

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 10:40 A.M. on February 8, 2006 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Kansas legislative research
Gordon Self, Revisor of Statutes Office
Judy Swanson, Secretary

Conferees appearing before the committee:

Chris Hahn, Kansas Special Olympics
Senator Les Donovan
Ken Doonan, Kansas Food Bank Warehouse
Brian Walker, Kansas Food Bank
Don Hill, Chairman of the Independence Advisory Board

Others attending:

See attached list.

Committee discussion was held on **SB 482**—providing checkoff for breast cancer research and **SB384**—income tax checkoff for Kansas military emergency relief.

Senator Schmidt moved to amend **SB 384** on page 1, line 27, after the word, “duty”, add “or for other services to support Kansas military personnel and their families.” Senator Donovan seconded the motion, and the motion passed.

Senator Schmidt moved to amend **SB 482** on page 1, line 41, after the word “or” by deleting the word “administrative” and reinserting the word “administrative” before the word, “personnel”, and to insert the text of **SB 482**, as amended into **SB 384**. Senator Donovan seconded the motion, and the motion passed.

Senator Schmidt moved to report **SB 384**, as amended, favorably for passage. Senator Donovan seconded the motion, and the motion passed.

Hearing was opened on **HB 2698**, authorizing countywide retailers’ sales tax in Sherman County. Being no conferees, the hearing was closed.

Senator Donovan moved to report **HB 2698** favorable for passage. Senator Schmidt seconded the motion, and the motion passed.

Hearing on **SB 489**, sales tax exemption for Special Olympics Kansas, Inc. was opened.

Chris Hahn, President of Special Olympics Kansas, gave the history of the organization. (Attachment 1) He testified to the need of the sales tax exemption. In answer to members’ questions, he said he has a staff of 14 full-time employees and 5 part-time employees. Special Olympics Kansas pays between \$20,000-\$25,000 in sales tax annually.

Hearing on **SB 489** was closed.

Hearing was opened on **SB 404**, sales tax exemption for purchase of personal property by certain organization used for the collection, storage and distribution of food products.

Senator Les Donovan testified the Kansas Food Bank Warehouse (KFBW) is a unique organization in the scope of service it can offer. (Attachment 2) He urged the Committee to support **SB 404**.

Ken Doonan, Chairman of the Board, KFBW, introduced Brian Walker, Executive Director of Kansas Food Bank, who testified in favor of **SB 404**. Mr. Walker provided Committee members with facts about the

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Kansas Food Bank Warehouse, along with letters of support for the organization from across the State. (Attachment 3) He said KFBW would receive between \$25,000-\$38,000 tax relief if this bill is passed. KFBW serves 86 counties in Kansas.

Don Hill, Chairman of the Independence Advisory Board, testified the Independence warehouse facility serves fifteen counties.

Written testimony was received from Wendy Glick, Executive Director of The Lord's Diner, in support of **SB 404**. (Attachment 4)

Written testimony was also received from David Owen, Homeless Come Home, in support of food aid programs. (Attachment 5)

Hearing was closed.

Discussion was held with Richard Cram, KDOR, concerning the fiscal notes on both **SB 404** and **SB 489**. Retroactive refunds might be a dangerous precedent to set, according to Mr. Cram. He will check on what the construction material taxes might be on the KFBW and report back to the Committee. He recommended deleting "by or on behalf of" for sales made, from **SB 489**, as he thought it made the policing of these sales difficult.

Chairman Allen provided information from the Kansas Non Profit Association (KNPA) on sales tax exemptions, for the Committee. (Attachment 6)

Senator Apple moved to approve the Minutes of the February 7 Committee meeting. Senator Donovan seconded the motion, and the motion passed.

Being no further business, the meeting adjourned at 11:25 a.m.