

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:32 p.m. on February 15, 2011, in Room 783 of the Docking State Office Building.

All members were present except:

Representative Schwab-excused
Representative Frownfelter-excused

Committee staff present:

Gordon Self, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Chris Courtwright, Kansas Legislative Research Department
Michael Wales, Kansas Legislative Research Department
Marla Morris, Committee Assistant
Allen Jeffus, Office Assistant

Conferees appearing before the Committee:

Nick Jordan, Secretary, Kansas Department of Revenue
Richard Cram, Kansas Department of Revenue
Kevin J. Robertson, Kansas Dental Association
Kent Heermann, Regional Development Association of East Central Kansas

Conferees presenting written only testimony:

Ronald C. Seeber, Kansas Agribusiness Retailers Association, Kansas Grain and Feed Association, and Kansas Cooperative Council
Chad Austin, Kansas Hospital Association

Others attending:

See attached list.

Chairman opened the hearing on **HB 2331-Creating rural opportunity zones.**

The Chairman directed the Committee to the Fiscal Notes on **HB 2331** from Richard Cram, Kansas Department of Revenue ([Attachment 1](#)), and the Kansas Division of Budget ([Attachment 2](#)).

Scott Wells, Office of the Revisor of Statutes, briefed the Committee on **HB 2331**.

Nick Jordan, Secretary, Kansas Department of Revenue, spoke in support of the bill, providing an overview of the economic growth of rural areas in Kansas ([Attachment 3](#)). His testimony included a map of Kansas reflecting the counties with a more than 10 percent population loss ([Attachment 4](#)). He explained that counties eligible for Rural Opportunity Zone designation must have experienced a population loss of 10 percent or more since the 2000 census, and eligible counties will be updated with the 2010 census.

Richard Cram, Kansas Department of Revenue, testified in support of **HB 2331**, offering an explanation of the provisions in the new individual income tax exemption presented in the bill ([Attachment 5](#)). His testimony provided details of a necessary balloon amendment ([Attachment 6](#)). He stood for questions.

Kevin J. Robertson, Kansas Dental Association (KDA), testified in support of **HB 2331**. The KDA believes that **HB 2331** will encourage dental school graduates to locate in the less populous areas of the state, and would be a positive step toward increasing access to oral health care in rural Kansas. ([Attachment 7](#)).

Kent Heermann, Regional Development Association of East Central Kansas (RDA), supports passage of **HB 2331**. His testimony included a map depicting the metropolitan and micropolitan areas in Kansas, and a chart indicating population changes in Kansas counties from 2000 to 2009 ([Attachment 8](#)). The RDA proposes consideration of areas beyond the 40 counties identified in **HB 2331**. He stood for questions.

Chairman Carlson directed the committee to the written testimony in support of **HB 2331** from Ronald C.

CONTINUATION SHEET

The minutes of the House Taxation Committee at 3:32 p.m. on February 15, 2011, in Room 783 of the Docking State Office Building.

Seeber, Kansas Agribusiness Retailers Association, Kansas Grain and Feed Association, and Kansas Cooperative Council (Attachment 9); Chad Austin, Kansas Hospital Association (Attachment 10).

Chairman Carlson closed the hearing on **HB 2331**.

The next meeting is scheduled for February 16, 2011, in Room 783 of the Docking State Office Building for the purpose of hearing **HB 2317 - Authorizing expensing of investment expenditures as a deduction in calculating Kansas income tax liability and IMPACT program changes.**

The meeting was adjourned at 4:27 p.m.