use of our natural resources, agriculture inputs and mechanical equipment as well as numerous other benefits.

As such a necessary tool to producers, a similar tax exemption as allowed to other agriculture equipment is crucial as our nation continues to be the world's leader in technology adoption.

I strongly urge you to support SB 278.

Respectfully submitted by
Dana Peterson, Producer Policy Specialist
Kansas Association of Wheat Growers
dpeterson@kswheat.com
PH: (785) 587-0007
Mobile: (785) 770-7347

Assessment & Taxation
Date 2-13-07
Attachment # 9



Kansas State Historical Society

Jennie Chinn, Executive Director
Testimony on Senate Bill No. 331
February 13, 2007

I am testifying in favor of Senate Bill No. 331. From the Kansas State Historical Society's perspective, this bill advances the cause of preservation and history in the state of Kansas.

The current historic preservation tax credits have done much to encourage the preservation of historic buildings throughout Kansas. Our historic landscape is a precious resource that can be used by communities for both economic and educational gains. Once these resources are destroyed they can never be recaptured. I, and others, in the preservation field applaud the legislature for the steps they have taken in the past to ensure the preservation of our state's history.

What is favorable about the current bill before you is that it places preservation in the hands of local communities and property owners. We view our role at the Kansas State Historical Society as that of facilitator, to assist communities in the preservation of their past. Senate Bill 331 will allow us to do more of that.

As many of you know, many historic sites are struggling to fulfill their missions. Rising utilities and repair costs have stretched small budgets beyond their resources. I can speak to the fact that the state's 17 historic sites have continued to operate on base budgets even though utilities and building supplies have increased dramatically. Construction costs alone are increasing ten to twelve percent annually. Our entire operational budget for the seventeen sites remains at approximately \$160,000. The Historical Society works very hard to raise private money to supplement our state budget. As an example, our most recent success has been at the Shawnee Indian Mission in Johnson County where we raised over one million dollars for the rehabilitation of the site. I am sure you are aware, however, that raising this type of money is difficult in some areas of the state. This bill, with its proposed tax credits for donations to historic sites, would greatly enhance our chances of obtaining increased financial donations from private donors.

Although I fully support Senate Bill 331, I would respectfully ask you to consider two practical issues when implementing this bill.

Assessment & Taxation
Date 2-13-07
Attachment # 10

- The new Section two of this bill restricts the number of historic sites that may receive donations eligible for the proposed tax credits. It allows for state historic sites, for which I am grateful, and a number of locally owned historic sites not to exceed ten. I agree with the bill's intent to limit the tax credit availability to properties that are open to serve the public. However, in a practical sense, it would be difficult to determine which ten sites are eligible. I am very willing to work with members of this committee to craft further language for the bill that would define how the properties are determined. I also request that the committee consider using the committee structure outlined in section three of this bill to determine the eligible properties, rather than the Historic Sites Board of Review. I am assuming that one of the criteria for choosing sites would be their ability to serve the public. The Review Board members were selected for their abilities to judge the architectural and historic significance of a property, not its operations.
- The new section three of this bill establishes a grant-giving program. It would be impossible for us to administer this program without an appropriation. When providing fiscal impact information to the Division of Budget on this bill, we suggested that this program would cost the agency approximately \$172,000 annually. This would allow for \$150,000 in grants and \$22,000 in administrative costs. We based these figures on the World War II Veterans Oral History project passed by the legislature in 2006.

*Mrs. K. Clarification
on the
10 sites
chosen*

In conclusion, I would like to thank the legislature for their consideration of this bill. It is an innovative and exciting approach to solving many of the problems our state and local historic sites face each year. If I may assist the committee in any way on Senate Bill No. 331, please feel free to contact me.

State of Kansas
Senate Chamber



Susan Wagle

The Honorable Senator Barbara Allen
Room 122 E, State Capitol
Topeka, KS 66612

Dear Senator Allen,

Attached please find a copy of language relating to placing on the ballot the question of a property tax valuation freeze for Kansas senior citizens. This version simply allows all seniors to benefit from the freeze if it is passed by a majority of Kansas voters.

I wanted you to have this language as follow up to the hearing you conducted on SCR 1602. Since this version is very close to SCR 1602, I have opted to not introduce this language in bill format and would rather your Assessment and Taxation Committee consider this language when you work the bill.

Thank you for allowing me the opportunity to testify on the Resolution. It is my belief that escalating increases in valuations, and therefore property taxes, has made it very difficult for seniors on fixed incomes to not only reside in their homes, but has caused overall financial hardship. As an elected official, it is difficult to justify to a community that has worked hard to partake in the American Dream and planned a lifetime for independence in their elder years, the increases in valuations which requires seniors to dip into their savings or requires them to place their homes on the market.

I would appreciate the committee's consideration of this language when you work the bill.

Sincerely,

A handwritten signature in dark ink, appearing to read "Susan Wagle".

Senator Susan Wagle



KANSAS BOARD OF REGENTS

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February 8, 2007

Senator Barbara Allen
Chairwoman
Senate Assessment & Taxation Committee
Statehouse, Room 122-E
Topeka, KS 66612

Senator Greta Goodwin
Ranking Member
Senate Assessment & Taxation Committee
Statehouse, Room 162-E
Topeka, KS 66612

Dear Chairwoman Allen and Ranking Member Goodwin:

On behalf of the Kansas Board of Regents, I write to you in support of Senate Bill 59, legislation that would establish a Kansas income tax credit for qualified tuition and related expenses.

Higher education is more important today than it ever has been before. In fact, in a November 2005 report, the U.S. Bureau of Labor Statistics predicted that between 2004 and 2014, 80% of the nation's fastest growing occupations will require some level of postsecondary education.

As an advocate for higher education in Kansas, the Board is pleased to support programs and legislation, such as Senate Bill 59, that help Kansans to prepare for and pursue their higher education goals and dreams.

Thank you for the opportunity to share the Board's support for Senate Bill 59.

Sincerely,

Reginald L. Robinson
President and CEO

Assessment & Taxation
Date 2-13-07
Attachment # 12

Legislative Testimony

SB 115

February 7, 2007

**Testimony before the Senate Assessment and Taxation Committee
by Marlee Carpenter, Vice President of Government Affairs**

Chairman Allen and members of the committee:

The Kansas Chamber has concerns with SB 115 and its affect on retailers. SB 115 would reduce the protest period for delinquent payments to 10 days and grant the Department of Revenue authority to revoke a taxpayer's sales tax certificate and then subsequently charge the taxpayer with a misdemeanor. A 10-day notice period is too few and we have concerns with the affects this may have on companies doing business in Kansas. We suggest that a 30-60 day notice provision.

Finally, the bill does not provide any right of appeal from decisions. We would suggest that a retailer have the right to request an informal conference to the Secretary's Designee pursuant to KSA 79-3226.

The Chamber understands the need for additional tool for the Department of Revenue to collect sales tax however, we need to be aware of notice and due process ramifications when dealing with these new tools.



**THE KANSAS
CHAMBER**

The Force for Business

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The Kansas Chamber, with headquarters in Topeka, is the statewide business advocacy group moving Kansas towards becoming the best state in America to do business. The Kansas Chamber and its affiliate organization, The Kansas Chamber Federation, have more than 10,000 member businesses, including local and regional chambers of commerce and trade organizations. The Chamber represents small, medium and large employers all across Kansas.

Assessment & Taxation
Date 2-13-07
Attachment # 13