

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 13, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Jo Ann Pottorff- excused

Committee staff present:

Alan Conroy, Legislative Research  
J. G. Scott, Legislative Research  
Amy VanHouse, Legislative Research  
Michele Alishahi, Legislative Research  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Nikki Feuerborn, Administrative Analyst  
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Chris Atkins, Director of Tax and Fiscal Policy, American Legislative Exchange Council (ALEC)  
Dr. Barry Poulson, Professor of Economics, University of Colorado  
Mark Tallman, Kansas Association of School Boards (KASB)

Others attending:

See Attached List.

- Attachment 1 Research Information on **HCR 5034**, presented by Representative Landwehr
- Attachment 2 Testimony by Chris Atkins, American Legislative Exchange Council
- Attachment 3 Information on TABOR Amendment presented by Dr. Barry Poulson
- Attachment 4 Written testimony on **HCR 5034** from Marlee Carpenter, Vice-President of Governmental Affairs, The Kansas Chamber of Commerce
- Attachment 5 Testimony by Mark Tallman, Kansas Association of School Boards
- Attachment 6 Written testimony on **HCR 5034** by Diane Gjerstad, Wichita USD No. 259 and Robert Vancrum, Blue Valley USD No. 229

### **Hearing on HCR 5034 - Constitutional amendment to prescribe tax, revenue and expenditure limits on state government.**

Chair Neufeld recognized Representative Landwehr, who presented an explanation of **HCR 5034**, stating that the bill puts a cap on the spending of state government at the rate of inflation plus population; creates an emergency fund as well as a budget stabilization fund; and allows a vote of the citizens on tax and fee increases. The bill does not remove the required ending balance (Attachment 1).

The Chair recognized Chris Atkins, Director of Tax and Fiscal Policy at the American Legislative Exchange Council in Washington, DC, who presented testimony as an proponent of **HCR 5034** (Attachment 2). With no questions from the Committee, Chairman Neufeld thanked Mr. Adkins for his testimony.

Chairman Neufeld recognized Dr. Barry Poulson, Professor of Economics, University of Colorado, who continued with testimony as a proponent of **HCR 5034** and explanation of similar legislation in other states and the Taxpayers Bill of Rights (TABOR) legislation (Attachment 3). Dr. Poulson indicated that there is discussion and possible reform on the handling of federal mandates. Regarding implementation of the amendment, Dr. Poulson felt that it would be important to have constraints in place on borrowing temporary financing. The Committee expressed concern that there could be conflicts between this resolution and regulations tied to the Constitution. Jim Wilson, Revisor of Statutes, stated that the extent of any conflict would have to be governed by a court decision; however, direct conflicts in the resolution are not visible at this time. In response to a question concerning state mandates on local government, Dr. Poulson noted that when the state of Colorado issues a mandate on local government, it must be funded by the State.

CONTINUATION SHEET

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Written testimony in support of **HCR 5034** from Marlee Carpenter, Vice-President of Governmental Affairs, The Kansas Chamber of Commerce, was distributed to the Committee (Attachment 4).

Chairman Neufeld recognized Mark Tallman, Assistant Executive Director/Advocacy for the Kansas Association of School Boards (KASB), who presented testimony as an opponent of **HCR 5034** (Attachment 5).

Written testimony from Diane Gjerstad, Wichita USD No. 259 and Robert Vancrum, Blue Valley USD No. 229, in opposition to **HCR 5034**, was distributed to the Committee (Attachment 6).

Chairman Neufeld closed the hearing on **HCR 5034**.

The meeting was adjourned at 10:25 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 16, 2004.

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Melvin Neufeld, Chair