

Approved 4/7/83  
Date

MINUTES OF THE House COMMITTEE ON Federal and State Affairs

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

12:30 <sup>xx</sup>  
a.m./p.m. on April 6, 1983 in room 526-S of the Capitol.

All members were present except: Reps. Peterson, Roe, and Vancrum, who were excused.

Committee staff present:

Russ Mills, Legislative Research  
Mary Ann Torrence, Revisor's of Statutes  
Nora Crouch, Committee Secretary

Conferees appearing before the committee:

Kim Dewey, Sedgwick County  
Fred Allen, Kansas Association of Counties

The Chairman called the meeting to order and announced that SB 416 was on hearing status.

Kim Dewey, Sedgwick County, appeared on SB 416 stating the bill authorizes counties to issue general obligation bonds for road improvements. The bill is localized to Sedgwick county. He stated they are facing an expansion of industry in their community now which would add employment to the community. The county needs to improve and repair the 1st, 2nd and 3rd class road systems. There are over 750 county bridges of which 50% are in a condition that they should be closed or will be closed within the next 5 years because of the deteriorating conditions. (See Attachment A)

Fred Allen, Kansas Association of Counties, appeared in favor of SB 416 stating this bill would answer the request in Item 8 of the county platform. They request approval of the bill.

Rep. Ott moved, Rep. Ediger seconding, that on SB 416, Line 39, the "90" days be restored to "60". Rep. Smith made a substitute motion, Rep. Eckert seconding, that on Line 39 the "90" days be restored to "60" days and on Line 41 that the "3%" be restored to "5%". Rep. Smith stated he would like to see some conformity and uniformity in this measure and would even like to see this become a part of a uniform code. The motion carried. Rep. Barr moved, Rep. Rameriz seconding, that SB 416 be reported favorably for passage as amended. The motion carried.

The Chairman advised the Committee that it had been re-referred 10 bills and that there was a possibility of having to meet another time during the day or on Thursday.

The meeting adjourned.





## SEDGWICK COUNTY, KANSAS

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#### Senate Bill 416

SB 416 will give authority to the Sedgwick County Commission to issue general obligation bonds for highway improvements and repairs. The Bill also contains a provision increasing the limitation on bridge bonds issued by Sedgwick County under K.S.A. 68-1106 from \$1,000,000 per year to \$3,000,000. Both of these provisions in SB 416 are substantially the same as those contained in House Bills 2741 and 2742 which were passed by the 1982 session of the House of Representatives 122-2.

Sedgwick County is facing severe funding problems in providing for vitally needed highway improvements and repairs. These improvements are needed to maintain and upgrade our system of highways connecting our first, second and third class cities and to provide for the planned expansion of several of our major industries. This type of alternative funding will be needed to implement a five year roadway capital improvements plan.

Counties are very limited in funding sources for major highway capital improvements. The gas tax provides only moderate support for these capital expenditures. Of the total gas tax, 35% is shared with local governments. However, of the total gas tax 26% is ultimately used by cities, only 9% is used by counties. Other funding comes from Federal Aid Secondary (FAS) funds, which are usually matched with gas tax funds. The funds raised through the ad valorem tax levy are used almost exclusively for the daily operation of the public works department, maintenance, engineering, salaries etc. Counties with a township system may levy up to 5 mills for public works, up to 10 mills under a unit system. Sedgwick County, under a township system levies 3.47 mills for public works. This is because, in addition to the 5 mill restriction, the levy is also under the tax lid and must compete with other operations such as the Sheriff, District

*Atch. A*

Attorney or the District Courts for funds under the lid.

Only the 1.2 million in gas tax funds matched with 1 million in FAS funds are used for strictly capital purposes on roadways in Sedgwick County. At this level of funding the needed repairs and improvements to our highway infrastructure cannot be accomplished.

SB 416 will provide the revenues needed to bridge this gap. Significant safeguards against abuse of this authority have been provided through various amendments. There is an annual aggregate limitation on bonds issued per year of .5% of the assessed valuation, or about \$5,000,000 in Sedgwick County. There is a protest provision which through House Committee amendment is set at 5% of the voters for Governor with 60 days to obtain the petition. Additionally, if a resolution is called to referendum and defeated, a similar resolution cannot be adopted for 30 months.

State Gas Tax Distribution

	<u>% Total Cities</u>	<u>% Total Counties</u>	<u>% Total Township</u>
Direct 43% of the 35% to local government	15.05%		
Direct 57% of the 35% to local government		19.95%	
Counties share 50% of 19.95% with cities	9.98%	(9.98%)	
Counties share with Townships 15% of 9.98%*		(1.50%)	1.50%
Net share of total gas tax revenues	<u>25.03%</u>	<u>8.47%</u>	<u>1.50%</u>