

MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Representative Tony Powell at 1:30 p.m. on February 15, 2000 in Room 313-S of the Capitol.

All members were present.

Committee staff present: Theresa Kiernan, Revisor of Statutes
Russell Mills, Legislative Research
Mary Galligan, Legislative Research
Winnie Crapson, Secretary

Conferees appearing before the committee:

Proponents

Dan Hermes, Director of Governmental Affairs, Office of the Governor

Opponents

Scott Hattrup, Kansas Sportsman's Alliance

Written Testimony

Melvin Grandstaff and concerned citizens in opposition

Others attending: See attached list.

Chairman Powell announced a change in the announced agenda. Some last minute issues have delayed discussion on **HB 2687** until a later committee meeting. Others attending:

Hearing was opened on

HB 2868, Disposition of firearms seized for payment of delinquent tax.

Dan Hermes, Director of Governmental Affairs of the Office of the Governor, presented testimony in support of the bill (Attachment #1). The bill would eliminate the requirement for the Department of Revenue to sell firearms to pay tax liabilities of individuals that have property seized by local law enforcement. It has no impact on any law that provides the powers to seize property but relates only to method of disposing of it to reduce tax debt. It provides that firearms would first be offered to the State Historical Society and then to the local law enforcement agency that seized the weapon. If these agencies do not claim the firearm, the Department would destroy the weapon. The taxpayer will be credited with the appraised value of the firearm. In 1992 law enforcement agencies were prohibited from selling confiscated weapons. This bill would extend that prohibition of the Department of Revenue.

In response to questions, Mr. Hermes stated that in fiscal 1998 the Department of Revenue sold 231 firearms: 54 handguns and 177 rifles. He did not know how many of the firearms sold had been use din crimes.

In response to question about recovery of the firearms if tax liability is satisfied, Mr. Hermes stated it would depend upon the time frame. If they had not already been sold, they could be returned.

Representative Morrison said it was her understanding no other state has implemented this type of program.

Phil Wilkes, Attorney for the Department of Revenue, said firearms are presently sold at auction and can be purchased only by licensed gun dealers. To receive a bid number they must show their license and a picture ID to the auction clerk.

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Scott Hatrup presented testimony in opposition to **HB 2868** (Attachment #2). He noted that at all times the disposition of seized firearms is controlled by a judge under the state code of criminal procedure and at no time does control shift to the Department of Revenue. He believes the practical effect of this bill will be to increase the expenses of dealing with seized property with no offsetting benefits. Currently firearms seized as part of a tax levy are sold at auction to licensed dealers resulting in a net benefit to state taxpayers. He noted that when forfeiture laws were set up the intent was to obtain the financial benefit of assets seized and sold for either law enforcement or the state general fund. In response to questions Mr. Hatrup described the process for declaring taxes delinquent.

Written testimony of Melvin Lee Grandstaff and some concerned citizens was distributed (Attachment #3).

Hearing on **HB 2868** was closed.

Fiscal Note: **HB 2868** Kansas Association of Counties indicates could present some additional costs for counties but amount cannot be estimated.

The meeting adjourned. The next scheduled meeting is February 17.