

Approved: 3-19-97
Date

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE.

The meeting was called to order by Chairperson Janice Hardenburger at 1:40 p.m. on March 17, 1997 in Room 529-S of the Capitol.

All members were present except: Senator Gooch, excused
Senator Steineger, excused
Senator Becker, excused

Committee staff present: Dennis Hodgins, Legislative Research Department
Mike Heim, Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Bonnie Fritts, Committee Secretary

Conferees appearing before the committee: Gary Hayzlett, State Representative, District 122
Chris McKenzie, League of Kansas Municipalities
Dennis Schwartz, Kansas Rural Water Association
Gary Hanson, Attorney, Kansas Rural Water Association

Others attending: See attached list

Chairperson Hardenburger opened the hearing on **HB 2223**.

HB 2223 **Concerning cities; relating to improvements**

Representative Hayzlett testified in support of the bill. He stated the existing statute is 40 years old and allows cities to connect intervening streets but does not allow for any protest petitions from the public. The bill, as amended, would change procedures that cities must follow under the General Improvement and Assessment Law by requiring public notice of hearings by a city governing body when initiating certain connecting street improvements. It would also prohibit improvements from commencing if, within 30 days after publication, written protests are signed by 75 percent of people owning property within the benefit district and by the owners of 75 percent of the total land in the benefit district. The bill also requires a governing body to notify affected property owners of public hearings by certified mail (Attachment 1).

Chris McKenzie, League of Kansas Municipalities, appeared before the committee in a neutral capacity to answer any questions the committee might have. He does not have formal approval from the board of directors to endorse the bill but had worked with Representative Hayzlett and his committee on the wording of the bill.

Chairperson Hardenburger closed the hearing on the bill and opened the hearing on **HB 2218**.

HB 2218 **Concerning special benefit districts; relating to the creation or enlargement thereof**

Staff gave an overview of the bill stating this bill amends K.S.A. 19-270 requiring a hearing before the board of county commissioners concerning the creation or expansion of boundaries of special benefit districts within the fringe areas of cities. Fringe areas are three-mile rings surrounding a city. Notices of hearings can be sent by first class mail.

Dennis Schwartz, General Manager of Rural Water District #8, and member of the Board of Directors, Kansas Rural Water Association addressed the committee in support of the bill. He testified that Kansas Rural Water Association has a clearing house for problems water systems encounter. This bill is a good housekeeping measure and would help clarify notification of hearing procedures. He urged favorable consideration of the bill.

Gary Hanson, Attorney, appeared as a proponent of the bill. He represents approximately 20 rural water districts throughout Kansas and is also a member of the Kansas Rural Water Association. He testified this bill would significantly streamline the attachment process and will limit the application of the special procedures of K.S.A. 19-270 to those situations where the attachment is of land actually within the fringe area of a city (Attachment 2).

John Peterson appeared on behalf of Raytheon Aircraft Company, in support of the bill and offered an amendment dealing with the subject matter of special benefit districts. He testified that Raytheon Aircraft company is an industrial district and the amendment provides that if a special benefit district is to be created which would include an already existing industrial district or improvement district, that it would require the

approval of the governing board of that industrial or improvement district. Adoption of this amendment would clarify that such a benefit district would necessitate the approval of the already existing industrial or improvement district (Attachment 3).

Staff suggested the amendment might be more appropriately placed in new sub-section of the bill. Mr. Peterson concurred.

Senator Praeger raised an issue regarding a landowner serving on a drainage district board, but does not live in the district and offered an amendment to the bill. She stated current law does not allow a person that merely owns property in the drainage district to serve on the drainage district board. This amendment allows that if a person is a land owner and a resident in the county, then that person is eligible to serve on the board.

Chairperson Hardenburger closed the hearing on the bill.

The meeting was adjourned at 2:10 p.m.

The next meeting is scheduled for March 18, 1997.

**ARY K. HAYZLETT**

REPRESENTATIVE, 122ND DISTRICT
 GREELEY, HAMILTON, KEARNY,
 SCOTT, & PARTS OF
 WICHITA & FINNEY COUNTIES
 P.O. BOX 66
 LAKIN, KANSAS 67860
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FTEE ASSIGNMENTS

CHAIR: TRANSPORTATION
 MEMBER: FISCAL OVERSIGHT
 JOINT COMMITTEE ON COMPUTERS &
 TELECOMMUNICATIONS

March 17, 1997

Senate Elections and Local Government Committee

Madam Chairman and Members of Committee:

Testimony in support of HB 2223 - Cities, street improvements,
 costs

Thank you for allowing me to testify before your Committee today on an issue that is very important to many taxpayers in small communities. I would like to explain the reason for this type of legislation being requested. The existing statute is 40 years old (KSA 12-6a04). Costs of street work were much cheaper then than they are now.

It is not right for any city to tax people out of their homes or off their property.

What the bill before you does: Requires notice of hearings of a city governing body when initiating certain connecting street improvements; prohibits the improvement from commencing if, within 30 days after publication of a resolution ordering the improvement, written protests are signed by both 75% of the resident owners of record of such property and owners of record of 75% of total area of such property are filed with the city clerk; and requires governing body to notify affected property owners of such public hearings by certified mail.

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 ATTACHMENT 1

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March 17, 1997

TO: THE SENATE COMMITTEE ON ELECTIONS
AND LOCAL GOVERNMENT

Re: Testimony of Gary H. Hanson to Senate Committee
on House Bill 2218

Mr. Chairman and Members of the Committee:

Thank you for allowing me to testify in support of House Bill 2218. I am an attorney in private practice, representing approximately 20 rural water districts throughout Kansas and a member of the Kansas Rural Water Association.

Rural water districts were first authorized in Kansas by enabling legislation passed in 1957. Since that time, approximately 400 rural water districts have been formed and are operating serving thousands of customers.

Rural water districts are created by action of the county commission for the county in which the district is to be located. The process begins by a petition filed by owners of property located within the boundaries of the proposed district. These boundaries are then established at the time that the district is created by the county commission. It is frequently necessary or desirable to attach additional land to a rural water district after it has been created. This process also begins with the filing of a petition by owners of land within the area proposed to be attached. The current statutes governing this process, K.S.A. 19-270 and K.S.A. 82a-622 through 24, are unnecessarily complicated in the procedure that they require rural water districts to follow in making such attachments. The result of such complication is that these statutes serve as a hurdle that many rural water districts find difficult to clear in accomplishing attachments. Attachments are often done incorrectly, and in many cases they are not even attempted.

House Bill 2218 solves one of the most complicating features of K.S.A. 19-270. Under existing law, special benefit districts (including rural water districts) must seek the approval of the county commission of **each** county in which the district is located and obtain a three-fourths vote of each commission in order to extend the boundaries of the district. The amendment contained in House Bill 2218 limits the application of such special approval only to those situations where the

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district's boundaries will be within three miles of the city limit of a city and further requires that approval only by the county commission of the county in which the affected city is located. As a result, the bill will significantly streamline the attachment process and will limit the application of the special procedures of K.S.A. 19-270 to those situations where the attachment is of land actually within the fringe area of a city.

House Bill 2218 further amends K.S.A. 19-270 to make it clear that special benefit districts need comply with that statute when extending their boundaries only if such extension includes any part of the fringe area of a city. Currently, the statute may be read to require compliance with the special procedures of that section any time the special benefit district includes land within the fringe area of a city, even if the land being attached is located elsewhere in the county outside of the fringe area of any city.

Finally, House Bill 2218 amends K.S.A. 82a-623. This section governs the procedure for a hearing in routine rural water district attachments of land. The amendments streamline the process in the following respects:

- (a) Eliminate the requirement for publication of the notice (except where required by K.S.A. 19-270);
- (b) Eliminate the reference back to K.S.A. 82a-615 for the hearing procedure (K.S.A. 82a-615 concerns hearings on **creation** of a rural water district, and is confusing in the context of attachments of lands to an existing water district);
- (c) Make clear that notices of the hearing may be sent by first class mail. (Some county clerks have sent these notices by certified mail, at considerable expense to the district involved); and
- (d) Provide for written notice to be sent to the water district office, not to the homes of each of the directors of the district.

For the above reasons, we respectfully request the Committee's favorable consideration of House Bill 2218.

Respectfully submitted,



GARY H. HANSON

GHH:de

**SENATE COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT
TESTIMONY OF JOHN C. PETERSON
RAYTHEON AIRCRAFT COMPANY
HB 2218
MARCH 17, 1997**

Madame Chair, Members of the Committee:

My name is John Peterson. I am pleased to appear today on behalf of Raytheon Aircraft Company. As you know Raytheon Aircraft Company operating out of Wichita, Andover and Salina is the second largest private employer in the state.

We appear for the purpose of offering an amendment to HB 2218 dealing with the subject matter of special benefit districts. Raytheon Aircraft Company in Wichita is an industrial district organized pursuant to K.S.A. 19-3801. The amendment provides that if a special benefit district is to be created which would include an already existing industrial district or improvement district, that it would require the approval of the governing board of that industrial or improvement district. Industrial districts often constitute a large economic presence and their location near areas of development could lead to situations where benefit districts might be established which would seek to include within them an industrial district for a project which would not be beneficial to nor desired by the existing industrial district and yet which would require the vast majority of it to be paid for by that industrial district.

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Adoption of this amendment would clarify that such a benefit district would necessitate the approval of the already existing industrial or improvement district.

I thank you for your consideration of this proposal and would be pleased to respond to any questions.

HOUSE BILL No. 2218

By Committee on Governmental Organization and Elections

2-4

Proposed Amendment

John C. Peterson

Raytheon Aircraft Co.

3-3

ACT concerning certain special benefit districts; relating to the creation or enlargement thereof; amending K.S.A. 19-270 and 82a-623 and repealing the existing sections.

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

Section 1. K.S.A. 19-270 is hereby amended to read as follows: 19-270. (a) (1) A special benefit district shall include any:

- (A) Sewer district;
(B) water district, rural water district and water supply district;
(C) fire district;
(D) improvement district;
(E) industrial district; and
(F) drainage district.

(2) The fringe area of a city means the area of unincorporated territory lying outside of but within three miles of the nearest point on the city limits of a city which has adopted subdivision regulations under K.S.A. 12-749, and amendments thereto.

(b) No special benefit district shall be created, established or otherwise formed within the fringe area of any city unless approved by at least a 3/4 majority vote of the board of county commissioners of the county in which the city is located. The boundaries of any such district shall not be extended within the fringe area of the city unless approved by at least a 3/4 majority vote of the board of county commissioners of the county in which the city is located. If the boundaries of the district cross county lines and if the district to be created or the boundaries to be extended would be located within the fringe area of a city, the board of county commissioners of each county in which the district such a city is located shall be required to approve the creation or of the district within the fringe area of the city or the extension of the boundaries of the district within the fringe area of the city by at least a 3/4 majority vote of the board of county commissioners of each county. If a hearing is not already required to be held prior to the creation or expansion within the fringe area of a city of a special benefit district, the board of county commissioners shall call and hold a hearing on the proposed action. Notice of

Notwithstanding the foregoing, in the event the special benefit district to be created includes an already existing industrial district created pursuant to K.S.A. 19-3801 et seq. or an improvement district created pursuant to K.S.A. 19-2753 et seq., or the area of expansion of the special benefit district shall overlap or otherwise include any portion of an industrial district or improvement district which is not already a part of the particular special benefit district, then the governing body of such industrial district or improvement district must approve the inclusion of the industrial district or improvement district in the newly created or expanded special benefit district.