

**House Committee on Taxation  
Testimony in Support of Senate Bill 119  
Presented by Eric Stafford, Vice President of Government Affairs**

**Monday, March 22, 2021**

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. The Kansas Chamber appreciates the opportunity to testify in support of Senate Bill 119, which contains contents of five bills from 2020, all of those passing the Senate by a vote of 40-0.

***Section 1 – list of eligible appraisers (2020 SB 264)***

Under this statute, the director may remove any person from the list of eligible appraisers for failing to meet minimum qualifications, or certain convictions or felony charges, or civil judgement. SB 119 adds language that would remove a person from the list of eligible appraisers if they have been terminated from the office of county or district appraiser in one or more counties.

If an individual was terminated because they were unfit to serve in the capacity as appraiser in one office, we believe they should not be considered for the same position in another county as the same issues could then impact taxpayers elsewhere. Removing them from the list maintained by PVD is a logical step. This change also protects local from hiring someone who was, unknowingly to them, terminated by another governing body.

***Section 2 – Time to request full and complete opinion (2020 SB 262), Electronic notice (2020 SB 265)***

This change from last year's SB 262 simply clarifies that an aggrieved party may request a full and complete opinion after service of the decision, rather than "receiving" the decision. Most statutes give some number of days to appeal from the date the order was "served" (mailed) but this statute calculated the time from the date the order was "received". It's impossible to determine when someone receives a notice, but we are able see when it was mailed.

Section 2 also includes language from SB 265 introduced last session. This language offers the ability for the board of tax appeals, upon request and consent by the party and their attorney, if any, to serve an order or notice through electronic communications. In today's electronic

world, this is a positive change that provides expedited, and more efficient communications between taxpayers and BOTA.

***Section 3, 5, 6, 7 – Prohibiting BOTA from increasing valuation during appeal to an amount greater than initial appeal (2020 SB 272)***

It seems like legislation would not be needed to protect taxpayers from an unexpected increase in their valuation during the appeals process, but unfortunately there have been instances where BOTA's finding has resulted in a higher valuation than what was initially under appeal. No taxpayer should leave BOTA with a ruling that's worse than what they were appealing.

In 2019 before this committee, a representative from BOTA was asked if the board had the authority to increase a property valuation above the initial appraised value under appeal, and the answer given to this committee was that BOTA did not. But as we stated, we know there are instances where this has happened. These sections of SB 119 protect taxpayers against an appraiser, and BOTA from increasing valuations higher than the initial amount under appeal.

***Section 4 – Requiring appraisers to comply with Uniform Standards of Professional Appraiser Practice (USPAP) in property tax appraisals (2020 SB 297)***

Section 4 of SB 119 amends Kansas law to require appraisals be performed in "compliance with the uniform standards of professional appraisal practice" (USPAP). This provision also clarifies that the director of property valuation is the sole authority to allow for additional standards if a determination is made that additional standards are required, as long as those do not conflict with USPAP.

According to their website, USPAP "*are the generally recognized ethical and performance standards for the appraisal profession in the United States. USPAP was adopted by Congress in 1989, and contains standards for all types of appraisal services.*" USPAP essentially does two things: 1- They set the requirements to qualify for designation as an appraiser; and 2) set minimum standards for an appraisal to be considered credible.

The benefit for taxpayers with the proposed changes in Section 4 of SB 119 would be ensuring the highest standards of appraisal professionals are the guiding principles by which property in Kansas is appraised, while also ensuring that the director of PVD would be the only office which can establish additional standards for appraising property.

In closing, we appreciate the committee's consideration of Senate Bill 119 and would ask for your support of these common sense reforms to Kansas law. Thank you for allowing us the opportunity to testify, and I'm happy to answer questions at the appropriate time.