

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 9:00 a.m. on February 26, 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
Hank Avila, Kansas Legislative Research Department
Chris Courtwright, Kansas Legislative Research Department
Kathy Beavers, Committee Assistant

Others attending:

See attached list

Conferees appearing before the committee:

Bill Waters, Property Valuation Department
Paul Welcome, Johnson County Appraiser
April Holman, Kansas Action for Children

The Chairman called the meeting to order at 9:10 a.m.

Bill Introductions:

Representative Menghini made a motion to introduce a bill extending the better business restoration program in Greensburg, Kansas. Representative Benlon seconded the motion and the motion carried.

Representative Menghini made a motion to introduce a bill to address our system of sales tax exemptions. Representative Dillmore seconded the motion and the motion carried.

Chairman Carlson continued the hearing on **HB 2150** from the February 25, 2009 meeting.

Representative Carlson stated that written testimony from Derrick Sontag, Americans for Prosperity, (Attachment 1) and Chris Wilson, Executive Director of Kansas Building Industry (Attachment 2) in support of **HB 2150** is in the members packet of information.

Bill Waters, Property Valuation Department, testified in opposition to **HB 2150** (Attachment 3). He stated in his testimony that “The Department firmly believes that Proposition K is an unconstitutional violation of the requirements of art. 11, § 1 of the Kansas Constitution.” He referred to charts in his written testimony that illustrates Proposition K results in a rate of taxation that is not uniform and equal. He stood for questions. Mr. Paul Davis, Property Valuation Department responded to questions regarding the charts and the system used to reach those results.

April Holman, Kansas Action for Children testified in opposition to **HB 2150** (Attachment 4). She stated that **HB 2150** is unconstitutional. She expressed concerns about the impact on Kansans whose property values are stagnant or decreasing. Ms. Holman also stated that because of the way property tax works, when one group pays less than their fair share of taxes, every other group pays more. Under **HB 2150**, the owners of properties increasing in value would pay less than their fair share of taxes.

Paul Welcome, Johnson County Appraiser, testified in opposition to **HB 2150** (Attachment 5). Mr. Welcome stated that it would open the floodgates of appeals if **HB 2150** (Proposition K) passed. Representative Goyle asked Mr. Welcome if there had been an Attorney General’s opinion regarding the constitutionality of Proposition K. Mr. Welcome stated that there had been two Attorney General opinions and both stated that Proposition K would be unconstitutional. Mr. Welcome stood for questions.

Chairman Carlson continued the hearing on **HB 2150** until Monday, March 2, 2009.

The next meeting is scheduled for February 27, 2009. The meeting was adjourned at 10:25 a.m.