Approved: March 29, 2011

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:35 p.m. on February 18, 2011, in Room 783 of the Docking State Office Building.

All members were present except:

Representative Dillmore-excused Representative McCray-Miller-excused Representative Phelps-excused Representative Schwab-excused Representative Weber-excused

Committee staff present:

Gordon Self, Office of the Revisor of Statutes Scott Wells, Office of the Revisor of Statutes Chris Courtwright, Kansas Legislative Research Department Michael Wales, Kansas Legislative Research Department Marla Morris, Committee Assistant Allen Jeffus, Office Assistant

There were no conferees appearing before the Committee.

Others attending:

See attached list.

Bill Introductions:

Representative O'Hara moved introduction of a bill to repeal the tax exemption given in 2006 to Trans Canada Pipeline also known as the Keystone Pipeline. The motion was seconded by Representative Kelley. The motion carried.

Representative Prescott moved to introduce a bill requested by the Education Committee for the Kansas Education Liberty Act. The motion was seconded by Representative Frownfelter. The motion carried.

Chairman Carlson directed the Committee to the Kansas Department of Revenue Report concerning M&E Slider Reimbursement (<u>Attachment 1</u>), and the Kansas Department of Commerce Summary of Rural Opportunity Zones (<u>Attachment 2</u>), placed in the daily packet.

Chiarman Carlson opened discussion and action on:

HB 2331-Rural opportunity zones

Chris Courtright, Kansas Legislative Research Department briefed the Committee on <u>HB 2331</u>. Secretary Nick Jordan, Kansas Department of Revenue, joined Mr. Courtwright for questions from the Committee.

Representative Kelley moved to pass out **HB 2331** favorable for passage. The motion was seconded by Representative Goico.

Gordon Self, Office of the Revisor of Statutes, explained a technical amendment to insert necessary wording into page 1, line 27; page 2, line 9; and deleting a word in page 2, line 12; and the wording contained in lines 13 and 14 on page 2 (<u>Attachment 3</u>).

Representative Kleeb moved the technical amendment. The motion was seconded by Representative Kelley, and the motion carried.

Representative Tyson moved an amendment to strike the counties in section B and add all counties with a population of 15,000 or less (Attachment 4). Representative Hayzlett seconded the motion. The motion failed.

Representative Brunk requested information pertaining to student loan qualifications. Staff was instructed, by Chairman Carlson, to determine if the student loan portion of the bill includes Junior

CONTINUATION SHEET

The minutes of the House Taxation Committee at 3:35 p.m. on February 18, 2011, in Room 783 of the Docking State Office Building.

Colleges and Technical Schools.

Representative Kleeb moved an amendment to include, in the bill, the five counties of Cloud, Commanche, Elk, Mitchell, and Wilson as proposed in his amendment (Attachment 5). The motion was seconded by Representative Hedke. The motion failed.

Representative Kelly closed on the motion to pass HB 2317 favorable as amended. The motion carried.

The next meeting is scheduled for 3:30 p.m., February 21, 2011, in Room 783 of the Docking State Office Building for the purpose of discussion and action on **HB 2317**.

The meeting was adjourned at 4:50 p.m.