

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 9:00 a.m. on March 12, 2009, in Room 535-N of the Capitol.

All members were present.

Committee staff present:

Gordon Self, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Chris Courtwright, Kansas Legislative Research Department
Kathy Beavers, Committee Assistant

Conferees appearing before the Committee:

Dotty Riley, Kutak Rock, Bond Counsel, City of Lenexa
Larry Baer, League of Kansas Municipalities
Robert Bezek, City Attorney, Ottawa, Kansas

Written only:

Mike Taylor, Public Relations Director, Unified Government Public Relations,
Wyandotte County, Kansas
Erik Sartorius, City of Overland Park, Kansas
Ashley Sherard, Vice-President, Lenexa Chamber of Commerce

Others attending:

See attached list.

Bill introductions:

Representative Hayzlett made a motion to introduce a bill relating to strategic transportation plan. Representative King seconded the motion. The motion carried.

Representative Goyle made a motion to introduce a bill relating to civil expungement. Representative Menghini seconded the motion. The motion carried.

SB 78 - Special assessments in transportation districts.

The Chairman opened the hearing on **SB 78**.

Scott Wells, Office of the Revisor of Statutes, briefed the committee on **SB 78**. Mr. Wells and Chris Courtwright, Kansas Legislative Research Department stood for questions.

Dotty Riley, Kutak Rock, Bond Counsel, City of Lenexa, testified in support of **SB 78 (Attachment 1)**. Ms. Riley stated in her testimony that **SB 78** would permit the transportation development district sales tax (TDD Sales Tax) to be used to offset assessments against property in a transportation development district. The bill would also permit the use of transportation development district sales tax to pay the cost of projects authorized under the TDD act without the necessity of issuing bonds. She stood for questions.

Larry Baer, League of Kansas Municipalities, testified in support of **SB 78 (Attachment 2)**. Mr. Baer stated that **SB78**, if passed, would permit cities flexibility to undertake small projects without incurring the costs associated with bond issuances and thereby reducing the overall cost of the project.

Robert Bezek, City Attorney, Ottawa, Kansas, testified in support of **SB 78 (Attachment 3)**. Mr. Bezek stated that the transportation development district sales tax (TDD's) are used primarily for infrastructure. He stated that the current statute allows funding only through bonds and obstructs development. Mr. Bezek also stated that the transaction costs of issuing bonds can become prohibitive. He stated that the amendments in **SB 78** will allow the City of Ottawa an option to fit its current financing needs. He stood for questions.

The Chairman called attention to the written testimony in support of **SB 78**:

Mike Taylor, Public Relations Director, Unified Government Public Relations, Wyandotte County, Kansas (Attachment 4)
Erik Sartorius, City of Overland Park, Kansas (Attachment 5)

CONTINUATION SHEET

Minutes of the House Taxation Committee at 9:00 a.m. on March 12, 2009, in Room 535-N of the Capitol.

Ashley Sherard, Vice-President, Lenexa Chamber of Commerce (Attachment 6)

The Chairman closed the hearing on **SB 78**.

SB 138 - STAR bond financing.

The Chairman opened the hearing on **SB 138**.

Scott Wells, Office of the Revisor of Statutes, briefed the committee on **SB 138**. Chris Courtwright and Mr. Wells stood for questions.

Larry Baer, League of Kansas Municipalities, testified in opposition of **SB 138** (Attachment 7). The League supports the original bill but does not support the amended version of the bill. He stood for questions.

The Chairman closed the hearing on **SB 138**.

The Chairman stated that the committee would work **SB 97**.

SB 97 - Prescribing penalties for violations of liquor enforcement tax act by retailers.

Chris Courtwright, Kansas Legislative Research Department, briefed the committee on **SB 97** and stood for questions. He stated that specific definitions would be written into the bill.

Representative Menghini made a motion to move SB 97 favorably for passage. Representative Benlon seconded the motion. Discussion continued.

Representative Menghini made a motion to amend the SB 97 to clarify conceptual language that all licensees would come under the Liquor Enforcement Tax Act. Representative Frownfelter seconded the motion. Discussion followed. Representative Menghini closed on the amended motion. The motion carried.

Representative Menghini closed on the original motion to move SB 97 favorably as amended. The motion carried.

The next meeting is scheduled for March 16, 2009.

The meeting was adjourned at 10:20 a.m.