

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 100, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:  
2 A BILL FOR AN ACT concerning the General Assembly.  
3 Delete everything after the enacting clause and insert the  
4 following:  
5 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **As used in this**  
6 **SECTION, "committee" refers to the Interim Study Committee on**  
7 **the Taxation of Homestead Property.**  
8 (b) **There is established the Interim Study Committee on the**  
9 **Taxation of Homestead Property. The committee consists of fifteen**  
10 **(15) members, who shall be selected as follows:**  
11 (1) **Four (4) members appointed by the president pro tempore**  
12 **of the senate from the membership of that body. No more**  
13 **than two (2) members may be members of the same political**  
14 **party.**  
15 (2) **Four (4) members appointed by the speaker of the house of**  
16 **representatives from the membership of that body. No more**  
17 **than two (2) members may be members of the same political**  
18 **party.**  
19 (3) **One (1) member employed by a public or private**  
20 **institution of higher education who is a recognized expert in**  
21 **property taxation appointed by the president pro tempore of**  
22 **the senate.**  
23 (4) **One (1) member employed by a public or private**  
24 **institution of higher education who is a recognized expert in**  
25 **economics appointed by the speaker of the house of**  
26 **representatives.**

- 1           **(5) One (1) member who is employed in and representing the**  
 2           **real estate and homebuilding industry appointed by the**  
 3           **president pro tempore of the senate.**
- 4           **(6) One (1) member who is employed in and representing the**  
 5           **agricultural community appointed by the speaker of the house**  
 6           **of representatives.**
- 7           **(7) One (1) member who is a representative of the business**  
 8           **community appointed by the president pro tempore of the**  
 9           **senate.**
- 10          **(8) One (1) member who is a representative of local**  
 11          **government appointed by the speaker of the house of**  
 12          **representatives.**
- 13          **(9) One (1) member who is a representative of an organized**  
 14          **citizens group active in the property tax reform movement**  
 15          **appointed by the president pro tempore of the senate.**
- 16          **The chairperson of the committee shall be appointed by the**  
 17          **president pro tempore of the Senate from the Senate members.**
- 18          **(c) The committee shall examine the following issues in regard**  
 19          **to the possible elimination of property taxation of homestead**  
 20          **property:**
- 21               **(1) Revenue alternatives to replace property taxes that would**  
 22               **be lost to local government and schools, including but not**  
 23               **limited to the expansion of the sales tax to services and the**  
 24               **imposition of real estate transfer fees.**
- 25               **(2) The impact on economic development and economic**  
 26               **competitiveness with other states.**
- 27               **(3) The impact on the budget process for units of local**  
 28               **government and schools.**
- 29               **(4) The positive and negative impacts on residential property**  
 30               **and the homebuilding industry.**
- 31               **(5) Measures that could be taken to avoid tax shifts among**  
 32               **taxpayer groups that could arise from decreasing property**  
 33               **taxes and increasing other taxes or fees.**
- 34               **(6) The extent to which mechanisms exist to efficiently and**  
 35               **fairly return replacement revenue generated by the state to**  
 36               **local government and schools.**
- 37               **(7) Measures that could be taken to ensure that local decision**  
 38               **authority is not diminished as a result of increased state**  
 39               **financial responsibility for local programs.**
- 40               **(8) The extent to which a large increase in the state budget**  
 41               **arising from increased distributions to local government and**  
 42               **schools would require greater state reserves and balances.**
- 43               **(9) Administrative savings in the assessment of homesteads.**
- 44               **(10) Any other issues deemed relevant by the committee.**
- 45          **(d) The committee shall issue a final report no later than**  
 46          **December 1, 2008. If recommended by the committee, the report**  
 47          **shall include proposed legislation for introduction in the 2009**  
 48          **session of the General Assembly.**
- 49          **(e) The committee shall meet as needed to accomplish the**  
 50          **purposes of this act.**

- 1           **(f) The affirmative votes of a majority of the members**
- 2           **appointed to the committee are required for the committee to take**
- 3           **action on any measure, including final reports.**
- 4           **(g) Members of the committee are entitled to per diem and**
- 5           **travel allowances in the same amounts as the legislative council**
- 6           **provides for members of interim study committees.**
- 7           **(h) The legislative services agency shall provide legal and fiscal**
- 8           **staff support to the committee.**
- 9           **(i) This SECTION expires December 31, 2008.**
- 10          **SECTION 2. An emergency is declared for this act.**  
              (Reference is to SB 100 as introduced.)

**and when so amended that said bill be reassigned to the Senate Committee on Rules and Legislative Procedure.**

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LONG, Chairperson