



2017 Kansas REALTORS® Legislative Agenda

1. Oppose Attempts to Increase the Tax Burden on Middle-Class Kansas Property Owners by Eliminating the Mortgage Interest and Property Tax Deductions

- Economic growth depends on a stable investment environment with a consistent tax code. In 2012 and 2013, the Kansas Legislature passed extensive reforms to the Kansas state income tax code. However, on both occasions, and again in 2015, the Legislature protected the ability of Kansans to claim the mortgage interest and property tax deductions on their state income tax returns, albeit cutting each by 50%.
- Eliminating the mortgage interest and property tax deductions would have led to a tax increase for 360,000 middle-class Kansas homeowners. Thankfully, the Legislature has wisely rejected all proposals that would eliminate these important deductions.
- In 2017, the Kansas Legislature should do no harm to the real estate market, by opposing attempts to eliminate the mortgage interest and property tax deductions. If the Legislature makes further changes to the state income tax code, then it should restore the full deduction of mortgage interest and property taxes, which will benefit Kansas families, farmers and small business owners.

2. Defend the Right to Vote on Property Tax Increases.

- In 2015, the Legislature passed a law that gives voters the right to vote when cities and counties increase the property tax burden by more than the rate of inflation. In doing so, Kansas became the 20th state to grant this right to voters. In 2016, the Kansas Legislature passed a compromise bill that moved the effective date of the law up to 2017 and provided meaningful exemptions to the public vote requirement, while maintaining the spirit of the law.
- REALTORS® believe that real estate is burdened with an excessive share of the constantly increasing cost of state and local government. While we realize the importance of many programs funded through property tax revenues, we believe tax revenues should be equitably collected from a variety of sources and encourage taxing jurisdictions to consider the negative impact to the housing market associated with any potential increase in property tax rates. The “public vote requirement” will put the question of property tax increases over the rate of inflation to the people of your district.
- In 2017, the Kansas Legislature should do nothing to erode Kansans’ ability to vote on property tax increases.

3. Create a Sustainable School Finance Formula.

- REALTORS® realize the importance of quality public schools to the local real estate market. The quality of education in our schools has proven to be a driving force in the growth or demise of our residential and business communities. It is these communities, not merely the homes within them, which are bought and sold. REALTORS® support responsible funding for public schools.
- As such, we believe tax revenues dedicated to schools should be equitably collected from a variety of sources and encourage the consideration of the negative impact to the economy with an excessive increase in the state mandated mill levy rates for school funding.
- Furthermore, any framework for local option budgets should consider oversight by local taxpayers with an affirmative vote of the local electorate.

4. Continue to Protect Consumer Choice in the Housing Market by Opposing Price Controls on the Rental or Sale of Private Property

- In 2016, the Kansas Legislature passed SB 366 in order to prohibit any city or county from imposing price control mandates on privately owned property unless grants or incentives are provided.
- The 2017 Kansas Legislature should continue to defend consumer choice and the free market by opposing any legislation that would allow local governments from establishing or enforcing price controls on commercial or residential private property.

5. Protect KREC's Ability To Do Background Checks on Real Estate Licensees.

- Due to the unique nature of the profession, real estate licensees have access to their clients' homes and are privy to some of their clients' most personal information.
- REALTORS® want to protect consumers who interact with Kansas real estate licensees. To do so, the Kansas Real Estate Commission must be able to make reasonable inquiries into the criminal histories of license applicants and to deny licenses to individuals who are found to have felony convictions on their criminal histories. In 2017, the Kansas Legislature should oppose any efforts to erode KREC's ability to protect Kansas consumers.

The Kansas Association of REALTORS® (KAR) is the state's largest professional trade association, representing over 8,500 members involved in agricultural, commercial and residential real estate.

REALTORS® are the dedicated advocates for over 700,000 Kansas home owners and commercial property owners. We serve a very important role in creating economic growth, growing jobs and stimulating the overall Kansas economy.

REALTORS® are dedicated to working with elected officials to create a better Kansas by supporting job growth and economic development, a high quality of life and affordable housing opportunities while protecting the rights of private property owners.

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