

Approved: March 5, 2012
(Date)

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:36 pm on Tuesday, January 24, 2012, in Room 783 of Docking State Office Building.

Members excused were:

Representative Owen Donohoe
Representative Larry Powell
Representative Caryn Tyson

Committee staff present:

Gordon Self, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Chuck Reimer, Office of the Revisor Statutes
Chris Courtwright, Kansas Legislative Research Department
Chris Sevedge, Kansas Legislative Research Department
Allen Jeffus, Office Assistant
Phyllis Fast, Committee Assistant

Conferees appearing before the Committee:

Luke Bell, Kansas Association of Realtors
Mike Taylor, Wyandotte County United Government
Mark Tallman, Kansas Association of School Boards
Dale Goter, Wichita City Government Relations Manager
Randall Allen, Kansas Association of Counties
Don Moler, Kansas League of Municipalities
Linda Fund, Kansas Association of Community College Trustees

Others attending: see attached list.

Introduction of Bills:

Representative Charles Roth, from the 71st District, requested a bill on behalf of the Kansas County of Appraisers Association to move the burden of proof (during the appeal stage) away from the county appraiser. *Vice Chair Kleeb made the motion to introduce the bill. Chairman Carlson seconded the motion. The motion carried.*

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 HOUSE TAXATION Committee at 3:36 PM on Tuesday, January 24, 2012 in 783-DSOB.

Richard Cram, Kansas Department of Revenue, on behalf of Governor Brownback, requested a bill to implement the Governor's tax reform plan as presented by Secretary of Revenue Nick Jordan on January 12. Chairman Carlson made a motion to introduce the bill. Vice Chair Kleeb seconded the motion. The motion carried.

Vice Chair Kleeb made a motion to introduce a bill regarding economic development and updating STAR bonds. Representative Brunk seconded the motion. The motion carried.

Chairman Carlson opened a hearing on:

HB 2212 – Mill levy adjustments, resolutions, publication requirements.

Scott Wells briefed the committee on **HB 2212**, a carryover bill from the 2011 session. The requested legislation is divided into two sections: the first section considers reconciliation of annual increases to local mill levies and property evaluation taxes. The second section adds a publication requirement in addition to reinserting community colleges and school districts not subject to the above requirement. He stood for questions.

Representative Steve Brunk spoke in support of **HB 2212**, indicating it is about property tax reform and accountability by adding an additional step to county clerks' procedures. As time allows, he would provide additional testimony at a later time. He stood for questions.

Luke Bell spoke in support of **HB 2212**, indicating property tax had doubled in the past decade and is a chief concern of citizens. He believes **HB 2212** "beefs up accountability; beefs up transparency; and preserves local control". He also suggested an optional balloon amendment. (Attachment 1) He stood for questions.

Written only testimony in support of **HB 2212** was presented by: Representative Joe Patton (Attachment 2) and Brad Harrelson, Kansas Farm Bureau (Attachment 3).

No neutral testimony for **HB 2212** was presented.

Mike Taylor testified in opposition to **HB 2212**, saying that **HB 2212** "is unnecessary". He also stated that such legislation is an "attempt . . . to meddle in local affairs of communities across Kansas and cripple the leadership and decision-making ability of the people elected to that role". He provided United Government of Wyandotte as an example of a community that had already successfully taken measures to alleviate local taxes. (Attachment 4) He stood for questions.

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Mark Tallman testified in opposition to **HB 2212**, by opposing “tax limits on local elected officials”. He also requested “that school districts be removed from the application of this bill if the committee chooses to work it”. (Attachment 5) He stood for questions.

Dale Goter testified in opposition to **HB 2212**, “believes that the most effective local government policies arise from the local governing body”. He also said, “Local budgets, mill levies and tax collection are conducted in complete transparency”. (Attachment 6) He stood for questions.

Randall Allen testified in opposition to **HB 2212**, because “of several provisions in the bill”. He said, “it is not true”, “that governing bodies of local governments set the property tax mill levy rate each year to support the budgets they adopt”. He also said the bill is “a tax levy limitation”. Property tax is the worst tax. (Attachment 7) He stood for questions.

Don Moler testified in opposition to **HB 2212**, saying that the bill “appears to attempt to impose a tax lid upon cities and other local units of government”. He also said “the bill as written has several internal inconsistencies which would render it unenforceable in its present state”. (Attachment 8) He stood for questions.

Linda Fund testified in opposition to **HB 2212**, by saying “each community college has a different mill levy, budget and needs” and that “there already is a limit to the mill levy”, and the limit is “local voters saying no to the increase”. She asked “that community colleges be excluded from its application”. (Attachment 9) She stood for questions.

Written only testimony in opposition to **HB 2212** was provided by: Hannes Zacharias, Johnson County Manager’s Office (Attachment 10); and Ron Fehr, Manhattan City Manager. (Attachment 11)

After all questions from the Committee were answered, Chairman Carlson closed the hearing on **HB 2212**.

The next meeting of the Committee is scheduled for 3:30 pm Wednesday, January 25, 2012, in 783-DSOB to hear and possibly work other bills.

The meeting was adjourned at 4:50 pm.

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