

## MINUTES OF THE HOUSE COMMITTEE ON TAXATION

The meeting was called to order by the Chairman Edmonds at 8:30 a.m. March 29 in Room 519-S of the Capitol.

All members were present.

Committee staff present: Chris Courtwright, Legislative Research Department  
April Holman, Legislative Research Department  
Don Hayward, Revisor  
Winnie Crapson, Secretary

Conferee appearing before the committee:

Ben Barrett, Director, Legislative Research Department  
Mark Tallman, Kansas Association of School Boards  
Craig Grant, Kansas-NEA  
Ron Hein, Kansas Soft Drink Association  
Chuck Burkhardt, Coca Cola Mid-America  
R. E. Duncan, Kansas Wine & Spirits Wholesalers Association  
Karl Peterjohn, Kansas Taxpayers Network  
Bob Corkins, Kansas Public Policy Institute

Others attending: See attached list.

Chairman Edmonds noted today's discussion would include comments relating to the Senate Education Committee plan proposed as **Senate Substitute for HB 2051** which has some similarity to **HB 2578**.

The Chairman distributed a spreadsheet dated 3/28/2001 providing statistics on the school finance proposal of Senator Umbarger (Attachment #1).

Hearing was opened on:

**HB 2578 - School district finance and appropriations relating thereto.**

Mark Tallman presented testimony in support of **HB 2578** on behalf of the Kansas Association of School Boards (Attachment #2) and responded to questions from members of the Committee.

Craig Grant presented testimony in support of **HB 2578** on behalf of the Kansas School Finance Coalition (Attachment #3) and answered questions from Committee members.

The Committee recessed at 10:56 a.m.

The Committee reconvened at 12:32 p.m.

The Chairman introduced Ben Barrett, Director of Legislative Research, who provided "Summary of Main Provisions of **HB 2578**" (Attachment #4) and the Supplemental Note on the proposed **Senate Substitute for HB 2051** (Attachment #5). Mr. Barrett answered questions concerning changes suggested in the Senate and the effect of those changes..

The Committee resumed questioning of Mr. Grant concerning his testimony presented earlier..

Ron Hein, representing the Kansas Soft Drink Association, testified in opposition to the imposition of a tax on soft drink beverages as recommended by the Senate Committee on Education.

## CONTINUATION SHEET

Mr. Hein introduced Chuck Burkhardt, of Coca Cola Mid-America. Mr. Burkhardt explained how the soft drink industry would need to handle implementation of such a tax. He responded to questions from members of the Committee.

R. E. Duncan testified in opposition to **Senate Substitute for HB 2051** on behalf of the Kansas Wine & Spirits Wholesalers Association, Inc. (Attachment #6). Mr. Duncan responded to questions from members of the Committee and commented generally on school finance.

Neal Whitaker presented oral testimony on behalf of the Kansas Beer Wholesalers Association. He stated he believed information presented to the Senate Committee concerning revenue that would be raised by increases in the gallonage tax on beer to be wishful estimates.

The Committee recessed at 1:50 p.m.

The Committee reconvened at 3:30 p.m.

Karl Peterjohn presented testimony on behalf of the Kansas Taxpayers Network entitled "Taxpayers Oppose Graves/Umberger Tax Hike Proposals" (Attachment #7). He answered questions from members of the Committee.

Bob L. Corkins provided the Committee with copies of a publication of the Kansas Public Policy Institute dated March 13 entitled "New Study Examines Practical, Fundamental School Finance Reforms" (Attachment #8). Mr. Corkins made reference to a publication of the Institute entitled A Real Student-Centered Focus for Kansas K-12 Finance available from him upon request. He answered questions from Committee members.

Hearing on HB 2578 closed.

The Committee recessed at 4:15 p.m. and reconvened at 4:17 p.m.

Representative Huff moved to strike the contents of HB 2064 and substitute the contents of Senate Substitute for HB 2051. Representative Newton seconded. Motion was adopted.

Representative Huff moved to recommend HB 2064 as amended favorable for passage. Representative Newton seconded.

Representative Mays moved a substitute motion to report out HB 2064 as amended without recommendation. Representative L. Powell seconded. Motion was adopted.

Representative Huff moved to recommend HB 2578 as amended favorable for passage. Representative Newton seconded.

Representative Mays moved a substitute motion to report out HB 2578 as amended without recommendation. Representative L. Powell seconded. Motion was adopted.

The meeting adjourned at 4:24 p.m. Next scheduled meeting is March 30.