

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 10:30 a.m. on March 12, 2009, in Room 535-N of the Capitol.

All members were present except:

Senator Jeff Colyer- excused

Committee staff present:

Gordon Self, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Corey Carnahan, Kansas Legislative Research Department
Chris Courtwright, Kansas Legislative Research Department
Mary Jane Brueck, Committee Assistant

Conferees appearing before the Committee:

Kent Eckles, Vice President of Government Affairs, Kansas Chamber of Commerce
Ashley Sherrard, Vice President, Lenexa Chamber of Commerce
Lavern Squire, Kansas Economic Development Association
David D. Kerr, Secretary, Kansas Department of Commerce
Dave Holtwick, Vice President of Government Affairs, Overland Park, Kansas
April Holman, Kansas Action for Children
Joan Wagon, Secretary of Kansas Department of Revenue

Others attending:

See attached list.

Chairman Donovan opened the meeting, and asked what the committee wishes were for **HB 2321 - Political subdivision under the Kansas retailers' sales tax act to include horsethief reservoir benefit district.** After discussion, Sen. Holland moved the bill be moved out of committee to the floor. Sen. Marshall seconded the motion. Motion carried.

Chairman Donovan opened a hearing on **SB 244 - Eligible businesses under the economic revitalization and reinvestment act.** Kent Eckles, Vice President of Government Affairs, Kansas Chamber of Commerce, was the first proponent to speak. He explained the Chamber feels this bill would make the state more competitive and help spur investment and job creation in Kansas. (Attachment 1)

Ashley Sherrard, Vice President, Lenexa Chamber of Commerce said they favor this bill to make it easier for Kansas to compete for businesses to come to our state. She included a map showing states around Kansas that now have this sort of incentive. (Attachment 2)

Lavern Squire, spoke on behalf of the Kansas Economic Development Association, as the Competitiveness Task Force Chair. They believe this bill would provide additional opportunities for companies that are ready and willing to invest in Kansas. (Attachment 3)

David D. Kerr, Secretary, Kansas Department of Commerce, said he sees this bill is a good step in the right direction, but does not see a significant difference with the IMPACT program. The state needs a comprehensive strategic plan to go about what we need to do for the State. (Attachment 4)

Dave Holtwick, Vice President of Government Affairs, Overland Park, Kansas submitted written testimony in favor of this bill. (Attachment 5)

There were no neutral conferees.

April Holman, Kansas Action for Children spoke in opposition of this bill. They are concerned about the erosion of the Kansas tax base. (Attachment 6)

Joan Wagon, Secretary of Kansas Department of Revenue, supports giving the Secretary of Commerce the flexibility to offer cash incentives to companies to come to Kansas, but she feels this must be done without threatening future employer withholding tax revenue growth. (Attachment 7)

CONTINUATION SHEET

Minutes of the Senate Assessment and Taxation Committee at 10:30 a.m. on March 12, 2009, in Room 535-N of the Capitol.

The next meeting is scheduled for March 17, 2009.

The meeting was adjourned at 11:47 a.m.