

Approved Ivan Sand
Date

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by REPRESENTATIVE IVAN SAND at
Chairperson

1:00 ~~XXX~~ p.m. on APRIL 4, 1984 in room 521-S of the Capitol.

All members were present except: Representative Don M. Rezac (Excused)

Committee staff present: Mike Heim, Legislative Research Department
Theresa Kiernan, Revisor of Statutes Office
Gloria Leonhard, Secretary to the Committee

Conferees appearing before the committee:

Ms. Gerry Ray, representing Board of County Commissioners,
Johnson County, SB 836; SB 865
Mr. Duane Johnson, State Librarian, SB 848
Senator William T. Mulich, SB 865
Dr. Carlos Cooper, representing Wyandotte County, SB 865
Wyandotte County Commissioner Patrick Sherzer, SB 865

Chairman, Ivan Sand, called for hearings on the following Senate Bills:

SB 836, concerning municipalities; relating to libraries; amending
K.S.A. 12-1223, 12-1225 and 12-1226 and K.S.A. 1983 Supp. 19-101a
and repealing the existing sections. By Committee on Federal
and State Affairs

Mike Heim gave an overview of the bill. (See Supplemental Note on
SB 836 - Attachment I.)

Heim pointed out that the bill puts the Library Board more under the
control of the Johnson County Commissioners; that it establishes special
procedures for the Library Board.

A typographical error was noted on Page 7, Line 268, of the bill.

Representative Arthur W. Douville, stated that he hoped the Committee
would support SB 836; that there is mutual respect and mutual dependence
between the County Commissioners and the Library Board.

When questioned, Ms. Gerry Ray, representing the Johnson County Board
of Commissioners, and Representative Douville affirmed that the Library
Board is in agreement with this bill and that all of the libraries
affected by the legislation are in favor of it.

Ms. Gerry Ray reminded the Committee that she had distributed a memo to
each Committee member on 4/3/84 regarding the points Johnson County feels
are the most significant parts of SB 836. Ray offered to answer
questions from the Committee.

Representative Arthur W. Douville moved that SB 836 be passed. Representa-
tive Clinton C. Acheson seconded the motion.

A request was made for input from Mr. Duane Johnson, State Librarian, who
was present. Johnson stated he sees nothing wrong with the bill; that it
establishes a good relationship between the two Boards.

Chairman Sand called for a vote on Representative Douville's motion that
SB 836 be passed. Motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,
 room 521-S, Statehouse, at 1:00 ~~a.m.~~/p.m. on APRIL 4, 1984

SB 848, concerning libraries; relating to the powers and duties of library boards; -By Committee on Federal and State Affairs

Mike Heim, Staff, gave an overview of the bill. Heim pointed out that the bill gives a Library Board the power to invest or reinvest a gift or interest on it in any manner determined to best serve the Library; that it allows more flexibility regarding gifts than they presently have.

Mr. Duane Johnson, State Librarian, appeared to testify in support of SB 848. Johnson stated that the bill had been introduced at their request; that an auditor of the Salina Public Library had questioned the use of funds from gifts; that it was the contention of the auditor that under current law, monies from these gifts had to be placed in federally secured investments.

When questioned, Johnson verified that federally secured investments are limited usually to banks and treasury bonds.

A question was raised whether funds could be placed in a non-protected investment. Johnson pointed out that a Library is bound to follow the Prudent Man Investment Rule.

Representative W. Edgar Moore moved and Representative George R. Dean seconded that SB 848 be passed. Motion carried.

SB 865, relating to limitations on bonded indebtedness in counties; -By Committee on Federal and State Affairs

Senator William T. Mulich appeared to give background and intent of SB 865. Mulich stated that the bill raises the bonded debt limit for Wyandotte County from 1% to 6% of assessed valuation; that development is presently progressing at a rapid rate; that the bill came out of the Senate 39-0. (See Supp. Note on SB 865 -- Attachment II.)

Dr. Carlos Cooper, representing Wyandotte County, also appeared to give background and intent of the bill and to testify in support of SB 865. Carlos stated that this has been a long-standing issue which has become more important in recent weeks; that the very active development growth has created a need for the legislation.

Commissioner Patrick Sherzer, Wyandotte County, appeared to testify in support of SB 865. Sherzer stated that the bill is needed to promote growth and orderly development; that an industrial park is needed; that the impact of an increase from 1% to 6% will be to change revenue from \$3.7 million to \$22 million; that general obligation bonds can be retired in many ways; that the burden to taxpayers would be very minimal; that the purpose of the request is to help develop the county.

It was noted that the bill provides for raising the bonded debt limit not to exceed 6% and the question was raised how long the limit might remain below 6%. Sherzer stated that if the limit was raised to 6% in one year, the tax increase would be minimal.

It was questioned whether K.S.A. 10-306 applies to all kinds of bonds. Mike Heim, Staff, stated that it pertains only to General Obligation Bonds.

When asked if a 3% limitation would be satisfactory, Sherzer stated that 3% would be very restrictive; that he wouldn't want to have to come back for another increase at the next Legislative Session; that they are not planning on raising taxes but instead planning for the bonds to be retired by the user.

One opinion was that the Committee should accept the 6% proposal as growth has been stagnant for a long time, and current development should be promoted.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,
room 521-S, Statehouse, at 1:00 ~~xxx~~ a.m./p.m. on APRIL 4, 1984

It was questioned whether bonds in an amount over \$100,000 would need to be voted on by the people. Mike Heim, Staff, explained that G. O. bonds often require an election; however, G. O. bonds paid for by special assessments usually don't require an election; although there are some-times provisions for protest petitions; that these would be special assessment G. O. bonds.

Senator Mulich stated that cities and counties both have agreed to SB 865. Mulich urged the Committee to pass the bill.

It was noted that the additional funds would create new jobs.

It was questioned whether the bonded limitations could be raised by a vote of the people. Mike Heim, Staff, explained that this is not subject to Home Rule; that this is a general statute and unless there is a specific statute (e.g. sewer projects) then the general one applies.

When questioned, Ms. Gerry Ray, representing Johnson County, stated that the legislation might cause taxes to increase in Johnson County, depending on if a jail proposal is approved. Ray pointed out that such a proposal would first have to be voted on by the people.

Representative Arthur W. Douville made a motion that SB 865 be passed. Representative Mary Jane Johnson seconded the motion. Motion carried.

Chairman Sand informed the Committee that there will be an additional Committee meeting during the Veto Session later this month and that the minutes of this meeting (4/4/84) will be presented at that time.

Meeting adjourned.

SESSION OF 1984

SUPPLEMENTAL NOTE ON SENATE BILL NO. 836

As Amended by Senate Committee on
Local Government

Brief of Bill*

S.B. 836, as amended by Senate Committee, amends statutes dealing with library boards created by cities, counties, and townships. The bill establishes special provisions for the library board in Johnson County and amends the county home rule statute to prevent the county from effecting changes in this act by home rule.

The bill provides the Johnson County library board may sue with permission of the board of county commissioners and may be sued only in the name of the board of county commissioners. The county treasurer shall receive and administer any state or federal moneys for the library. The library shall be subject to the following provisions established by the board of county commissioners: personnel policies; pay and benefit plans; purchasing; budgeting; auditing; insurance; and other financial policies and procedures. The library board has the power to hire and fire the librarian; establish bylaws for the operation of the library board; and make recommendations to the board of county commissioners regarding the annual budget, fee schedule and work program.

Background

The bill was supported by the Johnson County Commissioners and the library board.

* Bill briefs are prepared by the Legislative Research Department and do not express legislative intent.

SESSION OF 1984

SUPPLEMENTAL NOTE ON SENATE BILL NO. 865

As Recommended by Senate Committee on
Local Government

Brief of Bill*

S.B. 865 amends the statute establishing bonded debt limits for counties to raise the bonded debt limit for Wyandotte County to not to exceed 6 percent of assessed valuation. Under current law, the bonded debt limit for Wyandotte County is not to exceed 1 percent of the assessed valuation.

Background

The proponents said new development is anticipated in the western area of the county requiring increased public expenditures.

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