

Approved _____ Date _____

MINUTES OF THE SENATE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by Senator Don Montgomery at _____
Chairperson

9:11 a.m./~~p.m.~~ on February 25, 1987 in room 531-N of the Capitol.

All members were present except: Senators: Gaines and Winter

Committee staff present: Mike Heim, Theresa Kiernan, Emalene Correll and Lila McClaflin

Conferees appearing before the committee:

Bernie Hayen, League of Kansas Municipalities, Topeka, Ks.
Jim Kaup, League of Kansas Municipalities, Topeka, Ks.

S.B. 155 - Concerning cities; authorizing the establishment of a consolidated highway fund.

Bernie Hayen, assistant director for special services, for the League, spoke in support of S.B. 155. He stated passage of this bill would allow cities to simplify their financial procedures and permit more effective capital improvement planning of municipal street needs. (ATTACHMENT I) He responded to questions from members of the Committee.

S.B. 156 - concerning the Kansas tort claims act; relating to the payment of judgments or settlements against municipalities.

Jim Kaup with the League testified in support of S.B. 156. He stated this bill would clarify existing law.

Dennis M. Shockley, Intergovernmental and Public Affairs for the City of Kansas City, Ks., was not present, but presented written testimony. (ATTACHMENT II)

Senator Steineger moved to report S.B. 156 favorably for passage. The motion was seconded by Senator Bogina. The motion carried.

Senator Daniels moved to report S.B. 155 favorably. The motion was seconded by Senator Langworthy.

Staff suggested S.B. 155 be amended to reference both KSA 68-416 and KSA 79-3425 were the new language would be amended in.

Senator Daniels withdrew her motion and Senator Langworthy withdrew her second. Senator Daniels moved to adopt the amendment suggested by Staff. The motion was seconded by Senator Ehrlich. The motion carried.

Senator Bogina moved the bill be passed as amended. The motion was seconded by Senator Daniels. The motion carried.

By conceptual motion and concensus of the members of the Committee the bill would be amended on line 21 to insert following highways, "and streets".

The meeting adjourned at 9:37 a.m., next meeting will be February 26, 1987.

Don Montgomery
Chairman, Senator Don Montgomery



League of Kansas Municipalities

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

TO: Senate Committee on Local Government
FROM: Bernie Hayen, Assistant Director for Special Services
DATE: February 25, 1987
SUBJECT: SB 155: City Consolidated Highway Fund

The purpose of SB 155 is to authorize cities to establish a consolidated highway fund. Every city now has at least two highway "funds"--(1) the street account within its general fund, and (2) the special highway fund (the fund for the city share of the state "special city and county highway fund" aid program under K.S.A. 79-3425c). Some cities have more. About 35 cities of the third class have a special street maintenance fund under K.S.A. 15-733, and about 60 cities of the second and third class have a special street lighting fund under K.S.A. 14-535 and 15-712. In addition, there are at least 35 cities that have provided by home rule charter ordinance for a special tax (fund) to be levied for street purposes outside the tax lid. Finally, it might be noted that those cities that receive payments for the maintenance of state highway connecting links, under K.S.A. 68-416, are required to deposit the money in the city's "street and alley funds," to be used solely for the maintenance of city connecting links.

The basic purpose of SB 155 is to permit city governing bodies to establish by ordinance a single consolidated highway fund, to replace the several accounts and funds that now exist for highway and street purposes. In instances in which a separate property tax fund exists, moneys therein could be transferred, by the annual budget, to the consolidated fund, with the actual disbursements made from the consolidated fund. Moneys in the consolidated fund could "be used solely for highway purposes." (See line 28.)

The League believes SB 155 is necessary because of the general prohibition against the budgeted transfer of moneys contained in the state budget law; K.S.A. 79-2934 provides "No part of any fund shall be diverted to any other fund ... except as provided by law." SB 155 would provide the statutory authority for such budgeted transfers. Further, it is believed that the bill is consistent with the requirement of K.S.A. 68-416 that state connecting link payments to cities be "credited to the street and alley fund of such cities ..." and the requirement of K.S.A. 79-3425c that state highway aid payments to cities be credited "to a separate fund to be used for the construction, reconstruction, alteration, repair and maintenance of the streets and highways ..." The proposed "consolidated highway fund" meets the requirement of "a separate fund" in this act. The intent of the "separate fund" was to prevent cities from using highway aid for police or other non-highway purposes, an intent preserved by SB 155.

Passage of SB 155 will allow cities to simplify their financial procedures, reduce fund balance needs, and permit more effective capital improvement planning of municipal street needs. We urge you to act on it favorably.

(ATTACHMENT I) LOCAL GO 2/25/87

President: John L. Carder, Mayor, Iola • Vice Presidents: 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

OBJECTIVE #7:

Support legislation to amend the Kansas Tort Claims Act.

OVERVIEW:

Cities have become more and more exposed to tort liability in recent years. In addition, they have suffered major increases in insurance premiums, reduced coverages and, in some instances, outright cancellation of policies. Due to this increased exposure of tort liability expanded by the judiciary, a threat exists to the orderly provision of municipal programs and services. A balance needs to be struck between the legitimate needs of individuals wronged by improper governmental conduct and the public's need for an appropriate level of immunity for municipalities from that liability.

The 1979 Kansas Tort Claims Act should be amended to prohibit the awarding of punitive damages against the officers or employees of municipalities. Also, there should be blanket immunity for municipal governing body members. In general, the act should be changed from the present "open-ended" liability situation to one of "closed-ended" liability. Currently, liability is the rule and immunity the exception. The act should be restructured so that immunity for cities is the rule and liability the exception.

COMMENTS:

A bill will be introduced.

Work closely with League on the legislation.

(ATTACHMENT II) LOCAL GO 2/25/87



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