

Journal of the House

FORTY-FIRST DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Thursday, March 11, 2021, 11:00 a.m.

The House met session pro forma pursuant to adjournment with Speaker Ryckman in the chair.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills and concurrent resolution were introduced and read by title:

HB 2431, AN ACT concerning rural opportunity zones; changing the definition of rural opportunity zone; expanding eligibility for program participants; adding down payment assistance as a benefit under such program; providing for a two-track program and establishing a new rural community building program option; amending K.S.A. 74-50,222, 74-50,223 and 79-32,267 and repealing the existing sections, by Committee on Taxation.

HB 2432, AN ACT concerning sales and compensating use tax; relating to food and food ingredients; implementing a formulaic adjustment to the rate of tax; amending K.S.A. 79-3602, 79-3620 and 79-3710 and K.S.A. 2020 Supp. 79-3603 and 79-3703 and repealing the existing sections, by Committee on Taxation.

HB 2433, AN ACT concerning consumer protection; relating to online third-party marketplaces and the sale of stolen merchandise; requiring such marketplaces to verify and authenticate the identity of third parties who sell products on their platforms; providing for enforcement by the attorney general, by Committee on Federal and State Affairs.

HOUSE CONCURRENT RESOLUTION No. **HCR 5016**—
By Committee on Taxation

A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas, relating to classification and taxation of all-terrain vehicles.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

"§ 1. System of taxation; classification; exemption. (a) The provisions of this subsection shall govern the assessment and taxation of property on and after January

1, ~~2013~~ 2023, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. The legislature may provide for the classification and the taxation uniformly as to class of *all-terrain vehicles*, recreational vehicles and watercraft, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

Class 1 shall consist of real property. Real property shall be further classified into seven subclasses. Such property shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (1) Real property used for residential purposes including multi-family residential real property and real property necessary to accommodate a residential community of mobile or manufactured homes including the real property upon which such homes are located..... 11½%
- (2) Land devoted to agricultural use which shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution..... 30%
- (3) Vacant lots..... 12%
- (4) Real property which is owned and operated by a not-for-profit organization not subject to federal income taxation pursuant to section 501 of the federal internal revenue code, and which is included in this subclass by law..... 12%
- (5) Public utility real property, except railroad real property which shall be assessed at the average rate that all other commercial and industrial property is assessed..... 33%
- (6) Real property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use..... 25%
- (7) All other urban and rural real property not otherwise specifically subclassified. . 30%

Class 2 shall consist of tangible personal property. Such tangible personal property shall be further classified into six subclasses, shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (1) Mobile homes used for residential purposes..... 11½%
- (2) Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 100 mcf or less, which shall be assessed at 25% 30%
- (3) Public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed..... 33%
- (4) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985..... 30%
- (5) Commercial and industrial machinery and equipment which, if its economic life

is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property..... 25%

(6) All other tangible personal property not otherwise specifically classified... 30%

(b) All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation."

Sec. 2. The following statement shall be printed on the ballot with the amendment as a whole:

"*Explanatory statement.* This amendment would allow the legislature to classify and tax all-terrain vehicles upon a basis different from other property.

"A vote for this proposition would permit the legislature to provide for separate classification and taxation of all-terrain vehicles or to exempt such property from property taxation and impose taxes upon a different basis in lieu thereof.

"A vote against this proposition would continue the taxation of all-terrain vehicles in the same manner as all other property."

Sec. 3. This resolution, if approved by two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate, shall be entered on the journals, together with the yeas and nays. The secretary of state shall cause this resolution to be published as provided by law and shall cause the proposed amendment to be submitted to the electors of the state at the general election in November in the year 2022, unless a special election is called at a sooner date by concurrent resolution of the legislature, in which case it shall be submitted to the electors of the state at the special election.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills and concurrent resolution were referred to committees as indicated:

Agriculture: **SB 143.**

Commerce, Labor and Economic Development: **SB 90, SB 124.**

Education: **SB 185.**

Elections: **HCR 5015.**

Federal and State Affairs: **HB 2430, Sub SB 84.**

Financial Institutions and Rural Development: **SB 178.**

Health and Human Services: **Sub SB 238.**

Insurance and Pensions: **SB 78.**

Judiciary: **SB 106, SB 283.**

K-12 Education Budget: **SB 63.**

Taxation: **SB 98.**

Transportation: **SB 101, SB 116, SB 127, SB 167.**

CHANGE OF REFERENCE

Speaker Ryckman announced the withdrawal of **HB 2160** from Calendar and re-referral to Committee on Health and Human Services.

MESSAGE FROM THE GOVERNOR

March 2, 2021

Message to the Kansas House of Representatives:

Enclosed herewith is Executive Directive No. 21-530 for your information.

EXECUTIVE DIRECTIVE NO. 21-530
Concerning Authorizing Expenditure of Federal Funds

LAURA KELLY
Governor

MESSAGES FROM THE SENATE

The Senate nonconcurrs in House amendments to **SB 47**, requests a conference and has appointed Senators Tyson, Alley and Holland as conferees on the part of the Senate.

The Senate announced the appointment of Senator Thompson to replace Senator Wilborn as a conferee on **SB 40**.

REPORTS OF STANDING COMMITTEES

Committee on **K-12 Education Budget** recommends **SB 235** be passed.

COMMITTEE ASSIGNMENT CHANGES

Speaker Ryckman announced the appointment of Rep. Henderson to replace Rep. Victors on Committee on Federal and State Affairs effective immediately.

Also, the appointment of Rep. Ohaebosim to replace Rep. Haswood on Committee on Judiciary effective immediately.

On motion of Rep. Hawkins the House adjourned pro forma until 8:30 a.m. on Friday, March 12, 2021.

JENNY HAUGH, JULIA WERNER, *Journal Clerk.*
SUSAN W. KANNARR, *Chief Clerk.*

