MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on January 15, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative James Miller- excused Representative Lee Tafanelli- excused

Committee staff present:

Chris Courtwright, Legislative Research Department Martha Dorsey, Legislative Research Department Gordon Self, Revisors of Statutes Carol Doel, Committee Secretary

Conferees appearing before the committee:

Representative Frank Miller Larry Baer Asst. General Counsel LKM Mark S. Beck, Director of Property Valuation

Others attending:

See Attached List.

Chairman Edmonds opened the meeting at 9:00 a.m. recognizing Representative Frank Miller who requested return before the committee to clarify statements that he made at the committee meeting on January 14th which he did not want misunderstood. His testimony and the testimony of others in support of **HB 2255** was on a statewide basis. It was not meant to bash Montgomery County. They have a good group of city officials who are doing a great job. There are exceptional expenses such as two community colleges and nice parks which are nice to have and make Independence and Coffeyville a nice place to live, however, they do add to the budget impact.

Following Representative Miller's statement, Chairman Edmonds opened the meeting for continued hearing on **HB 2255** with Larry Baer, Assistant General Counsel of the League of Kansas Municipalities presenting testimony in opposition to **HB 2255**. The League believes that the changes proposed by **HB 2255**conflict with existing provisions within K.S.A. 79-503a and, in addition, likely would not withstand a constitutional challenge. (Attachment 1)

Next to bring testimony before the committee in opposition to **HB 2255** was Mark S. Beck, Director of Property Valuation. His testimony explained the meaning of "Fair market value" as well as a statement that **HB 2255** prohibits the appraiser from considering changes made to a property called "regular maintenance". Besides its constitutional problems, **HB 2255** presents significant administrative problems. (Attachment 2)

Mr. Beck also submitted for committee review charts showing "Valuation Growth Analysis" (<u>Attachment 3</u>), "Valuation Growth Analysis for Real Property by Subclass" (<u>Attachment 4</u>), "Valuation Growth Analysis for Residential Land and Improvements" (<u>Attachment 5</u>) as well as a copy of a 2003 Shawnee County Real Estate Tax Statement (<u>Attachment 6</u>).

With no one further wishing to appear before the committee, Chairman Edmonds closed the hearing on **HB** 2255.

With no further business before the committee the meeting was adjourned at 10:30 a.m. on **HB 2255.**