

MINUTES OF THE HOUSE COMMITTEE ON TAXATION

The meeting was called to order by the Chairman Edmonds at 8:30 a.m. March 30 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

Conferee appearing before the committee:
Speaker Glasscock
Representative Aurand
Bob Vancrum, Blue Valley U.S.D. 229
Mark Tallman, Kansas Association of School Boards
Craig Grant, Kansas-NEA

Others attending: See attached list.

Hearing was opened on:

HB 2577 - School district finance, teachers' enhancements for affordable community housing weighting.

Representative Aurand explained the request for **HB 2577** (Attachment #1) and responded to questions from members of the Committee and responded to questions..

Speaker Glasscock testified in support of the bill.

Bob Vancrum, representing Blue Valley U.S.D. 229, testified in support of the bill (Attachment #2) and responded to questions from Committee members.

Mark Tallman presented testimony in opposition to **HB 2577** on behalf of the Kansas Association of School Boards (Attachment #3) and responded to questions from members of the Committee.

Craig Grant testified that Kansas-NEA has a neutral position on **HB 2577**. In response to questions from Committee members he had testified in 1991 before a group trying to prepare a proposal for the new school finance formula. At that time K-NEA proposed a cost-of living weighting, referred to "cost-of-doing- business", to recognize the differential between districts. He believes housing is only one part of that difference. He believes K-NEA would consider that there is a legitimate reason for such weighting but that the consideration should be cost-of-doing-business.

The hearing was closed on **HB 2577**.

Meeting was recessed at 9:50 a.m.

CONTINUATION SHEET

Upon reconvening at 11:30 a.m. the committee continued consideration of **HB 2577**.

Representative Vickrey moved to amend **HB 2577** to include provisions for a protest petition similar to that for local option budget. Representative T. Powell seconded and motion was adopted.

Representative Mays moved to amend **HB 2577** to provide a 10% cap. Representative Howell seconded. Motion of Representative Mays was adopted.

Representative Huff moved to recommend **HB 2577** as amended favorable for passage. Representative Hutchins seconded.

Representative Larkin commented that this would be a major change in the school finance formula, the implications not being fully understood, and he would prefer to await receipt of the information Legislative Research is developing at his request on average teacher salary by district under current law showing what would happen under **HB 2577** if every district eligible to do the new levy in fact decided to do it at the maximum level; how much in dollars would be raised in each of these districts; what the mill levy would be; and what would happen to average teacher salaries. [See Attachment #10 April 4]

Representative Larkin moved to table **HB 2577**. Representative Gatewood seconded. Motion failed.

Motion of Representative Huff was adopted.

Meeting adjourned at 12:20 p.m. Next scheduled meeting is April 4.