

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT

The meeting was called to order by Chairman Tim Huelskamp at 1:33 P.M. on February 15, 2005 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Martha Dorsey, Kansas Legislative Research Department
Mike Heim, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes
Janet Engel, Committee Secretary

Conferees appearing before the committee:

Senator Dennis Wilson
Chuck Henry, Treasurer, Wyandotte Co. Unified Govt.
Amy Meeker-Berg, Deputy Treasurer, Johnson Co.
John Bartolac, Clerk, Johnson Co.

Others attending:

See attached list.

Hearing on SB 133 - Homestead property tax credits; review of claim by county clerk.

Ken Wilke, committee staff, recapped the bill.

Proponents:

Senator Dennis Wilson provided a testimony (Attachment 1) and mentioned a potential amendment.

Chuck Henry, Treasurer, Wyandotte County Unified Government, provided testimony (Attachment 2).

Amy Meeker-Berg, Deputy Treasurer, Johnson County, provided testimony (Attachment 3).

John Bartolac, Clerk, Johnson County, provided testimony (Attachment 4).

Judy Moler, Kansas Association of Counties, provided written testimony (Attachment 5).

Senator Wilson fielded questions with the help of those who testified.

There being no opponents, Senator Huelskamp closed the hearing.

Senator Wilson and Ken Wilke provided a proposed amendment (Attachment 6) and summarized it. Senator Wilson moved and Senator Reitz seconded that the balloons be approved as amendments to SB 133. Discussion included that the Department of Revenue has not responded to this motion. Senator Wilson and Senator Donovan pointed out that this automation is consistent with their move toward electronic communication. The motion to amend carried.

Senator Francisco moved and Senator Betts seconded to reverse the first two phrases of the balloon being inserted in the current line 19. The motion to amend carried.

Senator Wilson moved and Senator Reitz seconded to pass SB 133 favorably as amended. The motion carried.

Discussion of SB 54 - Roofing materials; fire retardant requirements.

Senator O'Connor announced that she and Senator Francisco met with a number of interested parties to developed an amendment to this bill as distributed (Attachment 7). Senator O'Connor moved and Senator Pyle seconded to amend as proposed. Senators O'Connor and Pyle agreed to adjust their amendment to insert additional words in two parts of the balloon on page two. Consensus was to hold the vote until the committee can see the bill printed with these amendments. Ken Wilke will have the amendments ready

CONTINUATION SHEET

MINUTES OF THE Senate Elections and Local Government at 1:33 P.M. on February 15, 2005 in Room 423-S of the Capitol.

for the meeting tomorrow and the committee plans to vote at that time.

Closing

The next meeting is Wednesday, February 16.

There being no further business, the meeting was adjourned at 2:25 p.m.

E & LG minutes for 2 15 05 Updated 3/8/2005

STATE OF KANSAS

DENNIS M. WILSON
SENATOR, 37TH DISTRICT
JOHNSON COUNTY
11925 GILLETTE
OVERLAND PARK, KANSAS 66213



TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS
VICE-CHAIRMAN: TRANSPORTATION
ADMINISTRATIVE RULES AND
REGULATIONS
MEMBER: FINANCIAL INSTITUTIONS
AND INSURANCE
ELECTIONS AND LOCAL
GOVERNMENT

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2/15/05

Committee on Elections and Local Government

Chairman Huelskamp and Committee Members;

Thank you again for allowing me to introduce and testify on behalf of SB-133.

Seldom do we have a chance to change a law that will have any larger effect on the most vulnerable as the elderly and those who are in most need of financial assistance in our state.

Under current law, if a taxpayer meets the requirements of a homestead property tax credit, the State of Kansas requires many of our taxpayers to physically show up at the county courthouse to fill out or initiate paper work with both the office of the County Clerk and County Treasurer during the time of the year when the weather can be very difficult to negotiate for many who are frail and or physically challenged.

The County Treasurers Association and the County Clerks Association have looked at this antiquated system and are proposing changes in current law that will still need the taxpayer to qualify, but allowing the use of technology with the cooperation of the counties and the state to accommodate our citizens so they will physically not have to appear each year in person to receive these credits that are due them.

There are several conferees that deal with this on a day-to-day basis that will now testify about the order of the change and how we may accomplish this goal and relieve your taxpayers of this unnecessary burden of physically coming in to the county offices.

I have included a balloon change that needs to be made as an amendment since I first asked for the bill to be drafted to accomplish this goal.

After hearing all the testimony, I hope you will pass out SB-133 favorably.

Senate Elections & Local Govt.
Date: 2 / 15 / 2005
Attachment 1

**UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS**

**Charles A Henry
Director of Revenue/Treasury**

710 North 7th Street
Kansas City, Kansas 66101

Phone: (913) 573-28
Facsimile: (913) 573-28

**TESTIMONY
COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT
SENATE BILL 133**

February 15, 2005

Senator Tim Huelskamp, Chairman, and Members

I am here on behalf of the Kansas County Treasurers Association and the Unified Government of Wyandotte County/Kansas City, Kansas to testify in support of Senate Bill 133.

In November and December of 2004, we had nearly 700 people bring in their Homestead Eligibility letters they received from the Kansas Department of Revenue. These letters allow them to use the amount indicated towards their first half taxes. If the amount exceeds their first half taxes, the first half is paid in full. If the first half taxes exceed the amount on the letter, the taxpayer is responsible for the remainder.

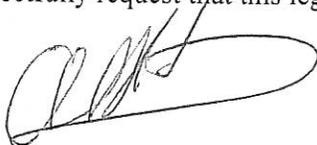
The current requirement is for the taxpayer to personally present the letter to the County Clerk. The Clerk verifies that the name on the letter and the name on the tax bill match, that the individual does not have delinquent taxes, and that the taxes are not paid by a mortgage company. If these tests are met, the taxpayer and the Clerk sign the form and they come to the Treasurer's Office. In Treasury, we verify the paperwork, collect the amount they want to pay, keep copies of the letter and tax bill, and send them on their way. For many of these people, it involves both the individual bringing in their letter and bill as well as their son or daughter who took off work to assist them in this process. For about 50 of those that came in this past year, they were sent away for one reason or another. For the remaining 650, we made four copies, and sent them on their way.

After the tax season ends, we sort through the papers, make sure they are completed correctly, and send the stack of paper to Topeka for the Department of Revenue to review the filings and send our money.

This bill eliminates both of those nuisance duties and enhances our goal of serving our customers more efficiently. Under this bill, the same checks as before would still be performed. The difference is, we would do this in a single sitting, get the information posted to the system, and send the taxpayer the bill for the amount they still owe after the state has made their payment. The taxpayer can then mail it in or make a personal visit, whichever they prefer. Also, we would not have to send a stack of paper to Topeka. We would simply return the electronic file showing the amount of the advance used to pay taxes.

This bill aids the taxpayers in two ways and aids in the efficiency of County operations. It has no cost impacts. (Cost to state to develop and e-mail electronic files is offset by reduced printing and mailing costs of sending out eligibility letters.)

Mr. Chairman, we respectfully request that this legislation be affirmatively advanced from this committee for further action.



Senate Elections & Local Govt.
Date: 2 / 15 / 2005
Attachment 2



Office of the Johnson County Treasurer

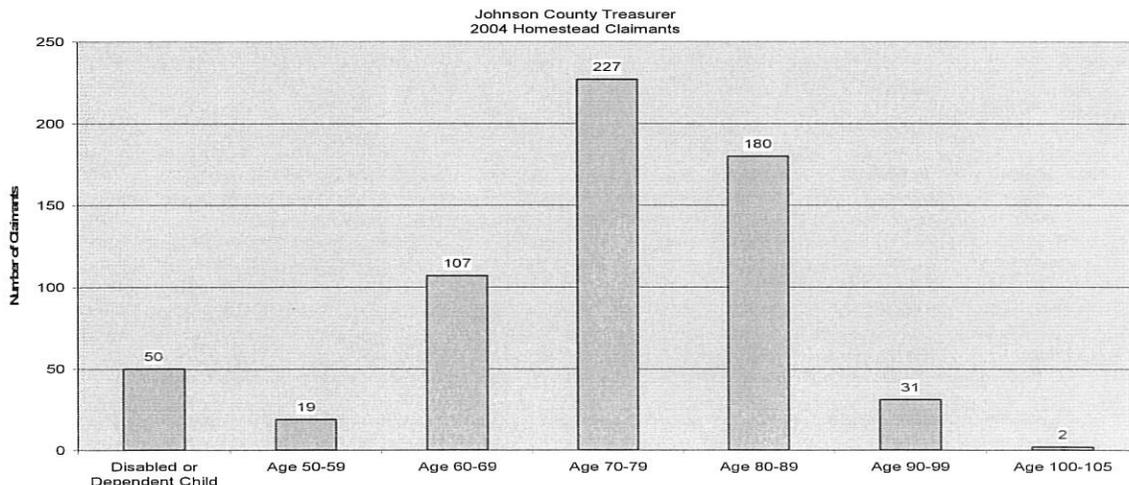
111 S. Cherry St., Ste. 1500, Olathe, KS 66061 • 913-715-2600 phone • 913-791-5360 fax • treasurer.jocogov.org

TESTIMONY

Committee on Elections and Local Government Senate Bill No. 133 February 15, 2005

Senator Tim Huelskamp, Chairman and members of the Committee on Elections and Local Government, I am Amy Berg, Deputy Treasurer for Johnson County. I want to thank you for allowing me to testify on behalf of the Johnson County Treasurer's Office in favor of Senate Bill No. 133. We support this measure as it will improve service delivery by automating and streamlining government operations, while eliminating the excessive demands we make on the Homestead claimants.

The process today requires that each Homestead claimant physically walk in to their local County office to obtain signatures. To qualify for homestead you must have a total household income of \$25,000 or less and be born before January 1, 1947, OR be blind or totally and permanently disabled all of 2002, OR have a dependant child who lived with you the entire year who was born before January 1, 2002, and was under the age of 18 all of 2002. It has been brought to our attention by the citizens we serve that this is not only a strain on them, but often physically impossible. In the chart below you can see the number of claimants and their eligibility status. It is important to note that out of 616 claimants 73% are age 70 or older.



Therefore, we ask that the requirement for claimants to physically walk into our County offices to obtain a signature be removed.

We see an opportunity to automate the Homestead process by requesting the Department of Revenue send to the County Clerk an electronic file containing the information they currently provide manually. This file would be certified by the County Clerk's Office where current ownership information and property address location would be verified. The Clerk will then send the file on to the Treasurer's Office where an adjustment will be made to their first half tax amount due. By allowing the Treasurer's Office to adjust the tax bill, errors in calculation will be eliminated and the claimant will only need to mail in their payment. Quite often claimants ask the County Clerk or the Treasurer's Office to assist them in calculating the amount they owe. By doing this up front for the claimant, there can be no confusion as to the amount they owe and the payment they need to make. The Treasurer's Office will then verify payment information for the Department of Revenue and return the file electronically. The Department of Revenue still has the ability to deny or reject a claim based on the information provided by the County Clerk and/or Treasurer. Below you can see the number of total claims processed and number of claims denied by the Department of Revenue. In Johnson County we have only had one claim denied in the last three years. The Treasurer's Office will continue to be responsible for notify claimants of the State's denial.

JOHNSON COUNTY CLAIMS 2002-2004

Tax Year	Total # of Claims	# of Claims Denied
2002	564	None
2003	567	None
2004	616	1*

*Claim was denied by the Department of Revenue because the claimant did not currently reside at the property location/situs address. The claimant had been awarded homestead for 2002 and 2003, but moved to an apartment in 2004. Situs addresses will continue to be supplied to the Department of Revenue by the County Clerk or Treasurer.

The Johnson County Treasurer's Office respectfully requests that this legislation be advanced from this committee for further action. Thank you for your attention. I would be happy to stand for questions.



John A. Bartolac, Director

TESTIMONY
Committee on Elections and Local Government
Senate Bill No. 133
February 15, 2005

Senator Tim Huelskamp, Chairman and members of the Committee on Elections and Local Government, I am John A. Bartolac, Director of Records and Tax Administration for Johnson County (combined offices of County Clerk and Register of Deeds). I am here on behalf of the Johnson County Department of Records and Tax Administration and the Kansas County Clerks' and Election Officials' Association testifying in support of Senate Bill 133.

The Homestead Rebate Program provides a direct benefit to those taxpayers needing relief from real estate ad valorem taxes. The current program, however, creates distinct hardships for these taxpayers to obtain this benefit. The requirement to physically appear before the Clerk to sign the form is difficult for those that are elderly and infirm. Considering the fact that this process occurs during the winter months adds additional risk for the taxpayers to drive and walk.

Senate Bill 133 would allow for the use of existing technology to automate the Homestead process benefiting the taxpayer, county departments and state agencies. By providing an electronic file of eligible taxpayers to each County, the verification process conducted by the Clerk's office could be completed at one time; tax billing calculation errors would be eliminated and adjusted bills could be mailed in a more timely fashion; and the payment return reporting process would be immediate and complete.

The Kansas County Clerks' and Election Commissioners' Association continue to fully support the continuation of the Homestead Rebate program as we feel it is an important benefit for our taxpayers. We support Senate Bill 133 to enable us to service this program in a more cost effective and reasonable manner.

Thank you for the opportunity to speak on behalf of this bill. We respectfully request that this legislation advance favorably from this committee for further action.

Senate Elections & Local Govt.
Date: 2 / 15 / 2005
Attachment 4



WRITTEN TESTIMONY
Senate Elections and Local Government on
SB 133

February 15, 2005

By Judy A. Moler, General Counsel/Legislative Services Director

Thank you Chairman Huelskamp and Members of the Senate Committee for allowing the Kansas Association of Counties to provide written testimony on SB 133

The Kansas Association of Counties supports the passage of SB 133. This bill is taxpayer friendly and eliminates several steps in a lengthy process for receipt of homestead property tax credits.

The Kansas Association of Counties has supported this concept in their adopted policies and continues to do so.

In the interest of fairness and ease in taxation, the Kansas Association of Counties respectfully requests passage SB 133.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randy Allen or Judy Moler by calling (785) 272-2585.

SENATE BILL No. 133

By Committee on Elections and Local Government

1-28

to the county clerk by October 15 an electronic record containing the name of each eligible claimant

9 AN ACT concerning homestead property tax credits; amending K.S.A.
10 2004 Supp. 79-4521 and repealing the existing section.

11
12 *Be it enacted by the Legislature of the State of Kansas:* 2006

(1) 13 ~~Section 1. K.S.A. 2004 Supp. 79-4521 is hereby amended to read as~~
14 follows: 79-4521. (a) Beginning in ~~2001~~ and in each succeeding year, the
15 director of taxation shall issue a certificate of eligibility for refund to each
16 claimant who received a refund of property taxes under the homestead
17 property tax refund act for the prior year. After the certificate has been
18 completed by the claimant and the county clerk of the county in which
19 the property is located, the claimant may present such certificate to the
20 county treasurer in lieu of paying that portion of the first half of taxes on
21 the claimant's homestead in the current year which equals the amount of
22 the homestead property tax refund received by the claimant for taxes
23 levied in the preceding year up to the amount of the first half of the
24 property taxes due.

25 (b) ~~Prior to presenting the certificate to the county treasurer the~~
26 ~~claimant shall sign the certificate, and shall also assign, in a space provided~~
27 ~~on the certificate, the refund to the county to pay the taxes on the claim-~~
28 ~~ant's homestead for the year in which such certificate is issued. The claim-~~
29 ~~ant shall then submit the certificate of eligibility to the county clerk for~~
30 ~~review. The county clerk shall review the claim, based on proof of eligi-~~
31 ~~bility as prescribed in rules and regulations adopted by the secretary of~~
32 ~~revenue, to determine whether the claimant will be eligible for the re-~~
33 ~~fund. If the county clerk is satisfied the claimant will be eligible, the~~
34 ~~county clerk shall sign the certificate and return it to the claimant.~~

35 ~~(c) The county treasurer shall send a copy of each certificate of eli-~~
36 ~~gibility to the director of taxation by December 31 of each year. After~~
37 ~~receiving a claim of any claimant who has obtained a certificate of eligi-~~
38 ~~bility under this section, the director shall examine the same, and if the~~
39 ~~claim is valid, the director of accounts and reports shall draw a warrant~~
40 ~~in favor of the county in which claimant's homestead is located upon a~~
41 ~~voucher approved by the director of taxation in the amount of the allow-~~
42 ~~able claim for refund. Sufficient information to identify the claimant shall~~
43 ~~be directed to the county treasurer with each warrant. Any taxes levied~~

(2) Between January 1 and April 15, when initially filing a claim for a homestead property tax refund, the claimant shall be given an election to receive such refund directly from the director of taxation or have such refund applied on claimant's ad valorem taxes in the county. The claimant shall make the election on a form supplied by the director of taxation. Such refund shall not be applied to any special assessment.
(3) After the electronic record has been received from the director of taxation, the county clerk of the county in which the property is located shall make any corrections needed, if any, based upon information known by the county clerk concerning any change in eligibility of any claimant listed in such record. After any needed corrections have been made to the electronic record, the county clerk, on behalf of each claimant listed in such record, shall certify the information contained in such record

certify and return the electronic record referred to in subsection(a), including any changes made by the county clerk pursuant to subsection(a),

is listed in the electronic record submitted by the county treasurer

1 in any year on the homestead of any claimant who has obtained the cer-
2 tificate of eligibility herein provided for in excess of the amount paid to
3 the county by the state and by the claimant on or before December 20
4 of such year shall be paid by the claimant on or before May 10 of the
5 succeeding year.

6 Sec. 2. K.S.A. 2004 Supp. 79-4521 is hereby repealed.

7 Sec. 3. This act shall take effect and be in force from and after its
8 publication in the statute book.

(c)

FF
For the purposes of this section, the term "electronic record" shall have the meaning ascribed to it in K.S.A. 16-1602 and amendments thereto.

6-2

SENATE BILL No. 54

By Committee on Elections and Local Government

1-19

9 AN ACT concerning roofing materials.

10 *Be it enacted by the Legislature of the State of Kansas:*

11 Section 1. (a) Except as provided in subsection (b), on and after the
12 effective date of this act, no roofing material shall be used in the con-
13 struction, maintenance or replacement of the roof, or any portion thereof,
14 of any residence located in this state unless such roofing material meets
15 or exceeds the fire resistance standards for a class C roof as established
16 by rules and regulations adopted by the state fire marshal pursuant to this
17 act, and amendments thereto, or any municipal building code which has
18 been adopted as required by law, whichever is more restrictive.

19 (b) The provisions of subsection (a) shall not apply to roofing material
20 used in the ~~construction~~, maintenance or replacement of *less than 50%*
21 of the roof of any residence *which was occupied* prior to the effective
22 date of this act.

23 Sec. 2. (a) This act shall be administered by the state fire marshal.

24 (b) The state fire marshal shall adopt reasonable rules and regulations
25 consistent with the provisions of this act for the safeguarding of life and
26 property from fire, explosion and hazardous materials.

27 (c) Any rules and regulations of the state fire marshal adopted pur-
28 suant to this section may incorporate by reference specific editions, or
29 portions thereof, of any nationally recognized fire prevention code or
30 nationally recognized building code.

31 (d) The rules and regulations adopted pursuant to this section shall
32 allow the roof of any residence in service prior to the effective date of
33 such rules and regulations, and not in strict conformity therewith, to con-
34 tinue in service, so long as such roof is not determined by the state fire
35 marshal to constitute a distinct hazard to life or property. Any such de-
36 termination shall be subject to the appeal provisions contained in K.S.A.
37 31-140 and amendments thereto.

38 Sec. 3. For the purposes of this act: (a) "Residence" means a single
39 family dwelling.

40 (b) "Nationally recognized code" or "nationally recognized fire pre-
41 vention code" shall have the meaning ascribed to such terms in K.S.A.
42 31-132 and amendments thereto.]
43

1 (c) "Municipality" shall have the meaning ascribed to such term in
2 K.S.A. 31-132 and amendments thereto.

3 (d) "Nationally recognized building code" shall have the meaning as-
4 cribed to such term in K.S.A. 31-132 and amendments thereto.

5 Sec. 4. This act shall take effect and be in force from and after its
6 publication in the statute book.

(a) From and after July 1, 2006, any restrictive
covenant that requires the use of any roofing material which
does not meet or exceed Class C fire resistant standards in
the construction or replacement of the roof is hereby
declared to be contrary to the public policy of this state and
unenforceable.

(b) For the purposes of this section, a roofing material shall
be deemed to comply with the requirements of subsection
(a) if the roofing material has been tested in accordance
with one of the following documents as such document
exists on July 1, 2005, and found to be in compliance with
the Class C fire resistant standards contained therein:

1. United laboratories Standard 790 (UL 790)
entitled "Standard Test Methods for Fire Tests of
Roof Coverings";
2. ASTM E108 entitled "Standard Test Methods
for Fire Tests of Roof Coverings"; or
3. ASTM D2898 entitled "Standard Test Methods
for Accelerated Weathering of
Fire-Retardant-Treated Wood for Fire Testing"