

Approved 2-18-87 Ivan Sand  
Date

MINUTES OF THE House COMMITTEE ON Local Government

The meeting was called to order by Representative Ivan Sand at  
Chairperson

1:30 XXX a.m./p.m. on February 17, 1987 in room 521-S of the Capitol.

All members were present except:  
Representative Dean, Excused

Committee staff present:  
Mike Heim, Legislative Research Dept.  
Bill Edds, Revisor of Statutes' Office  
Sharon Green, Committee Secretary

Conferees appearing before the committee:  
Representative Schauf  
Susie Parmer, Register of Deeds, Leavenworth County  
Bev Bradley, Kansas Association of Counties  
John Dozier, Kansas Land Title Association  
Representative Pottorff  
Willie Martin, Sedgwick County Intergovernmental Coordinator

Chairman Sand called the meeting to order.

Discussion was held regarding a request from the League of Kansas Municipalities concerning payment of interest on bonds. (Attachment 1)

Motion was made by Representative Holmes and seconded by Representative Graeber to introduce legislation requested by the League of Kansas Municipalities. The motion carried.

Discussion was held regarding a request from Dennis Schwartz, Kansas Rural Water Association, concerning the terms of office for rural water districts. (Attachment 2)

Motion was made by Representative Acheson and seconded by Representative Francisco to introduce legislation requested by Dennis Schwartz. The motion carried.

Discussion was held regarding a request from Terry Stevens, City of Topeka Police Department, concerning the forfeiture of stolen weapons seized in connection with certain crimes.

Motion was made by Representative Graeber and seconded by Representative Douville to introduce legislation requested by Terry Stevens. The motion carried.

Representative Schauf testified in support of HB 2195, stating that this bill would prohibit the register of deeds from recording any transfer of title to real estate until proof is presented that no special assessments are delinquent. Representative Schauf spoke of a problem in her district dealing with developers who were delinquent in paying special assessments who would regain ownership of their property through transfer of title.

Susie Parmer testified in opposition of HB 2195, stating that whenever taxes on Special Assessments are delinquent, the total tax against the property would have to be delinquent, and that satisfactory proof needed to be defined in the bill. She also stated that approximately 90% of their deeds and other recordings are presented to them by abstractors and Title people who have already checked for liens, judgements and taxes. (Attachment 3)

Ms. Parmer indicated to the committee that she had the permission of William Mitchell of the Kansas Land and Title Association to say that the Association also opposed this bill.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Local Government,  
room 521-S, Statehouse, at 1:30 ~~XXX~~ p.m. on February 17, 1987

Bev Bradley testified in opposition to HB 2195, stating that she would agree with the county Register of Deeds in their opposition to this bill.

John Dozier testified in opposition to HB 2195, stating that this bill would place a burden on the Title companies, and that the bill is all too far encompassing.

Discussion was held regarding the intent of HB 2195. Representative Schauf suggested that the bill be passed over and an interim study to look into the problems she discussed in her district be recommended.

Representative Pottorff testified in support of HB 2227, stating that this bill would require a two-thirds vote of five or seven member county commissions to pass a charter resolution, and that this would make it similar to a two-thirds vote of the governing body of a city to pass a charter ordinance.  
(Attachment 4)

Willie Martin testified in support of HB 2227, stating that a two-thirds vote is more reasonable than a unanimous vote of three member commissions. She also stated that Sedgwick County Commissioners requested this legislation.  
(Attachment 5)

Bev Bradley testified in support of HB 2227, and stated that a two-thirds vote is more reasonable.

The minutes of February 16 were approved as presented.

Meeting adjourned.



# League of Kansas Municipalities

PUBLISHERS OF KANSAS GOVERNMENT JOURNAL / 112 WEST SEVENTH ST., TOPEKA, KANSAS 66603 / AREA 913-354-9565

February 12, 1987

Representative Ivan Sand, Chairman  
House Committee on Local Government  
State Capitol--183-W  
Topeka, Kansas 66612

Dear Ivan:

Attached is a proposed amendment to K.S.A. 12-6a10, part of the general improvement and assessment law applicable to all cities, relating to the amount of the first year's payment of interest on special assessment projects. We hope your Committee will introduce the bill, with the understanding it will be referred back to the Committee for further consideration.

The requested amendment stems from a recent court case involving the City of Emporia.

This is one of those simple but complex matters. In brief, the Kansas Court of Appeals, in an opinion filed October 30, 1986, upheld a Lyon District Court opinion that the interest on the first installment payment of a special assessment should include interest only for the period between the date of the levying ordinance and the date the first installment is payable. The Court decision is understandable, since that is what the statute says! However, as a practical matter, the interest charged on an installment paid with property taxes is determined by the interest required to service the outstanding bonds during the coming year, not by the interest accrued between the date of the levying ordinance and the first installment.

If bonds are outstanding, someone has to pay the interest on the bonds. If it is not paid by the benefitting property, it has to be paid by other taxpayers, which is unfair.

Perhaps an example is needed. Assume the first installment was \$50,000, and that the levying ordinance took effect June 20, and the interest cost to service the bonds was 10 percent. If all the property owners pay their special assessments on an installment basis at the time of paying property taxes, the property owners would pay \$2,500 for the six months' interest period between June 20 and December 20. However, the city which issued the bonds to finance the project probably will have semi-annual payment of principal and interest on the bonds, such as on January 30 and June 30 of the following year. The interest depends on when the bonds were issued. If the two match--if the interest between the date of the ordinance and the first installment is the same as the city actually needs to pay for interest, it is strictly accidental.

We have contacted a number of cities which indicate they ignore the literal meaning of the sentence we would like to amend. They ignore it because, if they didn't, they would be ignoring other statutes and bond covenants requiring the city to levy a sufficient amount of special assessments (for principal and interest)

President: John L. Carder, Mayor, Iola • Vice President: Carl Dean Holmes, Mayor, Plains • Past President: Ed Eilert, Mayor, Overland Park • Directors: Robert C. Brown, Commissioner, Wichita • Robert Creighton, Mayor, Atwood • Irene B. French, Mayor, Merriam • Frances J. Garcia, Commissioner, Hutchinson • Donald L. Hamilton, City Clerk/Administrator, Mankato • Paula McCreight, Mayor, Ness City • Jay P. Newton, Jr., City Manager, Newton • John E. Reardon, Mayor, Kansas City • David E. Retter, City Attorney, Concordia • Arthur E. Treece, Commissioner, Coffeyville • Deane P. Wiley, City Manager, Garden City • Douglas S. Wright, Mayor, Topeka • Executive Director: E.A. Mosher

2-17-87

Attachment 1

Rep. Ivan Sand, Chairman  
House Local Government Comm.  
February 12, 1987  
Page Two

to make the payments during the following year.

To our knowledge, the question raised in this court case has never arisen before. Were it not for the fact that there is now a published Court of Appeals opinion, I doubt whether it would come up again. But it has been published, and we think a legislative resolution is important.

Incidentally, neither the District Court nor the Court of Appeals proposed a solution; the courts said what the city couldn't do, but didn't offer any advice as to how cities should meet their bonded debt obligations.

Sincerely,



E.A. Mosher  
Executive Director

EAM:grs

Encl.

**12-6a10. Levy of assessments; interest rates; payment in full, when; payments by taxing units.** At such meeting, or at any adjournment thereof, the governing body shall hear and pass upon all such objections to each proposed assessment, if any, and may amend the proposed assessments as to any parcels, and thereupon by ordinance levy the same as the special assessments against the lands described in the assessment roll. The assessments, with accrued interest, shall be levied as a special tax upon the property included therein concurrent with general property taxes, and shall be payable in not more than twenty (20) equal annual installments, as the governing body determines. The first installment shall be payable at the time of the first payment of general property taxes following the adoption of the assessment ordinance unless such ordinance was adopted and certified too late to permit its collection at such time. All assessments shall bear interest at such rate as the governing body determines, not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009.

Interest on the assessment between the effective date of the ordinance levying the assessment and the date the first installment is payable shall be added to the first installment. The interest for one year on all unpaid installments shall be added to each subsequent installment until paid: *Provided*, All of the installments, together with the interest accrued or to accrue thereon, may be certified by the city clerk to the county clerk in one instrument at the same time, and such certification shall be good for all of the installments, and the interest thereon payable as special taxes. Such assessment shall be collected and paid over to the city treasurer in the same manner as other taxes of the city are collected and paid. The owner of any property so assessed may at any time prior to a date which shall be fixed by the governing body pay the whole of the assessment against any lot or parcel with interest accrued to the date of payment to the city treasurer. The board of county commissioners and the governing body of any school district or other taxing unit, respectively, shall provide for and pay the amount assessed against property owned by them as provided by K.S.A. 79-1808 or they may pay the amounts so assessed from their general funds.

[, but not less than the amount of interest due during the coming year or any outstanding bonds issued to finance the improvement.

**History:** L. 1957, ch. 99, § 10; L. 1970, ch. 64, § 100; March 21.

KRWA

January 27, 1987

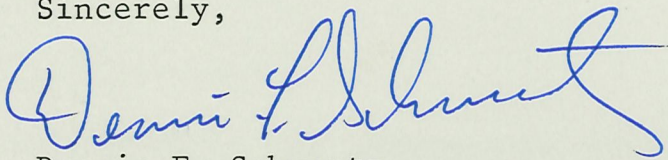
Representative Ivan Sand, Chairman  
House Local Government Committee  
State Capitol Building  
Topeka, Kansas

Dear Representative Sand,

Per our recent telephone conversation, I would request that KSA 82a-626 be amended to allow for annual meetings to be held between January 1 and April 1 of each year. The current March 1 requirement makes it difficult for many Districts to have their audits completed in order to make informative financial statements available to the participating members.

I appreciate your assistance in this matter.

Sincerely,



Dennis F. Schwartz,  
KRWA Vice-President  
3260 SE Tecumseh Rd  
Tecumseh, Ks. 66542  
Ph. 913/379-5553

Kansas Rural Water Association  
P.O. Box 226  
Seneca, Kansas 66538  
(913) 336-3760

Attachment 2-17-87

place of hearing and giving notice thereof shall be in the same manner as prescribed in K.S.A. 82a-615, except notice shall not refer to any meetings to elect to board of directors or adopt bylaws; and in addition thereto the county clerk shall mail to each director of the board of the district named in the petition, a copy of such petition and notice of time and place same shall be considered.

(b) No notice or hearing shall be required when the petition is signed by seventy-five percent (75%) or more of the landowners.

**History:** L. 1957, ch. 540, § 12; L. 1965, ch. 556, § 7; L. 1980, ch. 331, § 2; April 23.

**82a-624. Findings of board; new boundaries; subscription to benefit units by landowners of attached territory.** (a) At the time and place set for the hearing and consideration of the petition, the board of county commissioners shall ascertain (1) whether proper notice has been given as required by K.S.A. 82a-623, and (2) whether the statements contained in the petition are true. If the statements contained in the petition are true and if a majority of the members of the board of the district to which attachment is desired do not object, the board of county commissioners shall enter into its minutes of such findings and shall set forth in said minutes a metes and bounds description of the new territory attached to said district. Thereafter owners of land located within the attached territory shall be entitled to subscribe to such benefit units upon such terms and conditions as the board in its discretion may provide. Any owner of land located within any territory attached to a district as provided by this act, who shall subscribe to one or more benefit units and comply with terms and conditions provided by the board, shall be entitled to the same rights as participating members are entitled to.

(b) When the petition has been signed by seventy-five percent (75%) of the landowners, the board of county commissioners shall ascertain whether the statements contained in the petition are true. If the statements contained in the petition are true and if a majority of the members of the board of the district to which attachment is desired do not object, the board of county commissioners shall enter into its minutes of such

findings and shall set forth in said minutes a metes and bounds description of the new territory attached to said district.

**History:** L. 1957, ch. 540, § 13; L. 1965, ch. 556, § 8; L. 1980, ch. 331, § 3; April 23.

**82a-625. Construction of works; issuance of revenue bonds, conditions.** The board of directors of any district as provided shall have power to cause to be constructed within such district such works as are authorized by this act and to issue revenue bonds therefor, which shall be exempt from taxation. Such bonds shall be self-liquidating out of the revenue to be derived by the district for its services and facilities, shall bear interest at not more than the maximum rate of interest prescribed by K.S.A. 10-1009 and shall be issued under such provisions and conditions as the board shall determine.

**History:** L. 1957, ch. 540, § 14; L. 1970, ch. 64, § 98; L. 1979, ch. 332, § 2; April 26.

**82a-626. Terms of members of board; annual meeting, notice; vote by participating members.** The term of office of every member elected to an original board shall be until the date of the annual meeting of the participating members of either the first, second or third year following the year of the incorporation of the district and until their successors are elected and have qualified, and as nearly as possible the terms of an equal number of directors on any such board shall expire on each of said dates. At the annual meeting of each year after the year of the election of the original board members, elections shall be held to elect directors to fill any position on the board, the term of office of which has expired, and any director so elected shall hold office for a term of three (3) years and until his or her successor is elected and has qualified. For the purpose of election of board members and for such other purposes as the bylaws may prescribe, annual meetings of participating members shall be held by each district between January 1 and March 1 of each year following the year of incorporation of such district. The board of directors shall cause notice of the time and place of each annual meeting and the purpose thereof to be mailed to each of its participating members or shall cause such notice to be published in a newspaper of general circulation within the district. Every such notice shall be mailed or published not less than ten

(10) nor more than thirty (30) days prior to any such meeting. Each participating member shall be entitled to a single vote, regardless of the number of benefit units to which he or she has subscribed.

**History:** L. 1957, ch. 540, § 15; L. 1959, ch. 415, § 4; April 4.

**82a-627. Officers of board; election; term.** The board of directors shall annually elect a chairman, vice-chairman, secretary and treasurer for a term of one (1) year and until a successor is elected and has qualified.

**History:** L. 1957, ch. 540, § 16; June 29.

**82a-628. Duties of chairman of board; compensation of chairman and other persons; budget, audit and report.** It shall be the duty of the chairman of the board of directors to keep in repair such works as are constructed by the district as authorized in this act and to operate such works, all as directed by said board. The chairman and all persons who may perform any service or labor as provided herein shall be paid such just and reasonable compensation as may be allowed by the board of directors and said board shall annually prepare an estimated budget for the coming year, adjust water rates, if necessary to produce sufficient revenue required by such budget, shall cause an annual audit of the district's records and accounts to be made, and shall make a report on said matters at each annual meeting.

**History:** L. 1957, ch. 540, § 17; June 29.

**82a-629. Dissolution of district.** Whenever a petition signed by three-fourths of the landowners in any district organized under provisions of this act, and acts amendatory and supplemental thereto, is presented to the board of county commissioners and it shall appear from said petition that said district owns no property of any kind, exclusive of records, maps, plans and files; that all of its debts and obligations have been fully paid; that the board of directors has not held a meeting for more than one year prior to the date of signing said petition; that the district is not functioning, and will probably continue to be inoperative, the board of county commissioners shall, after such finding, issue a certificate stating the allegations in said petition as true and declaring said district dissolved, and shall make full minutes of such

hearing in its journal and deliver said certificate to the secretary of said district. The secretary of said district shall, within thirty (30) days thereafter, deliver all records, maps, plans and files to the county clerk, and thereupon said district shall be dissolved.

**History:** L. 1957, ch. 540, § 18; June 29.

**82a-630. Release of lands from district, when; petition, finding, certificate.** If it becomes apparent that certain lands included within a district cannot be economically or adequately served by the facilities of the district, the owners of such lands may petition the county commissioners to release those lands from the district. The petition shall describe by section or fraction thereof and by township and range the lands affected and be signed by at least seventy-five percent (75%) of the total number of the owners of land desiring release and be endorsed by the board of directors of the district. After a finding that the granting of the petition is to the best interests of the affected landowners and the district, the board of county commissioners shall issue a certificate stating that the lands involved are released and separated from the district. Full minutes of the hearing shall be entered in the journal of the board of county commissioners and the certificate shall be delivered to the secretary of the district who shall within thirty (30) days cause the records of the district to be amended to exclude the lands affected. The secretary of the district shall transmit a copy of any such certificate to the chief engineer.

**History:** L. 1959, ch. 415, § 5; L. 1977, ch. 355, § 1; April 9.

**82a-631. Conversion of certain cooperative and nonprofit corporations into rural water districts; petition; requirements.** Any cooperative or nonprofit corporation organized prior to July 1, 1957, for purposes authorized by sections 82a-612 to 82a-629, both sections inclusive, of the General Statutes Supplement of 1957, may, by a vote of a majority of the members present at a regular meeting, or at a meeting duly called for that purpose, and provided a quorum is present, elect to petition the county commissioners to incorporate the lands within its corporate boundaries into a rural water district. Said petition shall: (1) Be accompanied by a map showing the corporate boundaries of the



MR. CHAIRMAN AND MEMBERS OF LOCAL GOVERNMENT

RE: HB 2195

We are here to express our concerns with HB 2195, as it will require us to have satisfactory proof that the delinquent taxes on Special Assessments have been paid prior to our accepting a deed for recording.

First of all, whenever the taxes on Special Assessments are delinquent, the total tax against the property would have to be delinquent---As the specials when presented to the County do become a part of the total tax bill and are due and payable at the same time.

Secondly, we would like for you to better define satisfactory proof--Do you want a paid tax receipt or do you want each deed to be presented first to the County Treasurer and be stamped if the taxes are paid.

We would also like to point out that approximately 90% of our deeds and other recordings are presented to us by abstractors and Title people who have already checked for liens, judgements and taxes and if any taxes are found to be unpaid or delinquent, they will be paid shortly after the recording of the deed and mortgage. Then the monies are disbursed to any prior lien holder, to anyone who might have a judgement against the property and taxes will be paid and a title policy can be issued.

In addition we are concern with deeds that are brought in by individuals and are received in the mail. In our county, if a person was to find out whether taxes were paid, he would first have to go to the Clerks office to find his tax ID number before he could find out at the Treasurers office if the taxes were paid. I really do not believe that our customers would appreciate this.

Will proof of paid taxes also be required for Trust deeds, Administrator Deeds, Sheriff Deeds, Quit Claim Deeds and Deeds of convenience as these do transfer property too. *and Minors Deeds*

We feel that HB 2195 warrants additional studying before it should be acted on.

Thank you,



Susie Parmer  
Register of Deeds  
Leavenworth County  
Member of Legislative committee  
for State Association

*Attachment 3  
2-17-87*

1986  
TAX RECEIPT

OFFICE OF THE COUNTY TREASURER  
SHIRLEY J. TATE, COUNTY TREASURER  
LEAVENWORTH COUNTY, LEAVENWORTH, KANSAS 66048

REAL  
ESTATE

1

OMISSIONS AND DELETIONS ARE NOT THE RESPONSIBILITY OF THE TREASURER.

IF THIS AMOUNT IS \$10.00 OR LESS, IT MUST BE PAID IN FULL.

VALUATION	TOTAL LEVY	GENERAL TAX	SEWER	PAVING	PAVING	PAVING	MISC.	TOTAL TAX	FIRST HALF PAYMENT	TAX BILL NO.	
	BK. NO.	LOAN NO.	C/T NAME			DELINQUENT TAX YEARS			INTEREST		TOTAL
STATE	COUNTY	JR. COLLEGE	CITY	TOWNSHIP	SCHOOL DIST.	2ND HALF PAYMENT	<p><b>YOU MUST BRING THIS STATEMENT WHEN PAYING TAXES. (FULL OR HALF)</b></p>				
SCHOOL BOND	SCHOOL BOND	SCHOOL BOND	SCHOOL BOND OR DRAINAGE	FIRE DIST.	CEMETERY						
SCHOOL BOND	SCHOOL BOND	SCHOOL BOND	SCHOOL BOND OR DRAINAGE	FIRE DIST.	CEMETERY	N.E.K. LIBRARY					
TRACT/TAXPAYER NUMBER	THIS IS A DISTRIBUTION - BREAKDOWN OF YOUR GENERAL TAX										
TAX UNIT											
MAKE INQUIRIES ON ASSESSED VALUE TO APPRAISER'S OFFICE. TEL. 682-7611											

<p>K.S.A. 79-2004          PAYMENT DUE ON OR BEFORE DEC. 20, 1986. ON FAILURE TO PAY THE FIRST HALF ON OR BEFORE DEC. 20, 1986, INTEREST WILL BE ADDED AT THE RATE OF 18% PER ANNUM. SECOND HALF DUE ON OR BEFORE JUNE 20, 1987, AND THEREAFTER, IF UNPAID, DRAWS INTEREST AT 18% PER ANNUM.</p>	FIRST PAYMENT	FULL OR SECOND PAYMENT	<table border="1"> <tr><td>CHECK</td><td></td></tr> <tr><td>CASH</td><td></td></tr> <tr><td>TAX</td><td></td></tr> <tr><td>CHANGE</td><td></td></tr> </table>	CHECK		CASH		TAX		CHANGE	
CHECK											
CASH											
TAX											
CHANGE											

**PLEASE SUBMIT ENTIRE STATEMENT - RECEIPT WILL BE RETURNED.  
NO STATEMENT FOR SECOND HALF TAXES WILL BE MAILED.**

C-141402 LOCKWOOD CO., INC. - ATCHISON, KANSAS

JO ANN POTTORFF  
REPRESENTATIVE, EIGHTY-THIRD DISTRICT  
6321 E. 8TH STREET  
WICHITA, KANSAS 67208-3611



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
MEMBER: EDUCATION  
PUBLIC HEALTH AND WELFARE  
TAXATION

TESTIMONY ON HOUSE BILL 2227

House Local Government Committee

February 17, 1987

Mr. Chairman, members of the committee:

The Constitution of the State of Kansas in Article 12, Chapter 5, Section (c) (2) requires a 2/3 vote of the governing body of a city to pass a charter ordinance. But in KSA 19-101b, Section 6, a unanimous vote of all county commissioners is required to pass a charter resolution unless the board determines prior to passage that the issue will be submitted to a referendum. Prior to 1978, when Coffey County approved a referendum for a five member county commission, all boards of county commissioners consisted of three members. To require a three member board to have a unanimous vote is sound but the same requirement for a five member board can be an impediment. We are asking that you amend KSA 19-101b to require a two-thirds vote of five or seven member county commissions to pass a charter resolution. This would make it similar to a two-thirds vote of the governing body of a city to pass a charter ordinance.

Thank you,

Jo Ann Pottorff

*Attachment 4*  
*2-17-87*



SEDGWICK COUNTY, KANSAS

INTERGOVERNMENTAL COORDINATOR

WILLIE MARTIN

COUNTY COURTHOUSE • SUITE 315 • WICHITA, KANSAS 67203-3759 • TELEPHONE (316) 268-7552

HOUSE COMMITTEE ON LOCAL GOVERNMENT

RE: HB2227

Mr. Chairman and Members of the Committee:

K.S.A. 19-101b. Section (b) requires the unanimous vote of all county commissioners to pass a charter resolution, unless the board determines prior to passage that the issue will be submitted to a referendum. Prior to 1978 when Coffey County approved a referendum for a five member county commission, all boards of county commissioners consisted of three members. To require a unanimous vote of three member commissions is sound but the same requirement for five member boards can be an impediment to effective and efficient local government.

The Constitution of the State of Kansas in Article 12, Chp. 5, Section (c)(2) requires a two-thirds vote of the governing body of a city to pass a charter ordinance. To also require a two-thirds vote of county commissions, with five or more members, for passage of a charter resolution would provide the ability to accomplish county goals and still provide the safeguard of requiring a vote of four out of five to pass a Charter Resolution.

Testimony of: Willie Martin  
Sedgwick County

Attachment 5  
2-17-87