

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 10:40 A.M. on January 27, 2005 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Kansas Legislative Research Department (KLRD)
Martha Dorsey, Kansas Legislative Research Department (KLRD)
Gordon Self, Revisor of Statutes Office
Nancy Kirkwood, Secretary

Conferees appearing before the committee:

Larry Baer, League of Kansas Municipalities (LKM)
Laurie McKinnon, General Counsel, KPERS
Randall Allen, Kansas Association of Counties
Matt Jordan, Director of Operations, Department of Commerce
Marlee Carpenter, The Kansas Chamber of Commerce & Industry (KCCI)
Melissa Wangemann, Legal Counsel, Deputy Assistant, Secretary of State

Others attending:

See attached list.

Introduction of Bills

Chairperson Allen opened the meeting today by asking for bill introductions.

Senator Lee asked for a bill regarding property tax treatment of certain elderly residential housing facilities. Senator Lee made a motion to introduce the bill, seconded by Senator Donovan. The motion carried.

Hearing on:

SB 37 -Franchise fee law modifications relating to fee name, extensions and information required

Chairperson Allen opened the hearing on **SB 37**. The Chair recognized Melissa Wangemann, Legal Counsel, Deputy Assistant Secretary of State, as a proponent. Melissa stated it is important to note **SB 37** is a reconciliation bill intended to reconcile two bills passed last year (Attachment 1).

There being no others to testify in support of **SB 37**, the Chair asked for opponents.

Marlee Carpenter, KCCI, appeared in opposition. The KCCI has concerns with the subsidiary language that was included to require additional reporting requirements for subsidiary ownership. KCCI offered a minor amendment requesting that the word "business" be inserted before the word address on line 32 of page 6 and line 41 of page 9 (Attachment 2).

There being no other opponents to testify before the Committee, the Chair closed the hearing on **SB 37**.

Hearing on:

SB 13 - Confidentiality and disclosure requirements of tax information

Chairperson Allen opened the hearing on **SB 13**, and requested Chris Courtwright, KLRD, to give the Committee a history of **SB 13**. Chris informed the Committee the bill was the result of the Interim Committee Report re confidentiality, and disclosure of tax information (Attachment 3).

Secretary Wagon, KDOR, was recognized by the Chair and testified in support of **SB 13**. Secretary Wagon stated **SB 13** reflects the result of negotiation and compromise between the Department and the business

CONTINUATION SHEET

MINUTES OF THE Senate Assessment and Taxation Committee at 10:40 A.M. on January 27, 2005 in Room 519-S of the Capitol.

community (Attachment 4).

The Chair recognized Larry Baer, Assistant General Counsel, League of League of Kansas Municipalities (LKM). Mr. Baer appeared before the Committee on behalf of LKM and its member cities in support of **SB 13**. The testimony states **SB 13** clarifies and broadens the scope of information that can be shared between state agencies and others relating to the collection, payment and enforcement of tax collections. The LKM believes **SB 13** is a policy change for the betterment of the State of Kansas, cities, and counties (Attachment 5).

Laurie McKinnon, General Counsel, KPERS, appeared before the Committee as a proponent of **SB 13**. KPERS supports the language in **SB 13** that allows KPERS access to the Department of Revenue's database to examine W-2 payroll information filed by KPERS employers (Attachment 6).

Randall Allen, Kansas Association of Counties, submitted written testimony in support of **SB 13** (Attachment 7).

Chairperson Allen recognized Matt Jordan, Director of Operations, Department of Commerce, in support of **SB 13**. Mr. Jordan stated Commerce worked with the Department of Revenue and KCCI to draft the bill (Attachment 8).

Bud Burke appeared before the Committee on behalf of the City of Olathe in support of **SB 13** (Attachment 9).

Marlee Carpenter, KCCI, appeared in support of **SB 13** (Attachment 10).

There being no others to testify on **SB 13**, Chairperson Allen closed the hearing.

Approval of Minutes

Chairperson Allen asked for approval of the minutes of January 12 and January 18. Senator Donovan made a motion to approve the minutes, seconded by Senator Jordan. The motion carried.

Chairperson Allen mentioned to the Committee it had received a handout furnished by the KLRD containing supplemental information to the Kansas Tax Facts (Attachment 11).

Senator Lee made a request of KDOR to furnish a comparison of State and Local Retail Sales Taxes with other states.

The Chair noted the Committee would not be meeting tomorrow.

The meeting adjourned at 11:45 a.m.