Approved: April 01, 2015

## MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin Kleeb at 3:32pm on Wednesday, March 11, 2015, 582-N of the Capitol.

All members were present except:

Representative Carolyn Bridges – Excused

Committee staff present:

Reed Holwegner, Legislative Research Department

Phyllis Fast, Kansas Legislative Committee Assistant Chris Courtwright, Legislative Research Department

Chuck Reimer, Office of Revisor of Statutes

Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

Senator Jeff King, District 15

Representative Mike Houser, District 1

Representative Jim Kelly, District 11

Representative Rick Billinger, District 120

Chris Harris, Kansas Department of Commerce

Larry Baer, League of Kansas Municipalities

Christy Hopkins, Greeley County Community Development

Aaron Heckman, Montgomery County Action Council

Roger Hrabe, Rooks County Economic Development

Janet McRae, Miami County Economic Development

Chris Courtwright, Kansas Legislative Research Department

J.G. Scott, Kansas Legislative Research Department

Others in attendance:

See Attached List

## **Bill introductions**

<u>Vice Chair Suellentrop made a motion to introduce a bill concerning the Homestead Act.</u> <u>Representative Lunn seconded the motion. Motion passed.</u>

## Hearing on: HB2298 — Removing the sunset for rural opportunity zones.

Chairman Kleeb opened a hearing on HB2298.

Scott Wells briefed the Committee on **HB2298**. He stood for questions.

Senator King presented testimony in support of <u>HB2298</u> by detailing the success of the program. He stood for questions. (Attachment 1)

Representative Houser presented testimony in support of <u>HB2298</u> by requesting the "program be available until ... state income tax rates reach zero". He stood for questions. (<u>Attachment 2</u>)

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

#### CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:32pm on Wednesday, March 11, 2015, 582-N of the Capitol.

Representative Kelly presented testimony in support of <u>HB2298</u> because he has "seen this program immediately generate the results it was intended to produce". He stood for questions. (Attachment 3)

Representative Billinger presented testimony in support of <u>HB2298</u> by mentioning "some of the counties that I represent and nearby counties that have benefited from this program". He stood for questions. (Attachment 4)

Chris Harris presented testimony in support of <u>HB2298</u> by detailing the expansion and the economic impact of the rural opportunity zone program. He stood for questions. (<u>Attachment 5</u>)

Larry Baer presented testimony in support of <u>HB2298</u> by describing the benefits to local governments. He stood for questions. (<u>Attachment 6</u>)

Christy Hopkins presented testimony in support of **HB2298** by describing Greeley County's "great success" with the program. She stood for questions. (Attachment 7)

Aaron Heckman presented testimony in support of <u>HB2298</u> by describing how "ROZ offers a valuable tool to local business and industries in their efforts to recruit and retain ... talent". He stood for questions. (<u>Attachment 8</u>)

Rodger Hrabe presented testimony in support of <u>HB2298</u> by detailing how counties "putting money toward programs that produce results is always a good strategy". He stood for questions. (<u>Attachment 9</u>)

Written only testimony in support of <u>HB2298</u> was presented by Representative Rich Proehl, District 7 (<u>Attachment 10</u>); Luke Mahin, Republic County (<u>Attachment 11</u>); Ashley McMillan Hutchinson, Cloud County (<u>Attachment 12</u>); Leslie Carlholm, Hamilton County (<u>Attachment 13</u>); Randy Stookey, Kansas Agribusiness & Kansas Grain and Feed Associations (<u>Attachment 14</u>); Matt Lindsey, Kansas Independent College Association (<u>Attachment 15</u>); and Chad Austin, Kansas Hospital Association (<u>Attachment 16</u>).

No testimony neutral for or in opposition to **HB2298** was presented.

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2298**.

<u>Hearing on: HB2367 — Including Miami county as a rural opportunity zone.</u> Chairman Kleeb opened a hearing on <u>HB2367</u>.

#### CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:32pm on Wednesday, March 11, 2015, 582-N of the Capitol.

Scott Wells briefed the Committee on **HB2367** by indicating the bill is a request for Miami County to become a rural opportunity zone. He stood for questions.

Janet McRae presented testimony in support of <u>HB2367</u> by providing details of why Miami County is requesting to become a rural opportunity zone. She stood for questions. (<u>Attachment 17</u>)

No testimony neutral for or in opposition to **HB2367** was presented.

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2367**.

# **Informational briefing:**

Chris Courtwright presented information concerning "State General Fund Receipts" from July 2014 through February 2015. He stood for questions. (Attachment 18)

J.G. Scott presented information concerning a "State General Fund Profile" for fiscal years 2013-2017. He stood for questions. (Attachment 19)

When all questions from the Committee were answered, Chairman Kleeb adjourned the meeting at 5:09pm.