

Approved March 23, 1990  
Date

MINUTES OF THE SENATE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by Sen. Don Montgomery at  
Chairperson

9:00 a.m./~~p.m.~~ on March 22, 1990 in room 531-N of the Capitol.

All members were present except:

Committee staff present:

Mike Heim, Legislative Research  
Shirley Higgins, Committee Secretary

Conferees appearing before the committee:

Rep. R. D. Miller  
Rep. Jack Lacey  
Rob Hodges, Kansas Telecommunications Association  
Jeff Russell, United Telephone Companies  
Rep. Kenneth King

The hearing began on HB 2675 relating to an emergency telephone service in cities and counties. Rep. R. D. Miller, author of the bill, testified in support. He has had a goal to establish a 911 system on a statewide basis for several years. He feels that this bill will accomplish this as it does not mandate the service on the people. He gave a brief background on the 911 system. He explained that this bill will establish different rates and provides for a protest petition and allows a unit of government to issue a referendum. The bill is acceptable because it gives people a chance to express their opinion. It is set up with the general bond laws and, therefore, requires no special election. The referendum allows people to decide if they want the tax instead of the phone bill just going up. Rep. Miller noted that after some debate, it was decided that the 75¢ maximum per month tax would be enough to generate enough funds for the 911 service statewide. He concluded by proposing an amendment to the bill. (See Attachment I).

Rep. Jack Lacey testified in support of the bill. He said many rural counties want the bill as they are not able to finance the 911 service under current law. In Labette County, raising the monthly fee 72¢ will allow them to put the 911 service into place. The amendment offered by Rep. Miller will put in a safeguard that the interest on money raised for 911 service will not go into the county general fund.

Rob Hodges, Kansas Telecom Association, followed with further testimony in support of HB 2675. (See Attachment II). Mr. Hodges felt perhaps the bill needs to be amended to clarify that the 75¢ limitation applies "per access line". Rep. Miller was in agreement and will work with the Revisor to so amend the bill.

Jeff Russell, United Telephone Companies, gave further testimony in support of the bill. (See Attachment III). He supports both amendments offered.

Sen. Gaines made a motion to amend HB 2675 on page 2, line 39, as suggested by Rep. Miller and to add "per access line" on page 1, line 31, Sen. Langworthy seconded, and the motion carried.

Sen. Gaines made a motion to recommend HB 2675 favorable for passage as amended, Sen. Langworthy seconded, and the motion carried.

Attention was turned to HB 2702 which would allow Butler County to establish

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON LOCAL GOVERNMENT

room 531-N, Statehouse, at 9:00 a.m./~~p.m.~~ on March 22, 1990.

a battered women's program with moneys from the local alcoholic liquor fund and which had been previously heard and discussed. The Chairman recalled that there had been a question as to if counties are nonuniform or uniform in connection with the transfer of funds. Staff had determined that it is clear that cities are nonuniform, but counties are uniform, therefore, there is a need for this bill for Butler County.

Rep. Kenneth King testified in support of the bill. He explained that it was restricted to Butler County because of opposition to statewide application. Butler County has no use for the money for park systems because they have no county parks. All the bill would do is to allow Butler County to use the parks and recreation money for the establishment of a battered women's program. Sen. Daniels asked Rep. King if he would object to changing the wording from "shelter" to "women's crises center", and he had no objections.

Sen. Burke began a discussion on the uniform question. Since it was determined that counties are uniform, he suggested that an exception for Butler County be added to the home rule statute. The money could be transferred to the county general fund in any other counties.

Sen. Burke made a motion to amend HB 2702 to allow the accumulated balance in the parks and recreation funds left unexpended to be transferred to the general fund and then be used for this purpose and that this apply to both cities and counties, Sen. Gaines seconded, and the motion carried.

Sen. Daniels made a motion to amend the bill on page 2, line 36 to change to read "domestic violence program". Sen. Burke said this language would be stricken by his motion. Sen. Daniels withdrew her motion.

Sen. Gaines made a motion to report HB 2702 favorable for passage as amended, Sen. Petty seconded, and the motion carried.

Consideration of another bill previously heard and discussed regarding water districts, HB 2983, began. The Chairman reminded the committee that Sen. Steineger had raised questions regarding the dedication of general revenue obligation bonds for the purpose in the bill. Sen. Steineger said he feels this bill gives water districts the power to levy general taxes in counties and cities, and that power is usually reserved to the county or city commissioners. However, revenue bonds would not erode the taxing authority of cities and counties. The bill would allow the water district to levy an ad valorem tax in various "islands" in that water district, and the local authorities may not be aware of the tax.

Sen. Petty wondered if there was anything that would preclude other water districts from doing the same thing and how many districts there are statewide. Staff said there are 15 districts statewide, and briefly explained that the statute was passed some years ago due to the water shortage. Sen. Burke felt a possibility would be to provide a requirement that each governing body in the water district must approve the tax or use revenue bonds. Sen. Steineger suggested that the committee hear testimony from the Federal Home Loan Bank Board. It was also felt that perhaps this should be the subject of an interim study. A decision will be made at the meeting tomorrow.

The minutes of March 21 were approved.

The meeting was adjourned at 9:55 a.m.



*K. J. ...*

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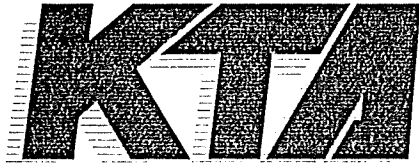
Proposed Amendment to House Bill No. 2675  
(As Amended by House Committee of the Whole)

On page 1, in line 31, following the period, by inserting  
"Unless otherwise provided by contract, no person who pays a city  
emergency telephone tax, shall be liable for the payment of a  
countywide emergency telephone tax.";

On page 2, in line 39, following the period, by inserting  
"Any interest earned on revenue derived from such tax shall be  
used to pay the nonrecurring expenses of establishing the  
emergency telephone service."; in line 43, by striking "(c)" and  
inserting "(b)";

*this one*

Senate Local Gov't  
3-22-90  
Attachment I



KANSAS TELECOMMUNICATIONS ASSOCIATION

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Testimony before the  
Senate Committee on  
Local Government

HB 2675

March 22, 1990

Mr Chairman, members of the Committee, I am Rob Hodges, Executive Vice President of the Kansas Telecommunications Association. Our membership is made up of 28 telephone operating companies and other firms and individuals who provide service to and support for the telecommunications industry.

The KTA appears today to lend support to the proposals contained in HB 2675, as amended by the House. Our organization has a history of supporting implementation of 911 emergency telephone service in Kansas. One of our concerns when the current law was enacted was that it would not provide enough revenue for many counties to initiate even basic 911 service. Experience has now proven the validity of our original concerns.

HB 2675 would provide for a larger tax and, therefore, more revenue for counties to use in implementing 911 service. Exactly how many counties would determine they could pay for the desired 911 service with the additional revenue remains to be seen.

Kansas telephone companies do their best to hold the line on their rates. They are sensitive to how their bills are viewed by their customers. Their support of 911 service and legislative proposals such as HB 2675 creates a bit of a conflict within some telephone companies. On one hand they support 911 service, and on the other they work to keep their cost of service to a minimum. Adding 911 charges to the bill is most times interpreted by the customer as an increase in the 'phone bill; rather than as a tax paid to fund a new county service.

There are members of our association who question whether a tax on telephone rates should be the sole revenue source for financing 911 service. With 911 capabilities, county law enforcement, fire protection, and emergency health delivery services are all enhanced. Most citizens will merely dial 911 for those emergency services, thereby making each service more efficient and responsive to the citizens. If 911 is really an extension of basic county services, then it may be appropriate that a general revenue source bear some of the responsibility for making 911 service available.

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Attachment II

HB 2675 will make more money available for 911 service, but may not completely cover a county's costs. KTA believes that is as it should be. To make telephone bills the sole source of 911 revenue would not recognize the county's role in making this emergency service available. KTA can support increasing the funding ceiling to \$.75 per month, but requests that, if further funding proves to be necessary, alternate funding vehicles be examined.

Thank you for the opportunity to present our position on HB 2675. I'll attempt to answer any questions you may have.

TESTIMONY 03/22/90

HB 2675

SENATE LOCAL GOVERNMENT COMMITTEE

THANK YOU MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE FOR THE OPPORTUNITY TO SPEAK IN FAVOR OF HB 2675.

I AM JEFF RUSSELL, GOVERNMENTAL AFFAIRS DIRECTOR FOR UNITED TELEPHONE COMPANIES OF KANSAS, WHICH SERVES OVER 120,000 CUSTOMERS IN 200 KANSAS COMMUNITIES.

THIS BILL ENHANCES THE OPPORTUNITY FOR LESSER POPULATED AREAS OF KANSAS TO ESTABLISH EMERGENCY TELEPHONE SERVICE (911) BY INCREASING THE AMOUNT OF FUNDING THAT CAN BE RAISED THROUGH THEIR TELEPHONE COMPANY BILLS. IN ADDITION, IT REMOVES THE PRIOR 90-DAY RESTRICTION ON HOW LONG THE TAX CAN BE IN EFFECT BEFORE OPERATION OF THE 911 SYSTEM IS IN PLACE. THIS REMOVES A ROADBLOCK THAT SMALLER COMMUNITIES HAVE IN TRYING TO PAY FOR INSTALLATION CHARGES OF EQUIPMENT TO PROVIDE 911 SERVICE.

WE URGE YOUR SUPPORT FOR HB 2675.

I'LL BE HAPPY TO TRY TO ANSWER ANY QUESTIONS YOU MAY HAVE.

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Attachment III