

## MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin KleeB at 9:04am on Tuesday, May 05, 2015, 582-N of the Capitol.

All members were present except:

Representative Kasha Kelley – Excused

Representative Brandon Whipple – 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:

Richard Carlson, Kansas Department of Revenue

Others in attendance:

[See Attached List](#)

### **Bill introductions**

*Vice Chair Suellentrop made a motion to introduce a bill concerning state sales tax. Representative Hedke seconded the motion. Motion passed.*

*Vice Chair Suellentrop made a motion to introduce a bill concerning state sales tax. Representative Highland seconded the motion. Motion passed.*

### **Informational briefing:**

Scott Wells provided a legal view of the Governor's tax plan as presented in **HB2306** and **HB2307**. He stood for questions.

Chris Courtwright provided a fiscal note of the Governor's tax package as presented in **HB2306** and **HB2307**. He stood for questions.

Richard Carlson presented the Governor's tax policy. He stood for questions. ([Attachment 1](#))

When all questions from the Committee were answered, Chairman KleeB adjourned the meeting at 10:12 am.

## CONTINUATION SHEET

MINUTES of the Committee on Taxation at 9:04am on Tuesday, May 05, 2015, 582-N of the Capitol.

The meeting was called to order by Chairperson Marvin KleeB at 3:34 pm on Tuesday, May 05, 2015, in 582-N of the Capitol.

All members were present except:

Representative Dennis Hedke - Excused

Representative Marc Rhoades - Excused

Representative Brandon Whipple - Excused

Representative Ed Trimmer substituted for Rep. Whipple

Committee staff present:

Reed Holwegner, Legislative Research Department

Phyllis Fast, Kansas Legislative Committee Assistant

Chris Courtwright, Legislative Research Department

Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

Ryan Flickner, Kansas Farm Bureau

Tom Whitaker, Kansas Motor Carriers Association

Tom Palace, Petroleum Marketers and Convenience Store Association of Kansas

Dave Trabert, Kansas Policy Institute

Bob Totten, Kansas Contractors Association

Pat Hubbell, for Kansas Railroad Association

Michael Johnston, Economic Lifelines

Woody Moses, Kansas Aggregate Producers' and Kansas Ready Mixed Concrete Associations

Beau Boulden, APAC - Kansas City

Others in attendance: ([Attachment](#))

### **Bill Introductions**

Representative Highland made a motion to introduce a bill concerning licensing of businesses.

Rep. Corbet seconded the motion. Motion passed.

Representative Lunn made a motion to introduce a bill concerning taxes and fees. Representative

Mason seconded the motion. Motion passed.

### **Hearing on: HB2427 — Providing for a \$.05 increase in motor fuel taxes.**

Chairman KleeB opened a hearing on **HB2427**.

Scott Wells briefed the Committee on **HB2427**. He stood for questions.

Chris Courtwright briefed the Committee on the fiscal note for **HB2427**. He stood for questions.

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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 9:04am on Tuesday, May 05, 2015, 582-N of the Capitol.

Ryan Flickner presented testimony neutral to **HB2427** concerning "dyed diesel". He stood for questions. ([Attachment 2](#))

Tom Whitaker presented testimony in opposition to **HB2427** explaining the dilemma for increased taxes on "gasoline and diesel used for non-highway purposes". He stood for questions. ([Attachment 3](#))

Tom Palace presented testimony in opposition to **HB2427** by commenting why "price is the deciding factor when consumers purchase fuel". He stood for questions. ([Attachment 4](#))

Dave Trabert presented testimony in opposition to **HB2427** by demonstrating why no "tax increase is necessary, as Kansas has a spending problem instead of a revenue problem". He stood for questions. ([Attachment 5](#))

Bob Totten presented testimony in opposition to **HB2427** because "KODT does not get any additional funds". He stood for questions. ([Attachment 6](#))

Pat Hubbell presented testimony in opposition to **HB2427** because "this tax targets the railroads and we believe creates a new discriminatory tax in violation of 49 U.S.C. Section 11501, also known as the 4R Act". He stood for questions. ([Attachment 7](#))

Michael Johnston presented testimony in opposition to **HB2427** because this tax will "further jeopardize the completion of T-WORKS" projects. He stood for questions. ([Attachment 8](#))

Woody Moses presented testimony in opposition to **HB2427** because the tax will "fuel the eventual demise of TWORKS". He stood for questions. ([Attachment 9](#))

Beau Boulden presented testimony in opposition to **HB2427** detailing the proposed tax's negative affect on construction and employment within his company. He stood for questions. ([Attachment 10](#))

Written only testimony in opposition to **HB2427** was presented by Eric Stafford, Kansas Chamber ([Attachment 11](#)) ; and Ed DeSoignie, The Heavy Constructors Association ([Attachment 12](#)) .

When all questions from the Committee were answered, Chairman KleeB closed the hearing on **HB2427**.

The meeting was adjourned at 4:40pm.