

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Kent Glasscock at 1:30 p.m. on February 6, 1996 in Room 521-S of the Capitol.

All members were present except:

Committee staff present: Mike Heim, Legislative Research Department  
Theresa Kiernan, Revisor of Statutes  
Fulva Seufert, Committee Secretary

Conferees appearing before the committee: Representative Kenneth R. King  
Representative William G. (Bill) Mason  
Don Moler, General Counsel, League of Kansas Municipalities  
Terrell Black, Board Member, Morton Township, Western Sedgwick County  
Duane Sanders, Lincoln Township Treasurer  
Doc Herndon, Lincoln Township Board

Others attending: See attached list

The minutes of the February 1, 1996 meeting were distributed. Representative Sloan moved that the minutes be approved, and Representative Powers seconded. Motion passed.

Chairperson Glasscock opened the public hearing for:

**HB 2230: Municipalities; Issuance of certificates of participation; procedure.**

Representative King was called to present testimony, and he introduced Representative Mason who is also a co-sponsor of **HB 2230**. Representative King said that the bill is pretty easily understood and what has been added to the present law is that certificates of participation now have to be published twice in the paper before a governing body can issue certificates of participation. In the present law, there is no recourse for any of the people who are not interested or wanting to do what they are going to spend the money on. This simply allows for a 5% protest, and if a 5% protest petition is filed by the county clerk within thirty days, it would allow for a vote on the issuance of these certificates. Present law allows no recourse for the public to express their opposition. Representative Becker asked for a clarification of who the 5% represents, and Rep. King explained that it was 5% of the people in the area who voted in the last election. (Attachment 1.)

Chairperson Glasscock next recognized Representative Mason who also spoke as a Proponent for **HB 2230**. He said that he believes that all issues pertaining to capital expenditures should be subject to petition. He explained that there have been counties and community colleges that have used the certificates of participation to build structures that were either previously turned down by a vote in another way or skirted that intent of the people. He encouraged the committee to support **HB 2230** and to report it favorably. (Attachment 2.)

Mike Heim from the Research Staff distributed a handout with a summary sheet of lease-purchase transactions that the Municipal Accounting Section prepared last year, and they have been requested just today to prepare information for 1996. The other part on the backside had a brief explanation of the lease-purchase law which he said can get a little confusing. He then explained the handout to the committee. (Attachment 3.)

Chairperson Glasscock called Don Moler, General Counsel for League of Kansas Municipalities, who testified as an opponent to **HB 2230**. Mr. Moler said that the League believes that **HB 2230** simply confuses current law and does not offer anything new which is needed in statute. He believes that the current law contained in K.S.A. 10-1116c adequately protects the public from any abuse of the lease-purchase law and urged the Committee to reject **HB 2230**. (Attachment 4.)

Chairperson Glasscock announced that the public hearing on **HB 2230** was closed.

He asked the committee to turn its attention to:

**HB 2760: An act concerning townships, relating to the governing body thereof; relating to compensation thereof; amending K.S.A. 68-525, 68-531 and 68-542 and K.S.A. 1995 Supp. 68-530 and repealing the existing sections.**

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT, Room 521-S Statehouse, at 1:30 p.m. on February 6, 1996.

The Chairperson called Terrell Black who represented a small township in western Sedgwick County called Morton Township. Mr. Black spoke in favor of **HB 2760**. His testimony presented a background as to why and how the board members sometimes have to help get some of the work done. It has recently come to their attention that there are some problems with the statute that deals with compensation that no one knew existed. He asked the committee's support of **HB 2760** which deals with compensation for township board members because it would eliminate a lot of their problems concerning compensation. He said that this would enable township board members to get the work done that the citizens are expecting to be done without any hesitation. (Attachment 5.)

Chairperson Glasscock called Doc Herndon, board member of Attica Township who spoke in favor of **HB 2760**. He said that Attica Township is unique in that the proposed legislation would not affect them at the present time. They are adjacent to Wichita and have a full-time employee who is an overseer. None of their board members has to perform the duties in which the smaller townships are confronted. He expressed his understanding of their problem and said he had sympathy for them. He believes that the law should be flexible enough to allow board members to be compensated when board members cannot hire a competent worker and the work must be done that the people expect.

Vice-Chairperson Mays introduced the next conferee, Duane Sanders, Lincoln Township Board Member. Mr. Sanders said that all counties that have roads that are maintained by Township Boards are in deep trouble. He said that he has served as Lincoln Township treasurer for over twenty years and that he doesn't serve for the prestige of the office or the money he receives, but rather because of his neighbors and friends. He said that someone has to provide roads for school buses, mail carriers, milk trucks, etc. He also said that **HB 2760** is not meant to raise compensation, but to allow them to legally do what they have been doing for decades--doing what is necessary to serve the needs of their township residents. (Attachment 6.)

The Division of the Budget has a fiscal note which said that **HB 2760** would not impact state revenue or operations, but would impact those towns which choose to increase the rate of compensation for road and bridge work. Director of the Budget concluded that this fiscal impact cannot be estimated with accuracy.

Chairperson Glasscock announced that the public hearing on **HB 2760** was closed. He said the Committee would not work **HB 2760**, but would wait and work the Senate version when it comes over. (Attachment 7.)

The Chairperson recognized Representative Thimesch who made the motion to introduce a bill concerning the drainage district problem that has been a concern for at least the last twelve years in his district. Representative Sloan seconded and motion passed.

After a short Subcommittee 1 report, Representative Tomlinson moved that the Subcommittee 1 bills be introduced. Representative Miller seconded, and motion passed.

The meeting adjourned at 2:39 p.m.

The next meeting is scheduled for February 8, 1996.



KENNETH R. KING  
REPRESENTATIVE, SEVENTY-SEVENTH DISTRICT  
BUTLER COUNTY  
ROUTE 1  
LEON, KANSAS 67074-9803  
(316) 775-5340  
  
STATE CAPITOL BUILDING—431-N  
TOPEKA, KANSAS 66612-1504  
(913) 296-7644



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
CHAIRMAN TRANSPORTATION

MEMBER: JOINT COMMITTEE ON PENSIONS,  
INVESTMENTS & BENEFITS  
ECONOMIC DEVELOPMENT

STATE CO-CHAIRMAN: AMERICAN LEGISLATIVE EXCHANGE  
COUNCIL (ALEC)\*

\* ALEC IS A 501(C)(3) ORGANIZATION DEDICATED TO ADVANCING POLICIES WHICH EXPAND FREE MARKETS, PROMOTE FREE ENTERPRISE AND ECONOMIC GROWTH. LIMIT GOVERNMENT AND PRESERVE INDIVIDUAL LIBERTY

TESTIMONY BEFORE HOUSE LOCAL GOVERNMENT COMMITTEE  
Regarding H.B. 2230  
Concerns Protest Petition for Certificates of Participation  
January 6, 1996  
Representative Kenneth R. King

Mr. Chairman and Members of the Committee:

After two (2) weekly publications in the paper, a protest petition with 5% of the voters affected, can be filed with the County Clerk. The petition has to be filed within 30 days after publication in the paper. The governing body would then be required to have a vote on whether or not the certificates can be issued.

Currently local units can publish in the paper, and issue the certificates, as they desire. The public has no recourse if they don't agree with them.

The certificates of participation were meant to help local units when they had some unexpected expenses. They are now being used in a lot of cases for major capitol improvement projects, which always before required a vote on the bonds.

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Attachment 1  
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WILLIAM G. (BILL) MASON  
REPRESENTATIVE, 75TH DISTRICT  
BUTLER COUNTY



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
CHAIRMAN EDUCATION  
MEMBER FEDERAL AND STATE AFFAIRS  
BOARD MEMBER KANSAS TECHNOLOGY  
ENTERPRISE CORPORATION

TESTIMONY  
LOCAL GOVERNMENT COMMITTEE  
HB 2230  
February 6, 1996

Chairman Glasscock and Members of the Local Government Committee:

Thank you for the opportunity to appear in support of HB 2230.

It is my belief that all issues pertaining to Capital expenditures should be subject to petition. We have had Counties and Community Colleges that have used the certificate of participation to build structures that were either turned down by a vote in another way or skirted the intent of the people.

I would encourage you to support HB 2230 and report it favorably.

Thank you for your time. I stand for questions.

*House Local Govt.  
Attachment 2*

SUMMARY OF LEASE-PURCHASE TRANSACTIONS  
AS REPORTED IN THE 1995 BUDGETS

**Equipment:**

Number of Transactions	Range of Contract Amounts	Interest Rate	Term	Total Contract Amount
822	Up to \$99,999	Up to 28.29	11 mo - 10 yrs	\$ 25,873,313
158	100,000-999,999	Up to 19.232	1 - 15 yrs	35,465,426
<u>6</u>	over \$1,000,000	Up to 9.3	5 - 10 yrs	<u>7,698,366</u>
<u>986</u>	Total Equipment			<u>\$ 69,037,105</u>

**Building:**

96	\$6,000-3,866,996	3.86-18.8	1 - 20 yrs	\$ 48,987,793
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**Land and Improvements:**

25	\$7,000-7,245,000	5-12	4 - 20 yrs	\$ 16,123,525
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**Other:**

<u>60</u>	\$7,245-5,000,000	2.5 - 12.1	3 - 20 yrs	<u>53,651,566</u>
<u>1,167</u>	Grand Total			<u>\$187,799,989</u>

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 House Local Govt.  
 Attachment 3 (from M. Heim)

### §8.100 C. Lease-Purchase Agreements

Lease-purchase agreements are one of the fastest growing financial tools of local governments being utilized to purchase equipment and even land and buildings on credit. As a result, the agreements are sometimes criticized as an exception to the cash basis law philosophy of only spending money on hand in the local government treasury. See K.S.A. 10-1116b which provides an exception to the cash basis law for lease agreements with or without the option to buy and installment purchase agreements, but only if either type of agreement states that the municipality is obligated to pay only for the current budget year. See the discussion of the cash basis law later in this chapter for more discussion of the legal implications of these agreements. See also "Municipal Lease-Purchase Transactions In Kansas," Philip C. Lacey, 6 Kan. Mun. Law Ann. 137 () for a discussion of the mechanics of municipal lease purchase agreements, the use of certificates of participation structured similar to municipal bond issues for syndicating municipal leases so small interests can be purchased by investors and for a discussion of the federal tax treatment of these agreements.

The 1988 interim Special Committee on Local Government recommended the Municipal Accounting Section of the State Division of Accounts and Reports require that local governments file with their annual statements of bonded indebtedness certain information reflecting the basic terms and the amount of outstanding lease-purchase agreements. See *Report on Kansas Legislative Interim Studies to the 1989 Legislature*, December, 1988, p. 358. The Municipal Accounting Section in response to this recommendation gathered the requested information with the 1990 and 1991 budgets and issued reports each year. The 1990 report lists the municipality's name, the item purchased, the contract amount, the term and interest rate of lease-purchase agreements. The report revealed there were over \$52 million in outstanding lease-purchase agreements for the period reported. Items purchased by lease-purchase agreements included various kinds of equipment, vehicles, as well as public buildings and building renovations. Terms of the agreements ranged from as short as 6 months up to as long as 40 years and interest rates varied from a low of 4.15% to a high of 27.5%.

K.S.A. 10-1116c requires that all lease-purchase agreements involving the acquisition of land or buildings for a term of three or more years and which provide for payments in excess of 3% of the total amount of expenditures budgeted for the current year, less debt service expenditures, is subject to a publication, protest petition, and election requirement. Mail ballot elections are permitted.

K.S.A. 10-1116c also imposes certain other restrictions on local taxing subdivisions entering into lease purchase agreements. The law requires that agreements must be approved by a majority vote of all members of the governing body. Agreements must specify: (1) the amount of capital cost required to purchase the item if paid for with cash; (2) the annual average effective interest cost; and (3) the amount included in the payments for service, maintenance, insurance, or other charges exclusive of capital and interest costs.

### D. Short Term Debt Obligations

#### 1. Temporary Notes

#### §8.101 a. Nature of Temporary Notes

Temporary notes are an interim financing tool which enable local units of government to obtain moneys quickly and with few formalities to get an improvement project started or perhaps even completed. The local unit must have the authority to issue bonds for the project in order to issue the temporary notes. See K.S.A. 10-123.

The distinction between a bond and a note was discussed in *First State Bank v. Bone*, 122 Kan. 493, 501, 252 P. 250 (1927) wherein the court recognized that the line between the two was sometimes hard to draw. The court stated:

Generally speaking, the term "bond" is given to those evidences of indebtedness issued by the United States, the state or any governmental subdivision thereof. These, in addition to containing a promise to pay money, usually recite the purpose of the issue and refer to the statute under which they are authorized, and contain recitals as to the authority of the officials who executed them and the regularity of the proceedings. Their security is in the governmental body issuing them and in the statute authorizing their issue and providing for their payment. Ordinarily they are issued to obtain funds to make improvements of a permanent nature, but may be authorized to fund a current indebtedness. They are issued for such terms as the statutes provide, usually 10, 20, 30 or 50 years, and are generally regarded as long-term obligations, but may be issued for shorter terms, or to mature in series from one year to ten, or twenty-five, or any other number. But "notes," maturing not later than two years, are authorized by our statute (R.S. 10-123) to be issued for certain purposes. These necessarily have the characteristics of municipal bonds, and are designated "notes" only because of their short maximum term.

See Op. Att'y Gen. 122 (1982) which said investment of proceeds of temporary notes were governed by K.S.A. 10-131 regulating the investment of proceeds of bonds and Op. Att'y Gen. 235 (1979) which stated that coupons may be attached to temporary notes and are subject to the same restrictions as bond coupons under K.S.A. 10-126.

#### §8.102 b. Amount, Terms, Interest Rate

Temporary notes may be issued in an amount not exceeding the aggregate of the amount of the bonds that may be issued for a project. If federal or state aid is available, the amount of the temporary notes may not exceed the amount of any unissued bonds plus the state or federal aid granted to the project. Renewal temporary notes may be issued to take up previously issued temporary notes when all aspects of the improvement won't be completed at the maturity date of the temporary notes or when the issuance of the bonds is delayed, hindered or prevented. The term of the temporary notes may not exceed four years. Interest rates on temporary notes may not exceed the maximum established under K.S.A. 10-1009. See K.S.A. 10-123.



**League  
of Kansas  
Municipalities**

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**LEGISLATIVE TESTIMONY**

**TO:** House Local Government Committee

**FROM:** Don Moler, General Counsel

**RE:** Opposition to HB 2230

**DATE:** February 6, 1996

First I would like to thank the Committee for allowing the League to appear today in opposition to HB 2230. The League believes that HB 2230 simply confuses current law and does not offer anything new which is needed in statute.

Essentially, it is necessary to understand that certificates of participation are really lease-purchase agreements in which various portions of the lease-purchase are sold to different investors. Since this investment mechanism is essentially a lease-purchase agreement and thus already covered under K.S.A. 10-1116c. In K.S.A. 10-1116c a lease-purchase agreement is subject to the following conditions if the proposed agreement involves the acquisition of land or buildings, is for a term of three years or more and provides for payments in any year in excess of 3% of the total amount budgeted by the municipality for expenditure during the current year then the lease-purchase is subject to certain notice requirements and protest petition which could be followed by an election.

We would suggest that K.S.A. 10-1116c adequately protects the public interest and that the requirements contained in HB 2230 would unnecessarily burden local governments. Specifically, any municipality proposing to issue a certificate of participation exceeding \$50,000 would be subject to its requirements. We would point out that practically all fire equipment along with numerous trucks, and other pieces of equipment used by municipalities throughout the state routinely cost more than \$50,000. Is it the intent of the drafters of this legislation to preempt local action when buying a new fire truck, dump truck or other piece of equipment? We believe this is unduly intrusive and does not serve any purpose except to make the business of local government even more difficult than it is today. We would suggest that the current law contained in K.S.A. 10-1116c adequately protects the public from any abuse of the lease-purchase law and would urge the Committee to reject HB 2230.

Thank you very much for allowing the League to appear today in this matter.

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Good afternoon Representatives, Ladies and Gentlemen.

My name is Terrell Black. I represent a small township in western Sedgwick County called Morton Township. We cover the area around the town called Cheney. I have served as president of the Sedgwick County Township Association for three years until last February. I have served on the Morton Township Board for the past 12 years.

Most of Morton Township is a rural area. We have an operator who runs a road grader, tractor, mower, and does whatever else needs to be done. There has been several times when our operator has been too busy to perform another task. When that happens, there is no one else around except for us township board members. That is when we as board members assist our operator. If we were unable to do this, the services that we provide would suffer. The citizens that I represent demand good services by their township regardless of who does the work. They also like the township form of government because we are one of the most efficient forms of government there is and we are also more one on one with our constituents than most forms of government. A lot of the decisions that we make are ones that not only affect our constituents, but they affect our personal lives as well.

Recently, there have been some problems with the statute that deals with compensation that no one knew existed. Several of my constituents that I have talked to since this has come up, feel that if we perform work, regardless of what we do, we should be paid at a fair and equitable rate. The citizens that I represent also feel that if you are on the Township Board, you should be able to do the work and get paid for the work that you do at a reasonable rate, if you cannot find anyone. Sometimes we have no choice, but to do the work ourselves, because of an emergency that has come up or in finding someone that is qualified to run a piece of equipment such as a \$250,000 road grader or a \$10,000 tractor. In the rural areas, help is sometimes hard to find, especially on a short notice or on a part time basis. Most of the township board members in the areas around my township are not on the board to make a living, nor do they intend to. However, sometimes there leaves no option but to do the work ourselves.

The proposed bill that deals with compensation for township board members should be approved. I feel that this would eliminate a lot of our problems concerning compensation. If we pay ourselves too much, then, we will have to answer to our constituents and/or they will vote us out of office. The citizens that I represent will benefit because there will not be any hesitation when there is a task that needs to be done and there is no one else to do it.

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In closing, I am asking for your support in getting this bill passed. If this bill passes and becomes law, township board members will have the ability to get the work done that the citizens are expecting to be done without any hesitation. The citizens that I represent will be the winners in the end. I would like to thank you for letting me have the opportunity to speak in regards to this matter and I would answer any questions that you may have. Thank you!

H/Local Govt.  
Attachment 5-2  
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To the Committee on Local Government

Chair and Members of the Local Government Committee, I am Duane Sanders and I have served as Lincoln Township Treasurer for over 20 years in Sedgwick County. I do not serve for the prestige of the office nor the money I receive, I serve because of my neighbors and friends. Someone has to provide roads for school buses, mail carriers, milk trucks, grain trucks and feed delivery trucks who service the agriculture community. Then we also must provide roads to accommodate those people who reside in the rural area that have jobs in town and whose employers expect them to be there on time, five days a week.

For twenty years we have done our job very much like our predecessors. We have done what was necessary to get the job done. If we couldn't hire someone to do the job, we did it ourselves, if we were able, as did those who served before us. Our budgets are published, a

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report of receipts and expenditures is published and our board meetings are open to all. We have nothing to hide.

Recently, we were informed we were breaking the laws of the State. I'm sure it's not just Sedgwick County, because the townships across the line in Butler, Harvey and Sumner counties are operating in much the same manner --board members operating graders and other machinery necessary to the maintenance of roads. They and their county officials probably are unaware of the laws that still govern them.

Some of the laws that affect us are statutes that were enacted in 1917, and we are living in the space age. Riverside Township in Sedgwick County joins the city limits of Wichita. Riverside Township has 14,000 residents, making it larger than 60% of the incorporated cities in Kansas. Their budget is \$527,000. K.S.A. 525 says their board members cannot be

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paid more than \$600 each per annum. That hardly seems just compensation for someone who administers funds of that value and also serves the needs of 14,000 people.

Lincoln Township, where I live, has a budget of \$60,000 and less than 500 people, with 50 miles of gravel roads to maintain. We can't afford a full time operator, nor can we find a qualified part time operator. A new grader lists for \$250,000, so we are particular who we put on the machine. We have two board members qualified to operate a blade, and one of them has the time, usually, so he runs it and is paid about \$10,000 per year, at \$7.50 per hour, hardly a high salary. K.S.A. 530, which also was enacted in 1917, limits our township board members to \$1,000 per year compensation for services performed.

I asked a 90 year old man what wages were in 1917 and he said, "\$2.00 per day and maybe \$2.50, if the person

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was extra good." I asked a 96 year old school teacher and she couldn't remember about day wages , but said she started teaching in 1917 and was paid \$50 per month. I had some research done and we found that legislators in 1917 were paid \$3.00 per day while in session, according to General Statute 143. I'm sure you know the amount of your compensation at this time. If my math is correct, a township official could be paid \$1,000 per year. With wages at \$2.50 per day, a man could be paid 400 days wages for a 260 working day year. Not bad.

I am in support of this proposed bill. It is not meant to raise compensation, only allow us to legally do what we have been doing for decades. Doing what is necessary to serve the needs of our township residents.

The checks and balances are included, published budgets, published expenditures, review of budgets and

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expenditures by County Commissioners and best of all, the ballot. Our neighbors can see what we are doing all of the time, for we do our job right out in front of their houses. We have nothing to hide. Our sole purpose is to serve our neighbors, if we are allowed to do so. Thank you and we'd appreciate your support of the bill.

H L Gov't.  
Attachment 6.5  
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# HOUSE BILL No. 2760

By Committee on Local Government

1-26

9 AN ACT concerning townships; relating to the governing body thereof;  
10 relating to compensation thereof; amending K.S.A. 68-525, 68-531 and  
11 68-542 and K.S.A. 1995 Supp. 68-530 and repealing the existing  
12 sections.

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 68-525 is hereby amended to read as follows: 68-  
16 525. The clerk of the township board shall keep an accurate record of all  
17 official acts, and a detailed record of the proceedings of the board, in a  
18 well-bound book, to be provided by the township for that purpose. The  
19 record shall be signed by the chairperson and the clerk and kept *shall be*  
20 open for inspection at any reasonable time. The record and system of  
21 township accounting shall be uniform throughout the state. Each of the  
22 township highway commissioners shall receive \$15 per day compensation  
23 for the time actually and necessarily spent while performing duties as  
24 township highway commissioners. No commissioner shall receive more  
25 than \$480 per year. In any township having a population of not less than  
26 5,000, nor more than 8,000, and having a valuation of not less than  
27 \$7,000,000, each commissioner shall receive not to exceed the following  
28 sums per year: The township trustee \$200, the township clerk \$200, and  
29 the township treasurer \$100. In any township lying adjacent to a city of  
30 the first class each commissioner shall receive compensation in the sum  
31 of \$600 per year in lieu of the per diem rate as provided in this section.  
32 In townships which are located in counties having a population of less  
33 than 16,000, the board of township highway commissioners may employ  
34 one or more of the members of the board of township highway commis-  
35 sioners to perform work and labor on the township roads of such township  
36 and bridges thereon whose compensation shall be fixed by the township  
37 board at a reasonable rate for the time actually employed in the perform-  
38 ance of the work and labor, but no member of the township board of  
39 highway commissioners shall receive compensation for work and labor on  
40 the roads of the township, and the bridges on the roads, in excess of  
41 \$3,000 during any budget year. *The amount of such compensation shall*  
? *be determined by the township board as provided by section 5.* K

Sec. 2. K.S.A. 1995 Supp. 68-530 is hereby amended to read as fol-

*No commissioner shall receive more than \$480 per year. In any township having a population of not less than 5,000, nor more than 8,000, and having a valuation of not less than \$7,000,000, each commissioner shall receive not to exceed the following sums per year: The township trustee \$200, the township clerk \$200 and the township treasurer \$100. In any township lying adjacent to a city of the first class each commissioner shall receive compensation in the sum of \$600 per year in lieu of the per diem rate as provided in this section.*

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1 lows: 68-530. The township board, with the approval of the county en-  
 2 gineer, shall appoint, on merits only, a competent experienced road  
 3 builder for road overseer for the entire township. The township road  
 4 overseer shall have charge of the construction and maintenance of all  
 5 township roads, bridges and culverts, under the supervision of the town-  
 6 ship board and the county engineer. When in the opinion of the county  
 7 engineer the conditions demand it, the overseer may appoint one or more  
 8 competent assistants, subject to the approval of the township board. In  
 9 ~~any township having a population of 500 or less, the township board by~~  
 10 ~~unanimous vote may designate the township trustee to act as road over-~~  
 11 ~~seer.~~ The officers of any such township are hereby authorized to perform  
 12 repair, maintenance and improvement work on township roads. Com-  
 13 pensation and the cost of benefits provided to each such officer for such  
 14 work and labor shall not exceed \$3,000 per annum. Reimbursement for  
 15 actual and necessary expenses shall not be included within such limitation  
 16 *be determined by the township board as provided by section 5.*

17 Sec. 3. K.S.A. 68-531 is hereby amended to read as follows: 68-531.  
 18 The compensation of the road overseer and assistants shall be fixed by  
 19 the township board at such rate as may be reasonable for the time actually  
 20 employed in the performance of their duties: ~~Provided~~. In counties which  
 21 have designated the township trustee as road overseer or patrolman under  
 22 K.S.A. 68-530 or acts amendatory thereof, and amendments thereto, and  
 23 when such trustee is paid by the day and not by contract, he shall receive  
 24 such reasonable wages as is unanimously agreed upon by the township  
 25 board such trustee shall be compensated in an amount determined by the  
 26 township board as provided by section 5. Before entering upon his such  
 27 duties, the overseer shall give bond unto the township, with surety to be  
 28 approved by the township board, in the sum of \$1,000, conditioned upon  
 29 the faithful discharge of his such duties and the protection, care and  
 30 return of all property of the township which may come into his the ov-  
 31 erseer's custody. The township overseer and his any assistants, if any, shall  
 32 hold office at the pleasure of the township board.

33 Sec. 4. K.S.A. 68-542 is hereby amended to read as follows: 68-542.  
 34 The county engineer shall call a one-day meeting of all of the county and  
 35 township road officials in each county at least once each year, for the  
 36 purpose of discussing any and all matters pertaining to the improvement  
 37 of the highways, bridges and culverts of the county and of the several  
 38 townships, and to devise means of systematizing and standardizing the  
 39 work. The said County officials in attending such meetings shall each  
 40 receive for his time, from the county or township as the case may be, the  
 41 same compensation as specified by law for county or township work.  
 42 Township officials shall be compensated in an amount determined by the  
 43 township board as provided by section 5.

The township board, by unanimous vote, may designate the township trustee to act as road overseer.

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HLG  
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1 New Sec. 5. (a) The members of the township board when au-  
 2 thorized by law to perform repair, maintenance and improvement work  
 3 on township roads shall be paid compensation. The amount of compen-  
 4 sation paid for such work and labor shall be determined by the township  
 5 board and shall be comparable to and not exceed that of county employ-  
 6 ees for such work. Members of the board shall be reimbursed for actual  
 7 and necessary expenses for such work.

8 (b) The treasurer of the township shall file, within 30 days after the  
 9 quarter ending in March, June, September and December of each year,  
 10 with the county clerk a full and detailed statement of the amount of  
 11 money paid to each member of the township board pursuant to subsection  
 12 (a) during the preceding quarter. The treasurer of the township shall  
 13 publish, or cause to be published, in a newspaper of general circulation  
 14 in the township a summary of such statement which shows totals of the  
 15 amount paid to each member of the board. Such publication shall include  
 16 a notice that a detailed statement of such amounts is available for public  
 17 inspection at the county clerk's office. Copies of the statement shall be  
 18 made available upon request.

19 Sec. 6. K.S.A. 68-525, 68-531 and 68-542 and K.S.A. 1995 Supp. 68-  
 20 530 are hereby repealed.

21 Sec. 7. This act shall take effect and be in force from and after its  
 22 publication in the statute book.

House Local Government  
 Attachment 7-3  
 2-6-96

HL Govt.  
 Attachment 8-3  
 2.6.96