

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairperson Jeff Longbine at 9:30 am on Monday, March 16, 2015, 546-S of the Capitol.

All members were present except:

Senator Robert Olson – Excused

Committee staff present:

Ellen Martinez, Kansas Legislative Committee Assistant

Melissa Calderwood-Renick, Legislative Research Department

Whitney Howard, Legislative Research Department

Eileen Ma, Office of Revisor of Statutes

Conferees appearing before the Committee:

Stan Jones, director of Bond Services, Office of Kansas State Treasurer

Others in attendance:

No list available

Hearing on: HB2259 — Amending the county and municipal statement of indebtedness reporting deadlines.

Senator Longbine called the hearing on **HB 2259**. Melissa Renick, staff researcher, gave a brief overview of the bill.

Stan Jones, Director of Bond Services, Office of Kansas State Treasurer, testified in support of the bill. The reporting of debt information to the State Treasurer is a two-step process where first the individual clerks of each municipality are required to send the indebtedness for their specific entity to the county clerk by July 5th. The second step of the process is that the county clerk then consolidates that information and reports it to the Bond Services Department by July 15th. All of the indebtedness totals are to be reported as of June 30th.

The current deadlines are often difficult for the municipal and county clerks to comply with due to the short time frame prescribed by statute. With the end of the reporting period often coinciding with the municipalities fiscal year end, the municipal clerks struggle to compile all of the current debt balances and report to the county clerk within the 5 day deadline.

HB 2259 changes the statutory deadlines to allow more time for the county and municipal clerks to gather and report the indebtedness figures. The municipal clerk's deadline is changed from July 5th to July 31st to provide the various municipalities within the county time to gather and report to the county clerk. In addition, it changes the deadline for the county clerk to compile and report the information to the State Treasurer from July 15th to August 15th. These deadline changes provide a more realistic time frame for compliance considering the variety of municipalities within a county, and the end of fiscal year concerns. **HB 2259** was amended in the House Financial Institutions Committee to include a required publishing date of the information on September 30th by the State Treasurer's Office. ([Attachment 1](#))

CONTINUATION SHEET

MINUTES of the Committee on Financial Institutions and Insurance at 9:30 am on Monday, March 16, 2015, 546-S of the Capitol.

There be no further no testimony, Senator Longbine closed the hearing at 9:45 A.M.

Hearing on: HB2260 — Eliminating the one-sheet requirement for temporary notes for improvements.

Senator Longbine opened the hearing on **HB 2260**. Whitney Howard, staff researcher, gave a brief overview of the bill.

The current statutory requirement that a temporary note be restricted to one sheet of paper no longer serves a purpose in the modern financial markets. The temporary notes are now help in a clearing house to be traded electronically. The clearing house has no restrictions regarding the number of pages they may be printed upon, and accept bond issues and temporary notes printed on multiple pages of paper.

HB 2260 will strike the restriction that temporary notes be confined to one sheet of paper. This change will allow bond attorneys to print the needed documentation in a readable format, and will have no effect on the validity of the temporary not issue. This revision will eliminate an antiquated and unnecessary requirement in the modern electronic exchange environment. ([Attachment 2](#))

There being no further testimony, Senator Longbine closed the hearing at 9:50 A.M.

Senator Longbine indicated to the Committee of his intention tomorrow to work bills previously heard.

Senator Bowers introduced her pages: Taegen Larsen, Mikayla Breneman, and Macy Squires.

There being no further business, the meeting was adjourned.