

## MINUTES OF THE HOUSE COMMITTEE ON TAXATION

The meeting was called to order by the Chairman Edmonds at 9:00 a.m. March 20 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

Conferrees: Stacey Farmer, Kansas Association of School Boards and  
School Finance Coalition  
Karl Peterjohn, Kansas Taxpayers Network  
Karen France, Kansas Association of Realtors

Others attending: See attached list.

Without objection bill will be introduced to allow a one-year extension for the OZ project. [HB 2573 - KFDA; projects of statewide as well as local importance]

Hearing was opened on:

HB 2562 - Reauthorization of statewide education mill levy and exemption therefrom

SB 68 - Property tax exemption for residential property from school levy

SB 69 - Reauthorization of school district property tax levy

Stacey Farmer presented testimony relating to all three bills (Attachment #1) on behalf of the Kansas Association of School Boards and the School Finance Coalition (which includes Kansas National Education Association, United School Administrators of Kansas, Schools for Quality Education, the Kansas Education Coalition, Kansans for Local Control, and the public school districts of Wichita, Shawnee Mission, Kansas City, Olathe, Blue Valley and Topeka). She responded to questions from members of the Committee and in response to a question about Local Option Budgets (LOBs), furnished information later that 285 of the 304 school districts in Kansas have LOBs with \$373,700,000 associated with those LOBs.

Karl Peterjohn, representing the Kansas Taxpayers Network, presented testimony in opposition to HB 2562 and SB 69 (Attachment #2) and in support of SB 68 (Attachment #3). Mr. Peterjohn discussed weighting factors and quoted from information provided by the Kansas Public Policy Institute. He answered questions of Committee members.

Karen France presented testimony on behalf of the Kansas Association of Realtors in support of SB 68 (Attachment #4) and responded to questions from members of the Committee.

Hearing was closed on HB 2562, SB 68 and SB 69.

The Committee considered action on HB 2219 - Tax incentive effectiveness report requirement abolished. Following the hearing on the bill on February 21, the Committee had tabled it.

A balloon amendment was distributed and discussed. It would suspend the requirement for one year and require Kansas, Inc. and the Department of Revenue to meet and establish a procedure by which the information required to produce the report could be furnished.

Rep. Larkin moved that **HB 2219** be removed from the table. Rep. Vickrey seconded and the motion was adopted.

Rep. Larkin moved that the balloon amendment to **HB 2219** be adopted. Rep. Osborne seconded and the amendment was adopted.

Rep. Larkin moved to recommend **HB 2219** as amended favorable for passage. Rep. Osborne seconded and motion was adopted.

The Committee considered **HB 2030** - Sales tax exemption for bullion and coins, on which hearing was held March 13.

Representative Powers moved to amend **HB 2030** in line 20 page 19 by changing \$1,000 to \$100 and including paladium. Representative Vickrey seconded and motion was adopted.

Representative Mays moved to amend into **HB 2030** the provisions of **HB 2293** - Sales tax exemption for coin-operated vehicle washing services. Representative L. Powell seconded. The motion failed.

Representative Vickrey moved to recommend **HB 2030** favorable for passage as amended. Representative Gatewood seconded and the motion was adopted.

The Committee considered **HB 2160** - Judicial foreclosure and sale on property located within cities, powers and duties of cities, on which hearing was held March 1.

Representative Larkin moved to recommend **HB 2160** favorable for passage. Representative L. Powell seconded and motion was adopted.

The Committee considered **HB 2292** - Sales tax exemption for limited liability company motor vehicle transfers, on which hearing was held March 1.

Representative T. Powell moved to recommend **HB 2292** favorable for passage and to place on the consent agenda. Representative Vickrey seconded.

Representative Wilson moved a substitute motion to include in **HB 2292** the provisions of **HB 2090** - Motor vehicle taxes canceled where donation of vehicle made to nonprofit organization. Representative Flora seconded and substitute motion was adopted.

Representative T. Powell moved to recommend **HB 2292** favorable for passage as amended. Representative Wilson seconded and motion was adopted.

The Committee considered **HB 2458** - Sales tax exemption for hotel service rentals to governmental officers and employees, on which hearing was held March 13.

Representative Larkin moved to amend **HB 2458** to limit its effect to federal employees. Representative Gatewood seconded and motion was adopted.

Representative Hutchins moved to recommend **HB 2458** favorable for passage as amended. Representative Powers seconded and motion was adopted.

The Committee adjourned at 10:45 a.m. Next schedule meeting is March 23.