

Approved February 24, 1988
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Phil Kline at
Chairperson

3:35 ~~xxx~~ p.m. on Thursday, February 11, 1988 in room 423-S of the Capitol.

All members were present except: Representatives Mainey, Mead, Teagarden, Dyck, Barkis and Helgerson. - Excused.

Committee staff present:

Jim Wilson, Revisor
Lynn Holt, Research
Elaine Johnson, Secretary

Conferees appearing before the committee:

None.

Chairman Kline called the meeting to order and recognized Representative Heinemann.

Representative Heinemann requested a Concurrent Resolution requesting and encouraging the Kansas Technology Enterprise Corporation to establish a center of excellence on swine production at Kansas State University, to be known as the Kansas Swine Center. (Attachment 1). Representative Foster moved, and Representative Aylward seconded, that it be introduced and referred to the Economic Development Committee. Motion carried.

Chairman Kline recognized Representative Knopp who requested a bill concerning banks and insurance companies and others, who create jobs, and have their income reported on similar tax forms, be eligible for job credit through the enterprise zone. Representative Chronister moved, and Representative Sader seconded, that it be introduced and referred to the Economic Development Committee. Motion carried.

Ed Schaub was recognized and requested a bill concerning the regulation, supervision and control of radio common carriers and radio communications by the state corporation commission; amending K.S.A. 1987 Supp. 66-104a, 66-1, 143 and 66-1, 145 and repealing the existing sections; also repealing K.S.A. 1987 Supp. 66-1, 144. (Attachment 2.) Representative Chronister moved, and Representative Moomaw seconded, that the bill be introduced and referred to the Economic Development Committee. Motion carried.

Representative Kline, for Phil Wolfe, who could not be present, requested a bill relating to financing of certain facilities or improvements by municipalities; concerning use of countywide and city retailers; sales tax proceeds; amending K.S.A. 1987 Supp. 12-195 and repealing the existing section. (Attachment 3.) Representative Baker moved, and Representative Weimer seconded, that the bill be introduced and referred to the Economic Development Committee. Motion carried.

H.B. 2645: Chairman Kline opened the discussion and reviewed the basics of the bill and proposed amendments. Representative R.H. Miller moved, and Representative Chronister seconded, that the bill be amended and passed as amended. The bill passed unanimously.

The minutes of meetings held on January 20 and 21 were approved.

The meeting adjourned at 3:50 p.m.

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.

HOUSE CONCURRENT RESOLUTION NO. _____

By _____

A CONCURRENT RESOLUTION requesting and encouraging the Kansas Technology Enterprise Corporation to establish a center of excellence on swine production at Kansas State University, to be known as the Kansas Swine Center.

WHEREAS, Kansas agriculture is a primary basis of the economy of this state and the Kansas swine industry is an integral part thereof; and

WHEREAS, There are nearly 7,000 swine producers and the current Kansas swine production comprises approximately 2% of the total production of the nation; and

WHEREAS, The Kansas swine industry is at a disadvantage in the national pricing structure and Kansas producers have consistently experienced yearly average prices that are significantly below the national yearly average prices during the past 10 years; and

WHEREAS, The Kansas swine industry ranking in terms of a share of the national market has dropped from 7th to 10th during the past 10 years; and

WHEREAS, The availability of feed supplies, adequate transportation and appropriate environmental conditions in Kansas would support growth in the Kansas swine industry; and

WHEREAS, Kansas State University has been and continues to be a leader in all fields of agricultural research and development; and

WHEREAS, The Kansas swine industry would greatly benefit by focusing increased basic and applied research efforts in swine production at Kansas State University; and

WHEREAS, The establishment of a Kansas Swine Center as a center of excellence at Kansas State University would disseminate current technology to the Kansas swine industry and support the

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current producers of Kansas with a nontraditional, interdisciplinary center of excellence for education, communication and delivery of swine production expertise; and

WHEREAS, The establishment of a Kansas Swine Center would provide a unique center for the interaction between industry and university activities, would enhance profitability for Kansas swine producers and would provide for financial support of basic and applied research at Kansas State University; and

WHEREAS, The establishment of a Kansas Swine Center would bring national and international visibility to the Kansas swine industry and Kansas State University and would stimulate growth and efficiency in the industry, thereby increasing the economic development of Kansas: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the Kansas Technology Enterprise Corporation is hereby requested and encouraged to give special emphasis and consideration to the establishment of a center of excellence at Kansas State University for the purposes of fostering basic research, applied research and development and technology transfer related to swine production, which would be known as the Kansas Swine Center; and

Be it further resolved: That the Secretary of State be directed to send an enrolled copy of this resolution to each member of the board of directors of the Kansas Technology Enterprise Corporation, to each member of the State Board of Regents, to the President of Kansas State University and to the Kansas Pork Producers Council, 2601 Farm Bureau Road, Manhattan, Kansas 66502.

BILL NO. _____

AN ACT concerning the regulation, supervision and control of radio common carriers and radio communications by the state corporation commission; amending K.S.A. 1987 Supp. 66-104a, 66-1,143 and 66-1,145 and repealing the existing sections; also repealing K.S.A. 1987 Supp. 66-1,144.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1987 Supp. 66-104a is hereby amended to read as follows: 66-104a. (a) Except as otherwise provided in subsection (b), no telephone public utility shall be subject to the jurisdiction, regulation, supervision and control of the state corporation commission if it meets the following conditions: (1) The original cost of its telephone public utility facilities located in this state constitutes less than 1% of the total original cost of all its telephone public utility facilities located everywhere, (2) the telephone public utility does not have a central office in this state, (3) the telephone public utility is subject to the jurisdiction, regulation, supervision and control of a regulatory agency existing under the laws of any state bordering upon this state, (4) the telephone public utility certifies to the state corporation commission that a regulatory commission of a bordering state has asserted jurisdiction, regulation, supervision and control over its telephonic operations, and (5) customers of the telephone public utility in this state are charged the same rates and are provided service under the same terms and conditions as are its customers located in similar areas in a bordering state.

(b) The state corporation commission shall retain such jurisdiction and control over any such telephone public utility necessary to insure compliance with the condition that customers

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of the telephone public utility in this state are provided service under the same terms and conditions as are its customers located in similar areas of a bordering state and may, in its discretion, require any such utility to furnish copies of documents filed with the appropriate regulatory agency of the appropriate bordering state which demonstrate its compliance with such condition. Also, any such telephone public utility shall be subject to such orders on industry practices and quality of service as the state corporation commission may from time to time promulgate.

(c) The service of a telephone public utility, otherwise authorized to transact business pursuant to K.S.A. 66-131 and amendments thereto, relating to the provision of radio communication, including cellular radio, which is one-way, two-way or multiple, between mobile and base stations, between mobile and land stations, including land line telephones, between mobile stations or between land stations, shall not be subject to the jurisdiction, regulation, supervision and control of the state corporation commission during--the--period--commencing--on January-17-1986--and--ending--on--July-17-1988.

Sec. 2. K.S.A. 1987 Supp. 66-1,143 is hereby amended to read as follows: 66-1,143. (a) As used in this section and K.S.A. 66-1,144 and 66-1,145 and amendments thereto, "radio common carrier" shall include all persons and associations of persons, whether incorporated or not, operating a public "for hire" radio service engaged in the business of providing a service of radio communication, including cellular radio, which is one-way, two-way or multiple, between mobile and base stations, between mobile and land stations, including land line telephones, between mobile stations or between land stations, but not engaged in the business of providing a public land line message telephone service or a public message telegraph service within this state.

(b) Except as provided in this subsection and K.S.A. 66-1,144 and 66-1,145 and amendments thereto, no radio common carrier shall be subject to the jurisdiction, regulation,

supervision and control of the state corporation commission during--the--period--commencing--on--January--17--1986--and--ending--on--July--17--1988. The state corporation commission shall have the power and authority granted by K.S.A. 66-1,145 and amendments thereto and the power and authority to regulate and control radio common carriers whenever it is necessary to protect the public interest against cross-subsidization of competitive goods or services by monopoly goods and services.

Sec. 3. K.S.A. 1987 Supp. 66-1,145 is hereby amended to read as follows: 66-1,145. Except as otherwise provided in this section, each radio common carrier may interconnect its common carrier radio telephone facilities with the telephone facilities of the telephone company--serving public utility certificated to serve the exchange area in which the base station of the radio common carrier is located if an agreement can be reached between the radio common carrier and the serving telephone company public utility providing for such interconnection. When such an agreement cannot be reached between the radio common carrier and the serving telephone company public utility, the radio common carrier may petition the state corporation commission for the right of interconnection and if the commission finds that a necessity exists therefor such interconnection shall be ordered by the commission on such reasonable terms as shall be established and prescribed by the commission. After--June--30--1988--each--radio--common--carrier--which--is--interconnecting--its--common--carrier--radio--telephone--facilities--with--the--telephone--facilities--of--a--telephone--utility--in--accordance--with--an--agreement--or--an--order--under--this--section--shall--hold--a--certificate--issued--by--the--state--corporation--commission--permitting--the--radio--common--carrier--to--transact--the--business--of--a--radio--common--carrier--in--this--state--

Sec. 4. K.S.A. 1987 Supp. 66-104a, 66-1,143, 66-1,144 and 66-1,145 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

BILL NO. _____

AN ACT relating to financing of certain facilities or improvements by municipalities; concerning use of countywide and city retailers' sales tax proceeds; amending K.S.A. 1987 Supp. 12-195 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1987 Supp. 12-195 is hereby amended to read as follows: 12-195. (a) Except as otherwise provided in subsection (b), no city or county shall commit any of the funds or proceeds derived from a retailers' sales tax as a guarantee for the payment of bonds issued by such city or county.

(b) Any city or county which is the recipient of funds derived from a local option sales tax pursuant to K.S.A. 12-187 et seq., and amendments thereto is hereby authorized to issue revenue bonds to provide for the payment of all or any portion of the cost of public facilities or improvements of such city or county for which such city or county is authorized pursuant to the constitution or laws of this state to issue general obligation bonds, excluding any facilities or improvements to be used for commercial or retail purposes, except that, with regard to revenue bonds issued pursuant to this section by the city of Overland Park, Kansas, in lieu of such exclusion, there shall be excluded any facilities to be used exclusively for commercial or retail purposes. In the event the governing body of a city or county proposes to issue such bonds, and the question of pledging the revenues received from the countywide or city retailers' sales tax has not previously been submitted to and approved by the voters of the city or county, such proposition shall be published once each week for two consecutive weeks in the official city or county newspaper, as the case requires. If, within 30 days after the last publication of the proposition, a

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petition signed by not less than 4% of the electors of the city or county, as the case requires, who voted for the office of secretary of state at the last preceding general election for such office requesting an election thereon, no such bonds shall be issued unless the proposition is submitted to and approved by a majority of the voters of the city or county, as the case requires, voting at an election held thereon. Any such election shall be called and held in accordance with the provisions of K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act.

(1) Such bonds shall be authorized by ordinance of the governing body of such city or resolution of the governing body of such county. The bonds may be issued as registered bonds or coupon bonds, payable to bearer, and, if coupon bonds, may be registrable as to principal only or as to principal and interest, and may be made exchangeable for bonds of another denomination or in another form. The bonds may be in such form and denominations, may have such date or dates, may be stated to mature at such time or times, may bear interest payable at such times and at such rate or rates, may be payable at such places within or without the state, may be subject to such terms of redemption in advance of maturity at such prices, and may contain such terms and conditions, all as the city or county shall determine. The bonds shall have all the qualities of and shall be deemed to be negotiable instruments under the laws of the state of Kansas. The authorizing ordinance or resolution may contain any other terms, covenants and conditions that the city or county deems reasonable and desirable, including without limitation those pertaining to the maintenance of various funds and reserves, the nature and extent of any security for payment of the bonds, the custody and application of the proceeds of the bonds, the collection, transfer and disposition of sales tax revenues, the investing of bond proceeds or any funds pledged to the repayment of the bonds, and the rights, duties and obligations of the city or county and the owners of the bonds.

(2) The authorizing ordinance or resolution may provide for

the execution of a trust indenture between the city or county and any financial institution within or without the state of Kansas. The trust indenture may contain any terms, covenants and conditions that are deemed desirable by the city or county.

(3) Any authorizing ordinance or resolution and trust indenture relating to the issuance of and security for the bonds shall constitute a contract between the city or county and the owners of the bonds, which contract, and all covenants, agreements and obligations therein, shall be promptly performed in strict compliance with the terms and provisions of such contract, and the covenants, agreements and obligations of the city or county may be enforced by mandamus or other appropriate proceeding at law or in equity. The pledge of revenues made by the city or county shall be valid and binding from the time when such pledge is made and the revenues so pledged and thereafter received by the city or county shall immediately be subject to the lien of such pledge without such physical delivery thereof or further act on the part of the city or county, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind against the issuer, irrespective of whether such parties have notice thereof. Neither the authorizing ordinance or resolution nor any other instrument by which a pledge is created need be filed or recorded except in the records of the city or county.

(4) The revenue bonds may be sold in such manner, either at public or private sale, and upon such terms as the city or county shall determine to be reasonable, including sale at discount. It shall be plainly stated on the face of each such bond that it has been issued under this act, that the bonds shall be special obligations of the city or county, payable solely and only from the revenues derived from the collection of such local sales taxes, and except that, with regard to revenue bonds issued pursuant to this section by the city of Overland Park, Kansas, in lieu of such statement, each such bond shall state that the bonds shall be special obligations of the city, payable solely and only from the revenues pledged to the payment of the bonds. It shall

be also plainly stated on the face of each revenue bond issued pursuant to this section that in no event, shall the bonds constitute an indebtedness of the state of Kansas or the city or county for which the faith and credit of the state of Kansas or city or county is pledged.

(5) Any bonds issued under the provisions of this section and the interest thereon, shall be exempt from all taxes levied by the state of Kansas, or any political or taxing subdivision thereof, except inheritance taxes.

(6) Bonds may be issued for the purpose of refunding, either at maturity or in advance of maturity, any bonds issued under this section. Such refunding bonds may either be sold or delivered in exchange for the bonds being refunded. If sold, the proceeds may either be applied to the payment of the bonds being refunded or deposited in trust and there maintained in cash or investments for the retirement of the bonds being refunded, as shall be specified by the city or county and the authorizing ordinance or resolution or trust indenture securing such refunding bonds. The authorizing ordinance or resolution or trust indenture securing the refunding bonds may provide that the refunding bonds shall have the same security for their payment as provided for the bonds being refunded. Refunding bonds shall be sold and secured in accordance with the provisions of this act pertaining to the sale and security of the bonds.

(7) Bonds issued under the provisions of this act shall be eligible to secure the deposit of public funds under article 14 of chapter 9 of the Kansas Statutes Annotated and amendments thereto.

(8) Bonds issued under the provisions of this act shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such city or county.

Sec. 2. K.S.A. 1987 Supp. 12-195 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.