

MINUTES OF THE House COMMITTEE ON Federal and State Affairs

The meeting was called to order by Rep. Neal D. Whitaker at
Chairperson

1:30 ~~2:30~~ p.m. on February 17, 1983 in room 526-S of the Capitol.

All members were present except:

Rep. Ediger, who was excused.

Committee staff present:

Russ Mills, Legislative Research
Mary Torrence, Revisor of Statute's Office
Nora Crouch, Committee Secretary

Conferees appearing before the committee:

Mickey Quinn, Kansas Association of Surveyors
Representative David Webb
Nancy Brown, Kansas Association of Townships
Ernie Mosher, League of Kansas Municipalities
Mark Anson, City of Lenexa
Dick Landtiser, Councilmember, City of Overland Park

Chairman Whitaker called the meeting to order and announced that HB 2228, HB 2250, and HB 2258 were scheduled for hearings.

Rep. Bob Vancrum advised the Committee that in response to Committee questions on HB 2382 the Department of Revenue had responded with a memo for their information. (See Attachment A)

The Chairman also advised Committee members that further information on HB 2145 and HB 2328 from the Kansas State Department of Education and David Kingsley, Mid-America Foundation was at their places. (See Attachments B and C) *Atch. B not available.*

Rep. Mike Peterson appeared to explain the provisions of HB 2228 explaining that it is a simple bill involving only Wyandotte and Shawnee counties. Rep. Peterson stated that this is a professional type service office and this bill makes it a requirement that anyone that qualifies for holding this office must be licensed under the licensing statute. He further stated that currently in both counties the surveyors are licensed.

Mickey Quinn, Kansas Association of Surveyors, appeared on HB 2228 stating that the county surveyor is an important position and should be licensed. If the county surveyor was not licensed the job would have to be contracted out to a licensed surveyor.

Rep. David Webb appeared to explain the provisions of HB 2250 and 2258 stating that these bills will be a tool to help gain a little more control over the unincorporated areas.

Nancy Brown, President, Kansas Association of Townships, appeared on HB 2250 and HB 2258 stating that the population of rural areas is growing and that the people in those areas will require more services. However, the tax base will not increase until the new residents are in place. One place where their organization can be of assistance is with revenue sharing. On HB 2258, the urban class township bill, orderly growth and development occur in urban areas and many problems develop. Urban areas are unique and there should be a provision for them in the constitution. Mrs. Brown presented the Committee with further information about the Association. (See Attachments D, E, F, & G)

Mark Anson, City of Lenexa, appeared in opposition to HB 2258 stating that they believe it would bring about another layer of government and probably increased taxes. If the bill is passed there will be levies established. He urged that the bill be reported adversely.

CONTINUATION SHEET

Minutes of the House Committee on Federal & State Affairs 19

February 17, 1983

Dick Landtiser, Councilmember, City of Overland Park, appeared in opposition to HB 2258 stating that the bill would appear to provide a substitute for the incorporation statutes. This bill would transfer the decision from the Board of County Commissioners to only those people residing within the township. (See Attachment H)

Ernie Mosher, League of Kansas Municipalities, appeared on HB 2258 stating the township is designed to serve rural areas and cities and was created by those who live within those areas. This bill would create a new kind of government structure. The bill, while limited to Johnson county, if adopted will probably move to other counties.

Rep. Vancrum moved, Rep. Ott seconding, that the minutes of February 15 and 16, 1983, be approved. The motion carried.

The meeting adjourned.

TO: Representative Robert VanCrum
February 16, 1983
Page 2


The following proposed list of acceptable documents was compiled following discussions with our driver's license examiners:

1. military ID card,
2. military discharge papers,
3. military DD214,
4. military orders,
5. military driver's license,
6. school transcript or diploma,
7. motor vehicle registration,
8. birth certificate or baptismal record,
9. marriage license,
10. income tax returns,
11. court orders which identify a person by name.

Our discussions reveal that the foregoing documents are reliable and nearly any person should be able to obtain two of said documents.

4. Our examiners indicated that perhaps if the fee for a duplicate license was more than a mere \$2, people might not lose their licenses as often.

5. One additional aspect which House Bill 2382 might address is what action the division of vehicles should take in the event that a person qualifies for a license but cannot produce the required documents for purposes of identification.


Steven C. Montgomery, Attorney
Legal Services
Kansas Department of Revenue

AFA:SCM:sa

DIST. NO. 1- ESTELLA MITCHELL
LITSELING M-F

DIST. NO. 2 BONNIE MCCAMISH
C. I-35 & LAMAR M-F

DIST. NO. 3 KEN SPANGLER
LATHE M-F

DIST. NO. 4 CARL TOLLEFSON
EAVENWORTH M-F

DIST. NO. 5 LLOYD LANTER
SKALOOSA MONDAY
MILTON TUESDAY
ROY WEDNESDAY
MCHISON THURS & FRIDAY

DIST. NO. 6 KATHY GUTHRIE
DURENCE M-F

DIST. NO. 7 HAZEL BALTHAZOR
PEKA-447 E. 29TH M-F

DIST. NO. 8 BILL PEASE
PEKA-STATE BLDG M-F

DIST. NO. 9 ED JASKINIA
C. 94TH & STATE M-F

DIST. NO. 10 RICHARD SEARS
OLA MONDAY & TUESDAY
TAWA W-F

DIST. NO. 11 NORMAN GATES
LUND CITY MONDAY
LA TUESDAY & WEDNESDAY
SCOTT THURS & FRIDAY

DIST. NO. 12 TOM FALKENSTEIN
PERSONS MONDAY & TUESDAY
XTER SPRINGS WEDNESDAY
LUMBUS THURS & FRIDAY

DIST. NO. 13 LOWELL HUGUENIN
DEPENDENCE MONDAY & TUES.
DAN 1ST, 3RD, 5TH WEDS.
WARD 2ND & 4TH WEDS.
EFFEYVILLE THURS & FRIDAY

DIST. NO. 14 MIKE BUTTLER
ANUTE M-W
ODESHA ~~1ST, 3RD, 5TH THURS.~~
EDONIA ~~1ST, 3RD, 5TH THURS~~
EVERY FRIDAY

DIST. NO. 15 DICK FREEMAN
AGE CITY MONDAY
IREKA TUESDAY
ARNETT WEDNESDAY
TES CENTER THURSDAY
BRINGTON FRIDAY

DIST. NO. 16 ALAN ANDERSON
EMPORIA M-F

DIST. NO. 17 DENNIS MARSHALL
WAMEGO MONDAY
MANHATTAN T-F

DIST. NO. 18 TOM SMITH
COUNCIL GROVE 1ST, 3RD & 5TH MONDAY
MINNEAPOLIS 2ND & 4TH MONDAY
HERRINGTON
JUNCTION CITY T-F

DIST. NO. 19 CARL GILES
HJAWATHA MONDAY & FRIDAY
SENECA TUESDAY
MARYSVILLE WED. & THURS.

DIST. NO. 20 IDA SHADWIN-SPEER
EL DORADO MONDAY & FRIDAY
MARION TUES. 1ST, 3RD & 5TH WED
AUGUSTA THURS. 2ND & 4TH WED

DIST. NO. 21 BOB MIRT
STROTHER FIELD M-W
WELLINGTON THURS & FRIDAY

DIST. NO. 22 JOE JACKSON
WICHITA- S. SENECA M-F

DIST. NO. 23 MARY HOLDERMAN
WICHITA- W. DOUGLAS M-F

DIST. NO. 24 GAIL GRIFFIN
WICHITA- N. EDGEMOOR M-F

DIST. NO. 25 ROY LISTER
MCPHERSON MON. THURS. & FRI.
NEWTON TUESDAY & WEDS.

DIST. NO. 26 NELLIE WOOD
ABILENE MONDAY
SALINA T-F

DIST. NO. 27 LYNN POWELL
CLAY CENTER MONDAY
WASHINGTON TUESDAY
BELLEVILLE WEDNESDAY
CONDORDIA FRIDAY 1ST, 3RD & 5TH
THURSDAY
MANKATO 2ND & 4TH THURSDAY

DIST. NO. 28 FRED LAW
HUTCHISON M-F

DIST. NO. 29 MELVIN FOLK
LYONS MONDAY
ST JOHN 1ST & 3RD TUESDAY
GREAT DEND W-F 2ND, 4TH & 5TH
TUESDAY

DIST. NO. 30 JAMES MCCLELLAN
RUSSELL MONDAY
LINCOLN TUESDAY
ELLSWORTH WEDNESDAY
BELOIT THURSDAY
OSBORNE FRIDAY

DIST. NO. 31 ARRELL MARTINDALE
NORTON MONDAY
HILL CITY TUESDAY
STOCKTON WEDNESDAY
SMITH CENTER THURSDAY
PHILLIPSBURG FRIDAY

DIST. NO. 32 TERRY STECH
WAKEENEY MONDAY
LA CROSSE TUESDAY
HAYS W-F

DIST. NO. 33 PHILIP ATTEBERRY
NESS CITY MONDAY
JETMORE 2ND & 4TH TUESDAY
KINSLEY WEDNESDAY
GREENSBURG THURSDAY
LARNED FRIDAY, 1ST, 3RD & 5TH
TUESDAY

DIST. NO. 34 GARY MCGUIRE
COLDWATER 1ST & 3RD MONDAY
PRATT TUESDAY, 4TH MONDAY
KINGMAN WEDS. 2ND & 5TH MONDAY
ANTHONY THURSDAY
MEDICINE LODGE FRIDAY

DIST. NO. 35 LEROY HAMILTON
MEADE 1ST & 3RD MONDAY
ASHLAND 2ND & 4TH MONDAY
CIMARRON 1ST & 3RD TUESDAY
SUBLETTE 2ND & 4TH TUESDAY
DODGE CITY W-F, 5TH MONDAY

DIST. NO. 36 NORBERT PLANTE
LIBERAL MON. TUES. FRI. & 5TH
THURSDAY

ULYSSES WEDNESDAY
ELKHART 1ST & 3RD THURSDAY
HUGOTON 2ND & 4TH THURSDAY

DIST. NO. 37 LEROY WENTLING
LAKIN 2ND & 4TH MONDAY
DIGHTON 1ST & 3RD TUESDAY
JOHNSON CITY 2ND & 4TH TUESDAY
GARDEN CITY M-F 5TH MON. & TUES.
SYRACUSE 1 & 3 Monday

DIST. NO. 38 MARGARET POLSLEY
SHARON SPRINGS 1ST & 3RD MONDAY
TRIBUNE 2ND & 4TH MONDAY
GRATNFIELD 1ST & 3RD TUESDAY
LEOTI 2ND & 4TH TUESDAY
OAKLEY WEDNESDAY
SCOTT CITY T-F 5TH MON. & TUES.

DIST. NO. 34 BRUCE AMOS
COLBY MONDAY AND FRIDAY
ATWOOD 1ST, 3RD & 5TH TUESDAY
ST FRANCIS 2ND & 4TH TUESDAY
HOXIE 1ST & 3RD WEDNESDAY
OBERLIN 2ND & 4TH WEDNESDAY
GOODLAND THURSDAY 5TH WEDNESDAY

2117
C

MEMORANDUM

TO: Honorable Neal Whitaker, Chairman
House Federal and State Affairs Committee

FROM: THOMAS J. KENNEDY, Director, ABC Division

RE: House Bill 2328

DATE: February 14, 1983

PURPOSE

House Bill 2328 is an act which concerns alcoholic beverages; relating to alcoholic content, age of consumption and days of sale of certain beverages; amending K.S.A. 8-260, 8-1327, 21-3610a, 41-102, 41-103, 41-208, 41-209, 41-211, 41-304, 41-306, 41-308, 41-310, 41-317, 41-401, 41-402, 41-410, 41-501, 41-701, 41-708, 41-709, 41-713, 41-901, 41-2701, 41-2707, 41-2708, 41-2716, 41-2721, 79-3817, 79-3839 and 79-4101 and K.S.A. 1982 Supp. 41-311, 41-2704, 41-2705, 79-3606 and 79-41a01 and repealing the existing sections; also repealing K.S.A. 41-307 and K.S.A. 1982 Supp. 41-409.

PERSPECTIVE

History and Background:

Congressional relegalization of 3.2 percent beer and wine and the ratification of the Twenty-First Amendment to the United States Constitution, in 1933, marked the end of the thirteen years of national prohibition.

Beer was re-legalized by Congress under the Cullen-Harrison Act, which declared it a nonintoxicating beverage and provided for its sale on April 7, 1933, in all states where it was not prohibited by law.

Under this Act, the sale of beer became legal on April 7, 1933, in the District of Columbia and the 20 states where state laws did not prohibit its sale. During the next four years, the remaining states changed their laws to permit its sale, with Alabama and Kansas, in 1937, as the last to join the legal sale ranks.

Meanwhile, Congress had adopted a resolution submitting the Twenty-First Amendment to the states for ratification. This required the approval of 36 states to accomplish the direct repeal of the Eighteenth (Prohibition) Amendment.

Atch. C

Michigan was the first state to ratify the Twenty-First Amendment. The final ratification was accomplished on November 7, 1933, when Kentucky, Ohio, Pennsylvania and Utah gave their approval.

The Twenty-First Amendment legalized spiritous, vinous and malt beverages, above 3.2 percent in all states where these beverages were not prohibited by state law, and today their sale is legal throughout the nation except in Mississippi, where legal content is limited to 4 percent.

The following states re-legalized beer on April 7, 1933, under the Cullen-Harrison Act:

California	Maryland	New Jersey	Washington
Colorado	Massachusetts	New York	Wisconsin
Delaware	Minnesota	Ohio	District of
Illinois	Missouri	Oregon	Columbia
Indiana	Montana	Rhode Island	
Kentucky	Nevada	Vermont	

Other state legalization dates for beer were:

Alabama	March 22, 1937	New Hampshire	May 2, 1933
Arizona	June 16, 1933	New Mexico	June 9, 1933
Arkansas	August 23, 1933	North Carolina	April 28, 1933
Connecticut	April 20, 1933	North Dakota	July 1, 1933
Florida	May 8, 1933	Oklahoma	July 12, 1933
Georgia	May 23, 1935	Pennsylvania	May 3, 1933
Idaho	June 21, 1933	South Carolina	April 14, 1933
Iowa	April 15, 1933	South Dakota	August 5, 1933
Kansas	May 1, 1937	Tennessee	May 1, 1933
Louisiana	April 15, 1933	Texas	September 15, 1933
Maine	June 30, 1933	Utah	January 1, 1934
Michigan	April 27, 1933	Virginia	September 3, 1933
Mississippi	February 26, 1934	West Virginia	April 13, 1933
Nebraska	May 8, 1933	Wyoming	May 19, 1933

In November 1948, the people of Kansas voted to amend Section 10, Article 15, of the Constitution of the State of Kansas. As a result of this election, the state legislature enacted the Kansas Liquor Control Act which provides for the regulation of all phases of the control of manufacture, distribution, sale, possession and traffic in alcoholic liquor and the manufacture of beer except 3.2% and less.

In 1965, the legislative session passed the Kansas Club licensing Act, K.S.A. 41-2601 et. seq., as amended, which placed private clubs under the jurisdiction of the Director of Alcoholic Beverage Control.

In 1978, the legislature enacted Senate Bill 952 which transferred the licensing and policing of sixty-eight (68) cereal malt beverage distributors from the Director of Taxation to the Director of Alcoholic Beverage Control. The Director of Alcoholic Beverage Control has continuously licensed and policed strong beer distributors in Kansas since 1949.

The 1982 Legislature enacted Senate Bill 865 which provides that any sales of cereal malt beverage made in private clubs must be for on premise consumption only; and that cereal malt beverages may be sold in a private club at any time when alcoholic liquor is allowed by law to be served on the premises.

Further the 1982 Legislature enacted Senate Bill 866 which relates to agreements for distribution of beer and cereal malt beverages to wholesalers and prohibits "dual franchises" for strong beer and cereal malt beverage (3.2%) alcohol by weight.

After having reviewed and studied House Bill 2328, the following are our comments as we understand the bill at this time if enacted:

Section 1, amending K.S.A. 8-260:

Good Section. Concerns illegal use of driver's license for purposes of purchasing alcoholic liquors or CMB.

Section 2, amending K.S.A. 8-1327:

Good Section. Concerns illegal use of identification card for purposes of purchasing alcoholic liquors or CMB.

Section 3, K.S.A. 21-3610a:

The age for purchasing CMB is changed to 19 years from 18 years.

Section 4, KSA 41-102:

This section of the liquor control act:

- a. Redefines alcoholic liquor to include cereal malt beverage.
- b. Redefines beer to mean a beverage containing more than 4.5% alcohol by weight instead of more than 3.2% alcohol by weight.
- c. Points out that cereal malt beverage has the meaning provided by KSA 41-2701 and amendments thereto. That is, cereal malt beverage means any fermented but undistilled liquor brewed or made from malt or from a mixture of malt or malt substitute, but does not include any such liquor which is more than 4.5% alcohol by weight. The only change is in the percent from 3.2% to 4.5% alcohol by weight.

- d. For the purchase of alcoholic or CMB in a retail liquor store, a minor means any person under 21 years of age, no change except our present strong beer is now cereal malt beverage.
- e. Retailer is defined as a person who sells at retail or offers for sale at retail, alcoholic liquor or cereal malt beverage. A retailer does not include any retailer licensed pursuant to Article 27 of Chapter 41 of K.S.A. or any club licensed pursuant to Article 26 of Chapter 41 of K.S.A. Retailers as defined in Article 27 of Chapter 41 are grocery stores, taverns, etc.

Section 5, amending K.S.A. 41-103:

This section provides for sale of CMB in retail liquor stores.

Section 6, amending K.S.A. 41-208:

This section updates language of statute changing beer regardless of its alcoholic content to cereal malt beverage.

Section 7, amending K.S.A. 41-209:

No Comments.

Section 8, amending K.S.A. 41-211:

Provides for standards of manufacture of alcoholic liquors and cereal malt beverage, not inconsistent with the federal law, and provides for establishing rules and regulations for labeling, etc. both previously found in K.S.A. 41-209.

Section 9, amending K.S.A. 41-304:

This section of the liquor control act provides for four types of licenses: (1) manufacturers license; (2) alcoholic liquor distributors license (except beer); (3) retailers license; and (4) non-beverage users license. It eliminates the beer distributors license and provides that beer (more than 4.5% alcohol by weight) will be included under the alcoholic liquor distributors license.

COMMENT:

1. The elimination of the beer distributors license (presently 79 in the state), will result in a loss to the state of approximately \$12,000. (79 x \$150=\$11,850)
2. Breweries, for the most part, give all their brands to a distributor for a specific territory. With the elimination of beer distributors, a brewery with products over 4.5% alcohol by weight, will be forced to sell that product to an alcoholic liquor distributor for distribution if they wish to sell the product in Kansas.

Section 10, amending K.S.A. 41-306 of the liquor control act:

Eliminates beer distributors.

COMMENT: K.S.A. 41-306 states that an alcoholic liquor distributor's license shall allow the wholesaler to purchase, importation and storage and sale of alcoholic liquors. K.S.A. 41-102 under definitions states: Distributors means the person importing or causing to be imported into this state or purchasing or causing to be purchased within this state, alcoholic liquor for sale or resale to retailers licensed under this act (Liquor Control Act). Alcoholic liquors pursuant to K.S.A. 41-102 means alcohol, spirits, wine, beer and every liquid or sold, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as in beverage but shall not include cereal malt beverage.

COMMENT: This will prevent alcoholic liquor distributors from having a cereal malt beverage distributors license and require them to give up all their beer franchises of beer with an alcoholic content of over 3.2% alcohol by weight, but less than 4.5% alcohol by weight.

Section 11, amending K.S.A. 41-308 of the Liquor Control Act:

Changes language to conform with House Bill 2328. Provides that a retail liquor store may store beer and cereal malt beverage in refrigerators, cold storage units, etc. and may sell these chilled products to consumers.

COMMENT: Recommend that spirits, cordials and liqueurs be included for chilling and sale as chilled products to consumers.

Section 12, amending K.S.A. 41-310 of the Liquor Control Act:

This section provides for the amount of the annual license fees and the amount cities or in the case of townships which have a population of more than 11,000, located outside incorporated cities, may charge for an annual occupational or license tax.

Section 13, amending 1982 Supp. 41-311 of the Liquor Control Act:

Merely eliminates reference to beer distributors license and residency requirement.

Section 14, amending K.S.A. 41-317 of the Liquor Control Act:

Merely updates language of statute to conform with bill.

Section 15, amending K.S.A. 41-401 of the Liquor Control Act:

Merely updates language of statute to conform with bill.

Section 16, amending K.S.A. 41-402 of the Liquor Control Act:

Updates language of statute as it pertains to storage of alcoholic liquor except beer in distributors bonded warehouse.

Section 17, amending K.S.A. 41-410 of the Liquor Control Act:

Updates language of statute as it pertains to brand franchise territories agreements and the procedure of terminating them. No problem.

Section 18, amending K.S.A. 41-501 of the Liquor Control Act:

Updates language of statute as it pertains to amount of gallonage tax to be collected on alcoholic liquors, method of collecting and disposition of same. 1/10 of moneys collected from taxes imposed on alcohol and spirits is credited to the Community Alcoholism and intoxication programs fund credited by K.S.A. 41-1126 and amendments thereto. No problem.

Section 19, amending K.S.A. 41-701 of the Liquor Control Act:

Updates language of statute as it pertains to beer distributors selling outside the geographic territory designated in the notice to the director pursuant to K.S.A. 41-409. Also deletes language as it pertains to beer distributor servicing of accounts. No problems.

Section 20, amending K.S.A. 41-708 of the Liquor Control Act:

Merely updates language of statute as it relates to where a retail licensee shall purchase or receive alcoholic liquor or cereal malt beverage.

Section 21, amending K.S.A. 41-709 of the Liquor Control Act:

Updates language of statute as it pertains to who is authorized to receive alcoholic liquor from manufacturer, distributor or wholesaler. No problem.

Section 22, amending K.S.A. 41-713 of the Liquor Control Act:

Provides that it is unlawful for a retail liquor store to sell cereal malt beverage to anyone under 21 years of age. As you know, cereal malt beverage (3.2% beer) is not sold in retail liquor stores, only beer. With the sale of CMB (4.5% beer) in retail liquor stores, this continues the prohibition of selling to anyone under 21 years.

Section 23, amending K.S.A. 41-901 of the Liquor Control Act:

Updates language of statute deleting reference to 3.2% beer and adding cereal malt beverage. No problem.

Section 24, amending K.S.A. 41-2701:

Relates to Cereal Malt Beverage. This statute is updated to provide:

- a. The definition of "cereal malt beverage" is changed. Cereal malt beverages does not include any such liquor which is more than 4.5% alcohol by weight, changed from 3.2% alcohol by weight. No problem.
- b. Retailer under this statute means any person, other than a person licensed as a retailer pursuant to the Kansas Liquor Control Act, who sells or offers for sale cereal malt beverages for use or consumption and not for resale in any form. Refers to retailers such as taverns, grocery stores and other CMB outlets.
- c. The definition provides that cereal malt beverage distributors are the only distributors authorized to sell the new cereal malt beverage. This will:
 - (1) Continue the authority of cereal malt beverage distributors selling to taverns, grocery stores, private clubs, etc.
 - (2) Permit CMB distributors to sell CMB to retail liquor stores. All beer sales to retail liquor stores prior to this bill, had to come from beer distributors.

Section 25, amending K.S.A. 1982 Supp. 41-2704:

- a. Permits Sunday sales of cereal malt beverage.
- b. Continues the prohibition of no sales between 12:00 midnight and 6:00 A.M.
- c. The minimum age for a person to consume, purchase or possess CMB has been increased from 18 years to 19 years.

- d. An exception in this statute is the provision that an employee of the licensee who is 18 years of ages may sell or dispense cereal cereal malt beverage on the licensed premises.

COMMENT: They must be 19 to consume, however, they can sell or dispense at 18. This will be very difficult to enforce. Like having a bowl of candy around a child with the admonition not to eat. We have a recommendation in this matter.

- e. Continues the authority for CMB to be sold in private clubs any time alcoholic liquor is allowed by law to be served on the premises. (9:00 AM till 3:00 AM, Monday through Saturday and 12:00 Noon Sunday till 3:00 AM Monday).

Section 26, amending K.S.A. 1982 Supp. 41-2705:

Changes to this statutes are strictly language changes to comply with new bill. No problems.

New Section 27:

This new section establishes requirement of manufacturer, importer, supplier or distributor of cereal malt beverage to apply in writing for a license to identify exclusive geographic territory where distributor will distribute brand of CMB and procedure for terminating or modifying agreement, bond requirements, payment of gallonage taxes, records to be maintained which are open to inspection, compliance with rules and regulations established and satisfactory evidence that CMB is brewed according to Kansas law. No problem.

Section 28, amending K.S.A. 2707:

No problem. No wholesaler of CMB shall sell or furnish CMB to a retailer of CMB or credit.

Section 29, amending K.S.A. 41-2708:

Establishes criteria for board of county commissioners or the governing body of any city to revoke or suspend the license of a CMB retailer. If the age for dispensing is changed, then the language of this statute should be changed. Provisions of this statute does not apply to private clubs.

Section 30, amending K.S.A. 2716:

Restricts who a wholesaler or distributor can sell, deliver or otherwise dispose of CMB to. No problem.

Section 31, amending K.S.A. 41-2721:

Outlines penalties for an 18 year old who misrepresents age for purposes of obtaining, purchasing, possessing or consuming CMB. No problem. Good statute.

Section 32, amending K.S.A. 1982 Supp. 79-3606:

Updates language of statute. Sales tax will be collected on all sales of cereal malt beverages and malt products as defined by K.S.A. 79-3817 and amendments thereto. No problem.

Section 33, amending K.S.A. 79-3817:

Statute administered by director of taxation. No problem.

Section 34, amending K.S.A. 79-3839:

There is a question on responsibility. Should probably be Director of Alcoholic Beverage Control instead of Director of Taxation.

Section 35, amending K.S.A. 79-4101:

This statute established a 4% enforcement tax upon the gross receipts received from sales of alcoholic liquor at retail within the state. Alcoholic liquor includes cereal malt beverage sold by retail liquor store licensees according to this bill.

COMMENT:

In FY 1982, retail liquor store sales amounted to \$219,352,528. A recent study by the Revenue Department indicated that 45% of all purchases by a retail liquor store licensee was beer. Using an average mark-up on beer of 18% plus, this would indicate that 40 to 42% of retail liquor store sales in FY 82 were beer, over 3.2% alcohol by weight. 40% of \$219,352,528=\$87,741 or 88 million dollars beer sales.

DISCUSSION:

It is estimated that retail liquor stores will sell some cereal malt beverage but will probably lose most, if not, all club sales. If we reduce the 88 million to allow for 8 million sales by retail liquor stores, it is estimated that the enforcement tax collected by the state will be reduced by approximately 4% of 80 million dollars or 3.2 million dollars.

The reason for this is:

- (a) Under this law, private clubs can purchase direct from CMB distributors at wholesale prices (the same price retail liquor store licensees pay distributors).
- (b) CMB distributors will deliver CMB directly to the private club thus eliminating the club from having to pick it up at the retail store.
- (c) CMB distributors will collect no enforcement tax on sales to clubs while retail liquor stores are required to charge 4% enforcement tax on all sales.
- (d) It is recognized that the state will collect 3% sales tax on cereal malt beverage not sold from retail liquor stores. Therefore, the short fall will be approximately 800,000 dollars (80 million x 3% sales tax=2.4 million) 3.2 million less 2.4 million=\$800,000.

Section 36, amending K.S.A. 1982 Supp. 79-41a01:

Alcoholic liquor means alcoholic liquor as defined by K.S.A. 41-102 (The Liquor Control Act) or cereal malt beverages as defined by K.S.A. 41-2701 (cereal malt beverage).

This statute will require the 10% gross receipts to be collected by private clubs on all cereal malt beverage sales. Presently, the gross receipts tax is collected only on beer sales, not CMB.

Section 37, (New Section):

This new section provides that any person licensed as a distributor on the day before the effective date of this act (January 1, 1984), may continue to distribute beer of a brand that the distributor has an agreement to distribute, to retailers within the geographical territory where the distributor has agreed to distribute that brand. Until the distributor's license expires or is suspended or revoked, the distributor shall be considered to have an agreement to be the exclusive distributor of cereal malt beverage of that brand with respect to retailers in that geographical territory.

COMMENT:

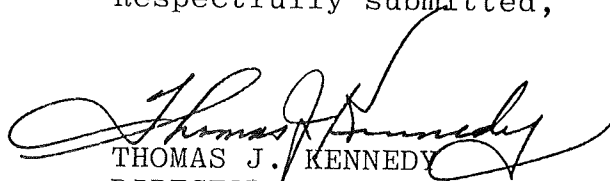
A provision should be added to this new section to provide that nothing in this bill shall constitute "reasonable cause" for a territory franchise agreement to be terminated or modified. This will protect all present licensees.

COMMENTS AND/OR RECOMMENDATIONS

1. As to increasing the age to consume, purchase or possess cereal malt beverage (4.5% alcohol by weight) from 18 years to 19 years, we have no recommendations. (K.S.A. 41-2704). This is strictly a legislative matter.
2. As to Sunday sales, this is strictly a legislative policy decision and we have no recommendations. (K.S.A. 41-2704)
3. As to 18 year olds being permitted to sell or dispense cereal malt beverage; if the purpose is to authorize retail grocery stores to sell for off premise consumption, then there is no problem. However, for on premise consumption, the age for selling and dispensing cereal malt beverage should probably be increased from age 18 if the age is increased for consumption.
4. Consideration should be given to the issuance of beer distributor's licenses to permit cereal malt beverage distributors, who have an agreement to distribute a particular brand, to purchase a beer distributor's license. This will permit that beer distributor to distribute all the products of a particular supplier instead of forcing that beer supplier to sign an agreement with a liquor distributor for the distribution of that beer (over 4.5% alcohol by weight). (K.S.A. 41-306)
5. In that alcoholic liquor distributors are not authorized to handle cereal malt beverage (K.S.A. 41-102 and 41-306), provisions should be made for the handling of import beers. At the present time, we have 65 brands of imported beer handled by mostly alcoholic liquor distributors. If this law is enacted, all import beers with an alcoholic content of 4.5% alcohol by weight or less will be classified as cereal malt beverage and only cereal malt beverage distributors will be authorized to handle them. A further problem is that the alcoholic content is not specified on the label of these import beers, however, they are classified as over 3.2% alcohol by weight, therefore, each brand will need to be tested before they can be sold. Recommend some consideration be given to this problem if you want imported beers to continue in this state.

6. Recommend that spirits, cordials, and liqueurs be included as products that may be chilled and sold to consumers by retail liquor store licensees. (K.S.A. 41-308)
7. Recommend that K.S.A. 79-4101 be amended to provide that cereal malt beverage distributors collect 4% enforcement tax on all sales of cereal malt beverage to licensed private clubs. Retail liquor store licensees are required to collect this 4% enforcement tax on sales to private clubs. (K.S.A. 79-4101). It is recognized that the state will collect 3% sales tax on cereal malt beverages not sold from retail liquor stores. It is estimated the state will probably lose \$800,000 approximately if CMB distributors are exempted from the 4% enforcement tax requirement for sales to clubs.
8. Recommend that a provision be added to new section 37 to provide that nothing in this bill shall constitute "reasonable cause" for a territory franchise agreement to be terminated or modified. This will protect all present licensees.
9. An examination of the constitutionality of redefining alcoholic liquor to cereal malt beverage should be considered.
10. The Director of Alcoholic Beverage Control is neither a proponent nor an opponent of this bill.

Respectfully submitted,



THOMAS J. KENNEDY
DIRECTOR

Alcoholic Beverage Control Division

TJK:cjk

Thank you for the opportunity to appear before you today. My name is Nancy Brown from Stanley, Kansas. I am the Oxford Township Trustee, President of the newly formed Kansas Association of Townships, and serve on the Executive Board of the National Association of Towns and Townships.

As you undoubtedly are aware, the 1980 census revealed that during the 1970s, population growth in non-metropolitan areas exceeded growth in metropolitan areas for the first time since 1960. The fact means new problems for the rural areas; the need for more housing, roads and sewers to accommodate the newcomers. It means that there will be more people who want and require more services, but the tax base will not increase until the new people and industries are in place. It means more wear and tear on bridges that are already deteriorating. It means roads and sewers are more expensive to build to reach the typically dispersed population of rural areas. It means that the rural areas will be called upon to provide public services they were not involved with before.

It means new responsibilities for individuals and the township officials in the rural areas. And it means they need help in providing the services necessary.

The Kansas Association of Townships was organized to help the townships in their role of being the government closest to the people in the rural areas, who can best plan and help with the new demands that will be placed upon them. KAT will serve as an information, communication and support group, similar to the Association of Counties and the League of Municipalities. In fact,

Atch. O

we hope to work closely with these two organizations to help them in their goals and objectives as well.

One example of where KAT can help is with revenue sharing. I received a report this morning notifying me of over 500 townships who have not completed their reports and, therefore, will not receive their revenue sharing checks.

I am very excited about this new association and am asking for your support of our efforts. I would like to present you with some information about the association and its affiliation with NATaT, including copies of our county and state by-laws, and letters of congratulations from President Reagan, Senator Dole and Congressman Winn, and Governor John Carlin.

For your information, the National Association of Towns and Townships has been most helpful in our endeavors to begin the Kansas Association, and will continue to provide support to us by way of technical assistance, educational seminars, publications, etc.

Again, thank you for allowing me to address you, and I will be happy to answer any questions you may have.

HB 2558

My name is Nancy Brown, Oxford Township Trustee, and I want to thank you for allowing me to speak before you regarding HB 2558. The urban class township bill is not new to most of you who have been in the legislature for some years. As you are aware 19-2656 designated Overland Park and Oxford Township in Johnson County an urban area under Section 17, Article 2, of the Kansas Constitution. We are asking you to once again consider such a bill for urban townships.

Why? Because in certain instances such a law is needed to insure that orderly growth and development occur in urban areas whose problems are so unique and of such magnitude that they cannot adequately be handled through the existing governmental system. Obviously, in the past, others recognized that "urban" areas are unique and allowed such a provision to provide for them in the constitution. And, throughout the United States, states with townships and special needs have also done so. Minnesota recently passed such a law.

I have heard that this bill will be opposed by many individuals, mostly cities and counties. I do not understand their thinking, other than it may limit their powers and annexation for a short period of time. Actually, I would prefer to have those individuals view this bill optimistically and as a future benefit to them.

Where would Overland Park be today if it did not have such a bill? Obviously a need was there at that time, and there is a need today for Oxford Township. If such a bill had been in place, it is for certain that the sewer fiasco would not have taken place.

I urge you to consider this bill to deal with the special urban-rural problems occurring in Johnson County. Thank you.

Atch. E

THE WHITE HOUSE

WASHINGTON

February 3, 1983

Dear Nancy:

I am very happy to extend my congratulations on the founding of the Kansas Association of Townships and on your acceptance into the National Association of Towns and Townships.

This is a very exciting time for you. I know how hard you have worked to form your association and wish you every success in the continuing effort to build the organization.

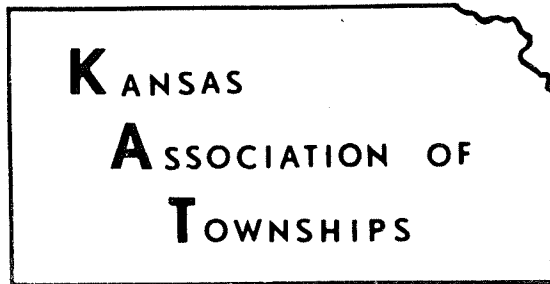
With warm personal regard.

Sincerely,

Ronald Reagan

Ms. Nancy J. Brown
President
Kansas Association of Townships
15429 Overbrook Lane
Stanley, Kansas 66224

Atch. F



STATE ORGANIZATION BY-LAWS

Prepared January, 1983

For more information, contact:

Nancy Brown
Trustee, Oxford Township
15429 Overbrook Lane
Stanley, Kansas 66224
(913) 897-3121

Atch. G

KANSAS ASSOCIATION OF TOWNSHIPS

BY-LAWS

Article I - Name

The name of this association shall be the Kansas Association of Townships. Its principal offices shall be located at a site designated by the Board of Directors of the association.

Article II - Purpose

The purpose of the Kansas Association of Townships shall be:

- 1) to promote a public understanding of the heritage and future of township government and its role in the state and federal system, and to foster the preservation and restoration of township powers by supporting "grass-roots" township government
- 2) to organize and associate the townships of the State of Kansas for the cooperative exercise of powers, duties, prerogatives, and activities authorized by State Statutes
- 3) to act as a liaison between and serve as a unified spokesman for township government in dealings with various governmental boards and agencies, such as the Board of County Commissioners, the State Legislature, the U.S. Department of Agriculture, and other state, county, and federal agencies and organizations including the League of Municipalities and Association of Counties
- 4) to promulgate, furnish, and dispense to townships, informative materials useful in the affairs of townships and township government, and to provide a communications network throughout the state for comparison of experiences, and interchange of ideas
- 5) to acquaint and assist all members with the duties, and the performance thereof, as required by law
- 6) to promote and encourage county, state, and federal legislation beneficial to townships and rural Kansas
- 7) to work together toward rural development/planning, economic development, & township services, to assist rural Kansas in orderly and meaningful growth, and to minimize the problems associated with such growth

Article III - Method

The above purposes will be accomplished by the establishment and maintenance of close cooperation and understanding between our regional and county units and the National Association of Towns and Townships through the sharing and exchange of publications, information, experiences, new ideas, methods and techniques. Our townships will pool their strength and talents to guide and influence state policy and legislation for the common good of the rural areas and the State of Kansas. By working together with the National Association of Towns and Townships, the League of Municipalities, the Association of Counties, and other organizations and units of government, mutual benefit can be derived for all people of Kansas.

Article IV - Membership and Dues

Section 1 - Eligibility: A) Township - All elected officials of the township in the State of Kansas are eligible for active membership upon a vote of the township and upon joining a county association. They shall become active members for the current year upon payment of the annual township membership fee to the state association. B) Individual Township Elected Official - Any elected township official in the State of Kansas is eligible for active membership upon joining a county association. He shall become an active member for the current year upon payment of the annual individual membership fee. C) Resident/Organization - Any individual who is not a township official, or organization within a township in the State of Kansas, is eligible to become a member of the association upon joining a county association and upon payment of the annual resident/organization membership fee. Resident/organization members may not become officers of the state association, but may elect one of its members from among its County Unit Board of Directors membership to serve as an at large member of the State Board of Directors with voting rights.

In the event a county association has not yet been organized, membership fees may be paid directly to the state association until such organization takes place, at which time membership must be made into the county association.

Section 2 - Membership Dues: A) Township - Annual dues for township membership into the state association shall be \$50.00, \$10.00 of which is forwarded to the National Association of Towns and Townships. B) Individual elected township official, resident/organization - Annual dues for all other memberships shall be \$25.00, \$10.00 of which is forwarded to the National Association of Towns and Townships.

Section 3 - Payment for Membership: Membership dues shall be payable to the Kansas Association of Townships, County Unit, who shall forward the fee to the state association. In the event a county association has not yet been organized, payment may be forwarded directly to the Treasurer, or any officer of the state association.

Section 4 - Duration of Membership: Duration of membership shall be the fiscal year, January 1-December 31.

Article V - Governing Bodies

Section 1 - County Unit: Each county shall have a county unit composed of paid memberships from among the townships in the county. Each county shall elect its officers from among its Board of Directors and the County Unit Chairman shall serve as a member of one of the six Council Districts. In the absence of the County Unit Chairman or Vice-Chairman, the Chairman may appoint an active member from his county to serve as a substitute, providing a ten (10) day written notification is given to the Secretary-Treasurer of the Kansas Association of Townships.

Section 2 - Council Districts:

- A) Composition: There shall be six state council districts comprised of the counties as outlined on the map in these by-laws and as indicated in Sec. 2, D.
- B) Purpose: The Council Districts shall exist to be a recommending body to the Board of Directors, to regionally carry out the purposes of the By-Laws, and to elect two of its members to serve on the State Board of Directors.
- C) Membership: The Council shall consist of the County Unit Chairman elected from each of the active county associations within the six districts.

D) Council Districts:

State Council Districts

District 1 = 17

Atchison
Brown
Douglas
Doniphan
Jackson
Jefferson
Johnson
Leavenworth
Lyon
Marshall
Nebraska
Osage
Pottawatomie
Riley
Shawnee
Waubesaunsee
Wyandotte

District 2 = 16

Chase
Clay
Cloud
Dickinson
Ellsworth
Geary
Jewell
Lincoln
Marion
McPherson
Mitchell
Morris
Ottawa
Republic
Salina
Washington

District 3 = 18

Cheyenne
Decatur
Ellis
Gove
Graham
Logan
Norton
Osborne
Phillips
Rawlins
Rooks
Russell
Sheridan
Sherman
Smith
Thomas
Trego
Wallace

District 4 = 17

Allen
Anderson
Bourbon
Chautauqua
Cherokee
Coffey
Crawford
Cik
Franklin
Greenwood
Labette
Linn
Miami
Montgomery
Neosho
Wilson
Woodson

District 5 = 18

Barber
Barton
Butler
Comanche
Cowley
Edwards
Harper
Harvey
Kingman
Kiowa
Pawnee
Pratt
Reno
Rice
Rush
Sedgwick
Sumner
Stafford

District #6 = 19

Clark
Finney
Ford
Grant
Gray
Creeley
Hamilton
Haskell
Hodgeman
Kearny
Lane
Meade
Morton
Ness
Scott
Seward
Stanton
Stevens
Wichita

Section 3 - Board of Directors:

- A) Composition: The Board of Directors shall consist of thirteen (13) members, two directors to be elected from each Council District, one member to be elected from and by the membership of the County Unit Board of Directors At Large membership. The At Large Member may not serve as an officer.
- B) Purpose: The Board of Directors shall conduct the business and affairs of the Kansas Association of Townships, shall be the policy making board, and shall exercise all powers necessary to effect any or all of the purposes for which the association is organized.
- C) Officers: The officers shall be elected by the Directors at the first meeting of the Directors immediately following their election at the annual Council District meeting. They shall consist of President, Vice-President, Secretary, and Treasurer, and such other officers as deemed necessary by the Board of Directors.
- D) Term of Office: The term of office shall be for a period of two years. No officer may serve more than two two year terms.

Article VI - Duties of Officers

Section 1 - President: The President shall serve as Chairman of the Board of Directors. He shall also serve as a member, ex-officio, with the right to vote, on all committees. He shall also serve as a member of the Executive Board of the National Association of Towns and Townships in accordance with their By-Laws. He shall make all required appointments to standing and special committees with the approval of the Board of Directors. At the annual meeting and at such other times as deemed proper, the President shall communicate to the members such matters and make such suggestions as may, in his opinion, tend to promote the welfare and increase the usefulness of the association. He shall perform such other duties as are necessarily incident to the office of President or as may be prescribed by the Board of Directors.

Section 2 - Vice-President: The Vice-President shall work in close cooperation with the President, shall perform such duties as the Board of Directors shall assign to him, and in the absence or incapacity of the President shall be vested with all powers and responsibilities of the office of the President. In addition, in case of resignation, removal, or death of the President, the Vice President shall become President of the state association for the unexpired term.

Section 3 - Secretary: The Secretary shall be responsible for the proper and legal mailing of notices to members. He shall see to proper recording of proceedings of meetings of the state association, the Board of Directors and all committees, and shall carry into execution all orders, votes and resolutions. He shall see that accurate records are kept of all members of the state association and county units.

Section 4 - Treasurer: The Treasurer shall collect all members dues and shall establish proper accounting procedures for the handling of the association funds, and shall be responsible for the keeping of the funds in a financial institution as approved by the Board of Directors. He shall report on the financial condition of the state association at all meetings of the Board of Directors and at other times when called upon by the President. He shall forward all membership dues to the National Association of Towns and Townships in accordance with their By-Laws. An annual report shall be prepared to be presented at the annual meeting.

Article VII - Meetings and Notification

Section 1 - County Unit meetings shall be held at least twice a year, the annual meeting to be held in January in accordance with county unit by-laws.

Section 2 - Council District meetings shall be held at least once a year, no less than two months after the January county unit meetings on the odd year for the purpose of electing two members to the Board of Directors, and for conducting such other business as may properly be brought before the Council.

Section 3 - Board of Directors shall hold their first meeting within two months after the meeting of the Council District for purposes of electing officers of the state association (on the odd year) and for exercising all powers necessary to effect any or all of the purposes for which the association is organized. No notice of the first meeting need be given to the general membership. The Board of Directors may adjourn their meeting from time to time as may be necessary, and they may be called into special sessions by any officer of the Kansas Association of Townships upon twenty-four (24) hour notice.

Section 4 - Annual State Convention: There shall be an annual state convention open to the membership at a time and place to be determined by the Board of Directors.

Section 5 - Notification: Meeting notification of the Council District meetings shall be made by mail to its membership. Notification of the State Convention shall be made to the entire membership by mail, naming dates and place of said meeting, and shall include the agenda of the meeting containing specific topics known in advance to be scheduled for discussion.

Article VIII - Quorum

Section 1 - Quorum: A quorum shall consist of a simple majority of the members of the representative body (county unit, council district, board of directors) called upon to vote.

Section 2 - Exception: In the event no quorum is present at any meeting when Board of Directors members or officers are to be elected, an election may be conducted by mail with a majority total vote necessary.

Article IX - Voting Rights

Section 1 - State Convention: All matters conducted at the annual state convention concerning the organization and management of the state association, including By-Laws amendments, shall be conducted on a county unit basis with a single vote being cast by the county unit chairman or his designee. All matters conducted concerning goals and policy shall be conducted by the State Board of Directors with a single vote being cast by each member, after receiving input and recommendations from the Council District members, who have received the same from the County Unit Chairman.

Section 2 - Other Meetings: At the Council District and Board of Directors each member shall be entitled to one vote, or in the event of their absence, a properly authorized designee shall cast the vote.

Article X - Committees

The Council District or Board of Directors may create any committee to assist in their of responsibility as deemed necessary. The President shall make all required appointments to the standing and special committees as originated by the Board of Directors, with their recommendations and approval.

Article XI - Resignations, Vacancies

Any member may resign from the Council District or Board of Directors upon written notification. In the event a Council District member resigns or no longer can hold office, the county where the vacancy occurs will elect a new county unit chairman to replace him. In the event a Board of Director member resigns or no longer can hold office, the Council District where the vacancy occurs will elect another to replace him. If an officer resigns or no longer can hold office, the Board of Directors shall elect a new member from among the Board to replace him.

Article XII - Parliamentary Procedures

The rules contained in "Robert's Rules of Order, Revised", shall govern at all meetings of the association. At all meetings, unless otherwise specified by these By-Laws, a majority vote cast shall determine the question.

Article XIII - Contributions

The association may accept contributions or grants to maintain the budget as such budget may be revised for programs or undertakings not considered at the time of annual budget adoption, or may accept funds for operating expenses or specific projects.

Article XIV - Compensation

The Board of Directors may employ an attorney, Secretary, Executive Director, or other such persons, whose term and condition of employment, including need and job description shall be specified by the Board. Compensation shall also be established by the Board.

Traveling and out-of-pocket expenses for Council District and Board of Director members shall be paid by the state association if funds are available. County unit Chairman expenses shall be paid from the county unit funds if available and approved by the county association.

Article XV - Audit

Annually there shall be an audit of all accounts of the association, copies of which audit shall be printed and received formally by the Board of Directors in a regular, annual, or special meeting at the earliest opportunity following completion of the audit. The audit shall be conducted by a firm chosen by the Board of Directors.

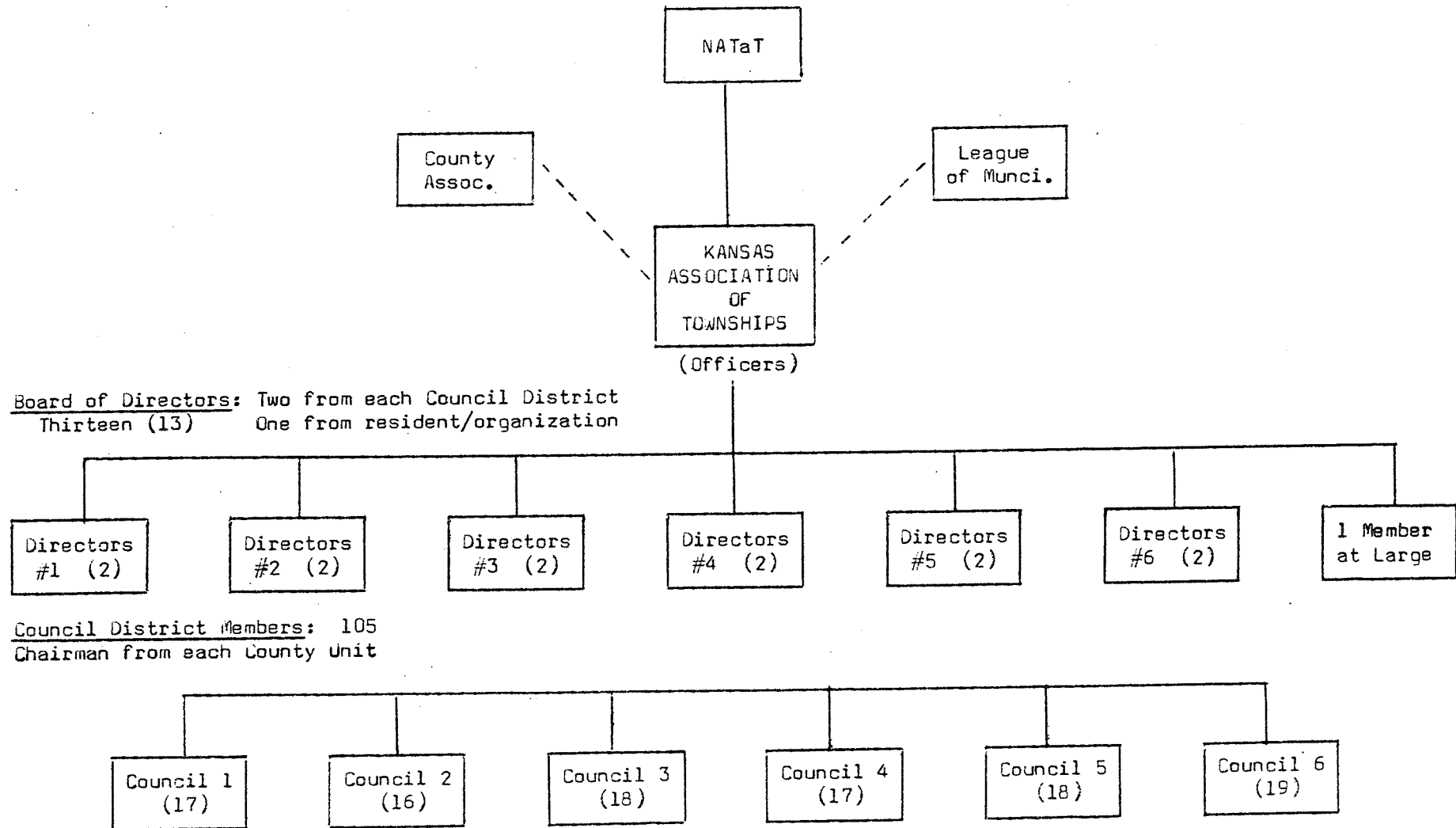
Article XVI - Amendments

The Board of Directors may approve the adoption of a proposed amendment to the By-Laws prior to the annual meeting, or a proposed amendment may be submitted to the Board in care of the Secretary prior to the annual meeting, in writing, for consideration at the annual meeting. A majority of County unit Chairman present at the annual meeting is necessary to approve the amendment.

Any amendment to the By-Laws shall become effective immediately.

Article XVII - Dissolution

The Kansas Association of Townships shall use its funds only to accomplish the objectives and purposes specified in these By-Laws and Articles of Incorporation and no part of such funds shall be distributed to members of the state association unless as allowed by the By-Laws. On dissolution of the state association, any remaining funds shall be distributed to the National Association of Towns and Townships or given to one or more organizations as selected by the Board of Directors.



Board of Directors: Two from each Council District
Thirteen (13) One from resident/organization

Council District Members: 105
Chairman from each County Unit

The Kansas Association of Townships organization consists of all townships paying dues through their county association. Each county elects a Chairman who serves as a Council Member in one of six Council Districts. Each Council District elects two members to serve on the Board of Directors. The Board of Directors elects officers from among its members. An At Large member is elected to serve on the Board of Directors from among the non-elected official, resident/organization County Unit Board of Directors membership. For further explanation and details, read the By-Laws of the Kansas Association of Townships, and the county units.

REMARKS BY COUNCILMEMBER DICK LANDTISER
OF THE CITY OF OVERLAND PARK
BEFORE THE
HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

FEBRUARY 17, 1983

HONORABLE CHAIRMAN AND MEMBERS OF THE COMMITTEE, THANK YOU VERY MUCH. MY NAME IS DICK LANDTISER, AND I AM A MEMBER OF OVERLAND PARK'S CITY COUNCIL.

ON BEHALF OF OVERLAND PARK'S GOVERNING BODY, I WOULD LIKE TO EXPRESS OUR OPPOSITION TO HOUSE BILL 2258, WHICH WOULD AUTHORIZE THE CREATION OF URBAN TOWNSHIPS IN JOHNSON COUNTY.

HOUSE BILL 2258 WOULD GIVE URBAN TOWNSHIPS RATHER BROAD MUNICIPAL POWERS AND WOULD APPEAR TO PROVIDE A SUBSTITUTE FOR THE INCORPORATION STATUTES.

UNDER THE CURRENT INCORPORATION STATUTES, THE BOARD OF COUNTY COMMISSIONERS MAKES A DETERMINATION AS TO THE ADVISABILITY OF A PROPOSED INCORPORATION BASED UPON WHAT IS IN THE BEST INTEREST OF THE COMMUNITY AS A WHOLE, AND NOT JUST THE BEST INTEREST OF THE AREA PROPOSED FOR INCORPORATION. THIS BILL WOULD TRANSFER THE DECISION FROM THE BOARD OF COUNTY COMMISSIONERS TO ONLY THOSE PEOPLE RESIDING WITHIN THE TOWNSHIP.

IT SHOULD ALSO BE NOTED THAT THE BILL ONLY APPLIES TO TOWNSHIPS LOCATED IN THE COUNTY WHICH HAS BEEN DECLARED AN URBAN AREA PURSUANT TO K.S.A. 19-3524. JOHNSON COUNTY IS THE ONLY SUCH COUNTY. NO

Atch. H

DOUBT THIS IS AN ATTEMPT TO GET AROUND THE JOHNSON COUNTY BOARD OF COUNTY COMMISSIONERS' DECISION THAT INCORPORATION WAS NOT ADVISABLE.

MOREOVER, GIVEN THE CURRENT PROBLEMS WITH THE BLUE RIVER SEWER DISTRICT, AND THE PRESENT CONCERN OF PEOPLE HAVING TO SELL THEIR HOMES IN ORDER TO PAY THEIR SEWER ASSESSMENTS, IT WOULD SEEM THE UNINCORPORATED PORTION OF JOHNSON COUNTY COULD ILL AFFORD AN ADDITIONAL TAX LEVY IMPOSED BY AN URBAN TOWNSHIP.

FINALLY, THIS BILL FOLLOWS THE PATTERN WE HAVE SEEN IN PAST SESSIONS OF ATTEMPTING TO LIMIT IN SOME MANNER CITIES' ANNEXATION AUTHORITY. I WOULD URGE THE COMMITTEE TO RECOMMEND THIS BILL AS NOT FAVORABLE FOR PASSAGE, AND I THANK YOU FOR YOUR CONSIDERATION IN THIS REGARD.