Approved: April 6, 2001
Date

MINUTES OF THE HOUSE LOCAL GOVERNMENT COMMITTEE.

The meeting was called to order by Chairperson Representative Ray at 3:30 p.m. on February 15, 2001 in Room 519-S of the Capitol.

All members were present except: Rep. Toplikar

Committee staff present: Theresa Kiernan, Revisor
Mike Heim, Research
Kay Dick, Committee Secretary

Conferees appearing before the committee:

HB 2246	Proponent:	Representative Ward Loyd
		Greg Foley, Assistant Secretary of Agriculture
HB 2249	Proponent:	Jonathan Small, National Housing Council
		Ed Janskinia, Landlords of Kansas Assoc.
		Martha Smith, Kansas Manufactured Houses
		Sam Alpert, Exec. Dir. Heartland Apt. Assoc.
		Clark Lindstrom, Legislative Chair Apt. Assoc.
		Gary Osborne, Board Member, Kansas Apt. Assoc.
	Opponents	Larry Kleeman, League of Kansas Municipalities
		Judy Moler, Kansas Association of Counties

Others attending: See attached list

Chair opened the hearing on

HB 2246 - certain drainage districts; relating to the powers and duties of the governing bodies

Representative Ward Loyd appeared before the committee on behalf of county and district officials and property owners of and in Drainage District No. 1 in Finney County. He introduced three representatives from Garden City, Jerry Davis, Finney County Commissioner, Lot Taylor, engineer, Cecil O'Brate, property and business owner, both of which are located in DD #1., who were present in support of **HB 2246.** Rep. Loyd specified that DD#1 does not have the financial means to clean up the area it was originally designed to drain. He submitted written copies of testimony from Mr. Lot, Mr. O'Brate and Mr. Davis, pointing out a map of the area which was located on the back of Mr. Davis' testimony. Rep. Loyd posed the question of - "can 24-601 et seq., be amended to permit funding by annual mill levy and could this act be amended to accommodate expansion as is allowed in 24-501." (attachment #1) Rep. Loyd, answered questions asked by committee members.

Greg Foley, Assistant Secretary of Agriculture, testified in support of **HB 2246.** He pointed out that nothing in this act shall exempt the district from complying with the requirements of KSA 82a-301 et seq. And KSA 24-126. (attachment #2)

Closed the hearing on **HB 2246**

Hearing was opened on

HB 2158 - solid waste fees

Testimony from Rep. Freeborn in support of HB 2158, was read to the committee by Chair Ray. (attachment #3)

Chair Ray called the committees' attention to the written comments from Cloud County Commissioners Gary Fraser, Roger Nelson Richard Chartier and Cloud County Clerk, Betty Musick. (attachment #4)

The Committees' questions were directed toward Mike Heim, Kansas Legislative Research.

Since there was no one else to be heard on this bill, Chair Ray closed the hearing on **HB 2158**

Hearing was opened on
HB 2249 - municipalities; relating to rent control

Jonathan Small, representing the National Multi Housing Council, testifyed in support of **HB 2249.** He said that this bill will help attract housing investment capital to our state and attract further investment in the communities. He also stated that many other states have already enacted rent control preemption statutes. Mr. Small called attention to an attached report entitled "The High Cost of Rent Control". (attachment 5 & 5A)

Ed Janskinia, Landlords of Kansas Association, testified before the committee in favor of **HB 2249**, stating this is a good bill as it stands. He had no written testimony.

Martha Smith, Executive Director, Kansas Manufactured Housing Association (KMHA), gave testimony in support of **HB 2249.** She said that most economists agree that rent control is a form of price fixing that increase housing shortages and drastically diminishes the quality of rental housing. Ms. Smith pointed out to the committee that the legal costs of rent control are also very important to consider. In summary, she said, "rent control changes the basic structure of the housing market; it shifts the responsibility of providing affordable housing to one segment of society - landlords. To provide decent affordable housing, we need an environment that encourages new capitol in the market; rent control merely chases it away." (attachment #6)

Sam Alpert, Executive Director, Heartland Apartment Association, appeared before the committee as proponent of **HB 2249.** He said that the imposition of rent controls would eventually adversely impact local and state tax rolls, as taxable assessed values decline relative to unregulated properties. Mr. Alpert indicated that rent controls preclude any opportunity for an owner to project asset management planning. (attachment #7)

Clark Lindstrom, Regional Property Manager, The Peterson Companies, testified in favor of **HB 2249**, stating the professional property owners and mangers, believe that a property owner has the right to strive for rents that will encourage investment in existing properties and new construction. (attachment #8)

Gary Osborne, Kansas Apartment Association testified in support of the legislation contained in **HB 2249.** He too, stated that the belief that rent controls would seriously curtain investment in existing properties leading to deterioration of affordable housing. (attachment # 9)

Written testimony in support of **HB 2249** from Bill Yanek, Kansas Association of Realtors, was passed out to the committee for review. (attachment #10)

The conferees in support to **HB 2249** responded to questions by the committee.

Larry Kleeman, Assistant Legal Counsel, League of Kansas Municipalities, testified in opposition to **HB 2249.** He said that this bill would totally usurp the ability of cities and other local units of government to legislate in the area of residential and commercial housing rent control. He continued with any cities in Kansas regulating in this area, municipalities should have the ability to adopt ordinances to meet the needs of the local community. "This proposed legislation is a classic example of a 'one size fits all' approach to government." (attachment #11) Mr. Kleeman answered questions from the committee.

Judy Moler, Legislative Services Director, Kansas Association of Counties, gave testimony in opposition to the bill. She stated that KAC was not aware of any such restrictive rent control occurring in any Kansas county, and until that time, this was unnecessary legislation. (attachment #12)

Hearing was closed on HB 2249

Chair Ray established that the committee had reviewed **HB 2120** that she passed out on the floor today. She informed the committee, that she told Leadership, "in as much as the bill was somewhat confusing, it would be turned in late".

Representative Barnes acknowledged that she felt there was a problem on page 4, of the "balloon" that was passed out, In Sec. 8 (a) (1) as brought to her attention by the Trial Layers Assoc., that the word "the"should be inserted to read "under all 'the' circumstances...

Representative Barnes made a motion to reopen **HB 2120.** Seconded by Representative Gilbert.

Discussion was opened to the committee. Mike Heim, Researcher, advised that there is no need to reopen **HB 2120** and pass another amendment. "This is only a technical issue that can be resolved, by giving Theresa, Revisor, direction by adding "the". With this information Representative Barnes withdrew the previous motion to reopen **HB 2120.**

Representative Campbell moved that the committee approve HB 2185 on final action. Seconded by Representative Storm. The bill passed out of committee unopposed.

Final action on **HB 2172 - land survey concerning plats**

A motion to pass out **HB 2172** was made by Representative Minor. Representative Dahl seconded the motion. Following discussion by the committee, the bill was pass by a majority. Representative Storm is recorded as a "NO" vote.

Final action on **HB 2171 - enforcement of county codes and resolutions**

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Since this bill had three issues involved, (following conformation of a correct procedure from Mike Heim, our Researcher), Chair Ray made the announcement that the committee would discuss and vote on each piece separately.

1. "Allow expansion of the county codes court to cover all counties as opposed to just the larger ones. Counties do not have to do it." A motion to accept this potion of the bill was made by Representative Hermes and seconded by Representative Gilbert. Following discussion a vote was taken. Chair was in doubt. Hand count of 7 yea - 7 nay. Motion failed. Section 1 will be deleted

2. "Abatement of nuisance" - page 4 lines 12-15
Representative Barnes made a motion to pass this portion with an amendment of July1, 2002 as the effective date for just Section 3 of the bill. Representative Campbell seconded. The motion was passed by a majority.

3. "Court Cost"
Representative Campbell a motion to approve increase of court costs. Representatives Hermes seconded the motion. Motion passed by a majority.

Representative Campbell made a motion to passes **HB 2171** as deleted and amended. Representative

Barnes seconded the motion. The bill was passed out of committee by a majority.

Final action on

HB 2246 - concerning certain drainage districts

Representative Campbell moved to pass **HB 2246** out of committee favorably. Representative Peterson seconded the motion. Motion carried.

Meeting was adjourned. Next meeting scheduled for February 20, 2001.

HOUSE LOCAL GOVERNMENT COMMITTEE
GUEST LIST
FEBRUARY 15, 2001

[PLEASE PRINT YOUR NAME]	[REPRESENTING]
Cecil O'Brate	DD1 Finney Co.
Lot F Taylor	DD1 Finney Co.
Jerry M Davis	DDL Finney County
Margie Eklund	Shawnee County Landlords
Dave Nibbelink	Apartment Council of Topeka
Lee Anne Stevens	Apartment Council of Topeka
[illegible]	Lario Enterprises Inc
Mike Pepoon	Sedgwick County
Judy Moler	KAC
Bill Bider	KDHE
Michael L. White	Kearney Law Office
Martha Jean Steeples	KMHA
Lonnie Russell	Landlords, Inc KCK
Greg A. Foley	KDA.
Dee W. Locke	KDA
Jean Barbee	Drainage District
J.P. SMALL	National Multi Housing Council
Jim Yonally	KSLS

STATE OF KANSAS

WARD LOYD
REPRESENTATIVE, 123RD DISTRICT
FINNEY COUNTY
1304 CLOUD CIRCLE, P.O. BOX 834
GARDEN CITY, KS 67846
(316) 276-7280

ROOM 174-W STATEHOUSE
TOPEKA, KANSAS 66612-1504
(785) 296-7655
E-MAIL: loyd@gcnet.com

TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEES
CHAIR: RULES & JOURNAL
VICE-CHAIR: JUDICIARY
MEMBER: UTILITIES
TAX, JUDICIAL & TRANSPORATION BUDGET
CORRECTION & JUVENILE JUSTICE OVERSIGHT

TESTIMONY IN SUPPORT OF HB 2246
SUBMITTED BY WARD LOYD
ON BEHALF OF COUNTY AND DISTRICT OFFICIALS AND PROPERTY OWNERS OF AND IN DRAINAGE DISTRICT NO. 1, FINNEY COUNTY, KANSAS
FEBRUARY 15, 2001

Last year at this time I was contacted by a group of constituents concerning a problem experienced by a local drainage district, Drainage District No. 1 in Finney County, which encompasses an area lying immediately adjacent to and west of Garden City. Specifically, DD#1 does not have the financial means to clean up the area it was originally designed to drain. The problem is exacerbated by continual urban development (residential, commercial and industrial) in the area over the 50 years since DD#1 was first organized.

Submitted herewith is a copy of testimony from County Commissioner Jerry Davis, who also is a property owner in DD#1, and from Cecil O'Brate, who owns both property as well as a business in the district, intended to assist with understanding the history of the district and the basis for the requests embodied in HB 2246.

Those interested in this issue desire that the governing body of the drainage district has the authority to order into the district property outside the district that in fact drains into and benefits from DD#1's drainage facility, and they want to be able to levy taxes on property in the district based upon the value of the property, rather than the currently authorized set amount per acre. This request is spurred by a study sponsored by the County Commission of Finney County, completed February 8, 2000.

1

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #1

The legislative issues presented as a result of the study were identified in a communication received from a representative of the Finney County Commissions, indicating

- The Board of County Commissioners has been approached by property owners having real estate included in the boundaries of DD#1. The concern rests with the statutory limitations placed upon drainage districts formed under 24-601, *et seq*.

- DD#2 (another drainage district in the area) is formed under 24-501 *et seq*. The method of funding is by an annual mill levy not to exceed five (5) mills which allows a reserve to be maintained for unanticipated expenses. Further, the ability to expand the district is less cumbersome.

- The question posed is this – can 24–601 *et seq*., be amended to permit funding by annual mill levy and can this act be amended to accommodate expansion as is allowed in 24-501?

- Finally, would it be possible and/or feasible to grant those districts formed under 24-601 all powers as those formed under 24-501?

Because of the point in time during last year's session when this issue was brought to our attention, we had no ability to prepare a bill for legislative consideration, or even an amendment that could ride through on the coat tails of some other vehicle; nothing similar was on the agenda. We appreciate the opportunity to have you consider this issue.

You will also find submitted with this testimony a letter of support for the proposed legislation (forwarded prior to the drafting and filing of HB 2246). We also provide photographs of the area representative of problems experienced, and graphic of the need for a change in the statutory

authorization. Representatives for DD#1, Jerry Davis, Cecil O'Brate, and Lot Taylor, are present in person (notwithstanding the weather) and available to answer committee questions.

We respectfully encourage the favorable consideration of HB 2246 by this committee.

TAYLOR & ASSOCIATES, INC.
CONSULTING ENGINEERS
PHONE (316) 276-2356
FAX (316) 276-2037
509 NORTH 6TH
GARDEN CITY, KANSAS 67846

February 21, 2000

Representative Ward Loyd
District 123
Room 174 - West
Topeka, KS 66612
Fax# 316-275-0788

RE: Drainage District No.1 & Drainage District No.2

Dear Mr. Loyd,

Along with this letter we have enclosed pictures of a rain storm taken last July that in fact flooded parts of the Drainage District No.1 area that are in question. As you recall the two items that seem to be a paramount importance to us, both of these are important to Drainage District No.1 and Drainage District No. 2 would allow the Board of Supervisors to order property into the district that in fact drains into the district and benefited from the drainage improvements of the district. The Board of Supervisors should be allowed to change the type of taxation from taxing on a per acre basis to a mill levy charge those two items would be of tremendous help for Drainage District No.1 and Drainage District No.2. Of course the third item which we have some different interpretation of the laws were formed under but we need it to be able to establish what our current right-of-ways are for the Drainage Districts themselves.

I have taken the liberty to send pictures also to Stephen Morris. I hope these pictures help you to understand more of our problems. Thank you for your attention to this matter.

Yours truly,

Lot F. Taylor, PE & RLS
Taylor & Associates, Inc.

LFT:drm
cc: Senator Stephan Morris

Enc.

1-A

February 14, 2001

Re: Finney County Drainage District #1

Dear Committee Members,

This old drainage district was formed many years ago in order to drain a low area of farm ground. The district was set up for the farmers in the area to be taxed on the basis of the number of drainage acres they had within the district area, therefore apportioning the cost based on the amount each person would benefit. The drainage ditch and the taxing arrangement has served its purpose well for many years.

However, over the last few decades, considerable commercial, industrial and residential development has located in the drainage district and its surrounding area. This development has not only had a significant impact in new drainage problems in the area, but it has resulted in the remaining farmers bearing the full cost of drainage maintenance and improvements necessary for the entire area. This is no longer fair and equitable.

I own and operate a manufacturing facility in this area. Over the last 30 years, about once every three years, we receive a rain of two inches or more. Every time, my plant is flooded with rain water reaching inside the plant and offices. This flooding is the result of the changed drainage patterns from the additional development. It is time to correct these problems.

These new drainage problems could be resolved with a new drainage ditch to the river. However, the drainage district needs to be expanded to include the additional commercial, industrial and residential development. In order for them to bear their fair share and not to over-burden the remaining farmers, the basis of taxation also needs to be changed from acreage participation to actual valuation.

Our request is simply and only to be allowed to form a new drainage district, under which these additional drainage problems can be alleviated and resolved, through a method of taxation that is fair and equitable to all involved.

Sincerely,

Cecil O'Brate

1-C

Rep. Ward Loyd
State Capitol, Room174-W
Topeka, Kansas 66612

February 14, 2001

RE: House Bill No. 2246 and Finney County
Drainage District #1

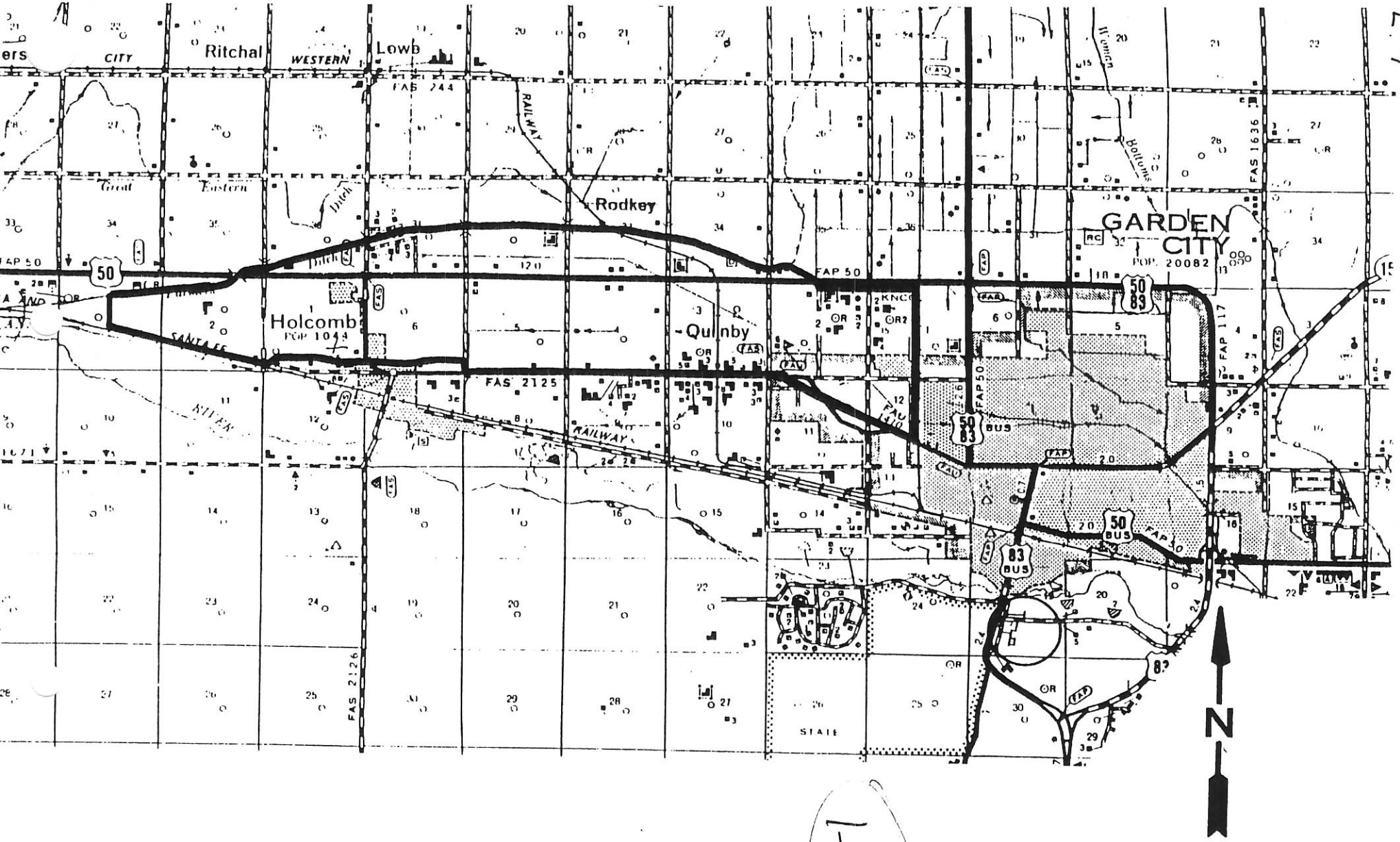
History: DD #1 was formed by two actions. The first was by District Court Action March 22, 1950 and the second by an agreement dated November 28, 1951 with the City of Garden City. The first action included approximately thirteen sections outside the city limits, which is DD #1proper. The second action provided the means by which the water draining from DD #1 could pass through the City utilizing a ditch constructed by the City for surface and storm drainage. The DD #1 Ditch from near Holcomb east to the west edge of the City was for the drainage of agricultural subsurface alkaline water, today it is surface and storm drainage. The taxing structure was not formulated on a uniform mill levy basis, but on one that levied a greater tax on individuals closer to the ditch receiving a greater benefit. At the time of formation this area was almost all agricultural in nature. The Finney County Commission in an effort to assist the district in addressing drainage problems, created by urban growth over the last 50 years, sponsored a study of the district and adjoining areas. This report was received February 8, 2000. Among the recommendations of this report was that the County Commission aid in the changing of the statutes governing the taxing formula and annexation of properties affecting drainage in the district and related areas.

Today this area includes industrial manufacturing, mobile home parks, many rural homes, and numerous commercial businesses. Rural Water District #1 now serves most of this area and discussions of a sewer district are heard. Currently there is a liquid feed manufacturing business under construction that will occupy 12 acres. The district and adjacent areas are of mixed zoning and have drawn interest from all sectors. At least one parcel outside the district (130 acres of I-3 zone) has drawn interest. Should those interested in this parcel develop it the result would be 75 acres of buildings and parking lot. It is this type of growth potential combined with the past and potential growth of Garden City that will result in conflict between the two entities. At this time there are several drainage structures within Garden City that are near capacity. It should also be noted that the grade from the beginning of the ditch to the city limit is barley 40 feet in 7 miles or 1-1/4 inches per 100 feet. It is therefore proper to seek resolution of current and future drainage concerns now, while right-of-ways are relative free of developments and issues resulting from community growth can be addressed by planning and not crisis management!

House Bill No. 2246 is the type of legislative assistance critical to support community development. This type of consideration is greatly appreciated!

Sincerely,

Jerry M. Davis
BOCC District #2, Finney County
Property Owner DD #1



DRAINAGE DISTRICT NO. 1
EXISTING BOUNDARY AREA

N.T.S.

TAYLOR & ASSOCIATES
CONSULTING ENGINEERS
508 NORTH SIXTH ST.
GARDEN CITY, KS.
(316) 276-2356

Some Questions You Might Want To Ask

1. Why has this flooding problem increased and why are you experiencing more problems than you did 30 years ago? - Highway 50 was re-routed through the newer industrial area, causing drainage patterns to change.

2. Does the majority of the people in the drainage district and the newer area proposed to be included agree and support this project? - Yes, there is strong support.

3. Why do you want to change the basis under which the district is taxed? - The mix of farming, commercial, industrial and residential users would result in an inequitable allocation based on acreage. My manufacturing plant with 80-90 employees on a few acres will not have the same impact as an equivalent number of acres of farm ground.

4. How big an area will this effect and will the resolution be a permanent solution or only a temporary correction? - The intent is to include the entire area involved so that the drainage improvements made will not only resolve all the problems being experienced currently, but also any growth over the foreseeable future.

December 21, 2000

Board of Directors of the
Finney County Drainage District No. 1

RE: Letter of Support

Dear Legislators,

Finney County Drainage District No. 1 fully endorses the efforts of the Finney County Commissioners in helping us change the legislation to allow Drainage District No. 1 to change its method of taxation and further to help both the Drainage District No. 1 and Drainage District No. 2 in allowing us an easier way of annexation of the property that benefits from the Drainage Districts efforts.

We the undersigned Board of Directors of Drainage District No. 1 fully agree with these efforts:

Cecil O'Brate

Tim Miller

Jerry Chandler

John Metheney

Raylene Dick

Larry Jones

1-C

1-9

C. Drainage Districts
KSA 24-401 *et seq.*
KSA 24-501 *et seq.*
KSA 24-601 *et seq.*
KSA 24-656 *et seq.*

§13.42 1. *Background and Organization*

A devastating flood in the Kansas River Valley in 1903 prompted the passage in 1905 of the first drainage district law. At least three other drainage district laws subsequently have been enacted. The main purpose of drainage districts is to provide flood protection and proper drainage for areas susceptible to these problems.

The formation and operation of drainage districts has generated more case law than for any other special district government treated in this chapter. Many of the legal principles in the discussion that follows have application to other political subdivisions treated in this work. For example, in *Dougan v Rossville Drainage District,* 243 Kan. 315, 757 P.2d 272 (1988), the court held that drainage districts were subject to the Kansas Tort Claims Act. The court held that the discretionary function immunity provision of the Kansas act did not excuse a legal duty or preclude liability of the district as an upper proprietor of land. The court said the district gathered and diverted water from its natural course, deposited the water into a natural watercourse which caused the watercourse's capacity to be exceeded with the result being serious and significant damage to the lower property owner.

Drainage district laws also have withstood various constitutional challenges including that the laws constitute an unlawful delegation of legislative power. See *Railroad Co. v Leavenworth County,* 89 K. 72, 78, 130 P. 855 (1913) and *State, ex rel, v Drainage District No. 1,* 123 Kan. 191, 254 P. 372 (1927).

A drainage district has been described as a body politic and corporate, a subdivision of the state and a state institution in *State, ex rel v Baker*, 156 Kan 439, 134 P.2d 386 (1943) as an administrative board in *Drainage District v Railway Co.,* 99 Kan. 188, 161 P. 937 (1916); as an arm of the state to exercise its police power in *Wolf v Second Drainage District*, 179 Kan. 655, 298 P.2d 305 (1956); as a quasi-public corporation in *Jefferson County v Drainage District,* 97 Kan. 302, 155 P. 54 (1916); and as a quasi-municipal corporation in *Roby v Drainage District*, 77 Kan. 754, 759, 95 P. 399 (1908).

The court has held that a drainage district, like a county, is a quasi-municipal corporation and that the power to create both municipal and quasi-municipal corporations is a legislative power and its exercise is a legislative function. See *State, ex rel v Drainage District,* 123 Kan. 191, 192, 254 P. 372 (1927) citing *Callen v Junction City*, 43 Kan. 627, 23 P. 652 (1890). Likewise, a decision by the board of county commissioners to detach territory under *General Statutes* 1947, Supp. 24-498 from a drainage district was said to be a legislative decision and one that a drainage district may not appeal absent a statute granting a right of appeal. Findings made by a board of county commissioners of facts contained in a petition for the formation of a district may not be disputed by anyone. See *Wolf v Second Drainage District,* 179 Kan. 655, 667, 298 P.2d 305 (1956). Further, facts found by a district court in the formation process

may not be disputed unless fraud or misconduct is shown. See *State, ex rel v Drainage Dist. No. 3*, 168 Kan. 569, 251 P.2d 161 (1950).

Procedures for the formation of drainage districts under the four general laws vary but all are keyed upon the drawing of a petition by landowners requesting the formation of a district. Under KSA 24-401 *et seq.*, when a petition is presented to the board of county commissioners signed by either 2/5 of the taxpayers residing in the proposed district or by owners of 51% of the land, the board of county commissioners must hold a public hearing and then may declare the incorporation of the district. See KSA 24-403, 24-404 and 24-405. A variation of this procedure allows for the presentation to the county commission of a petition signed by not less than 3/5 of the owners of land if nonresidents and if there are not five resident taxpayers within the proposed district. See KSA 24-458. Lands within a city may be included but consent of the governing body is required if the city has an assessed valuation of $150 million. See KSA 24-402.

Under KSA 24-501 *et seq.*, at least 2/5 of the landowners within a proposed district must petition the board of county commissioners. After a hearing, if the petition is found sufficient, it is forwarded to the Secretary of State. The Governor then has the responsibility to declare the formation of the district. See KSA 24-502 to 24-504.

A third act, KSA 24-601 *et seq.*, requires that a majority of landowners of swamp or over-flowed lands comprising at least 160 acres petition the district court for a declaration as a drainage district. Finally, a fourth act, KSA 24-656 *et seq.*, establishes procedures for the incorporation of districts in two or more counties. A petition signed by 2/5 of the landowners must be presented to the Secretary of State. If the proposed district contains a city, a vote must be held within the city on the issue of inclusion in the district in conjunction with the submission of the petition to the secretary of state. If approved by city voters, the election described later need not be held within the city. An investigation must be conducted by the Chief Engineer of the Division of Water Resources, and an election must be held on the question by landowners within the district. If approved at the election, the Secretary of State then declares the incorporation of the district.

In 1996, KSA 24-628 was amended to expand the scope of a drainage district law to cover man-made as well as natural watercourses and to permit maintenance of these watercourses in situations where the law now applies when two or more drainage districts discharge into the same natural watercourse or stream and it becomes necessary to deepen or enlarge the watercourse. Each district is required to pay for the cost of the work in the same ratio as their discharge.

§13.43 2. *Governing Body-Elected*

Under the first act, a three-member board of directors is elected for four-year terms. The directors then select a president, secretary and treasurer and also designate one member to serve as vice-president. The county treasurer may be designated as the ex officio treasurer of districts for the purpose of collecting and disbursing taxes and assessments. See KSA 24-412. Persons appointed to fill vacancies on the board of directors of a drainage district under KSA 24-401 *et seq* shall serve until the next election of members of the board of directors not until the next district election on other issues. See Op. Att'y Gen. 49 (1996).

Under the second act, the board consists of one director elected from each county involved, and a director elected at large if there is an even number of counties, all to four-year terms. Directors then select a president, secretary and treasurer. See KSA 24-506.

Under the third act, a five-member board of supervisors is elected to serve three-year staggered terms. A majority of the supervisors must be resident owners of the land within the district. See KSA 24-605. Under the fourth act, a three-member board of directors is selected in the same manner as under the first procedure described above. The directors select a president, vice-president, secretary and treasurer although the office of secretary and treasurer may be combined. See KSA 24-662.

Land ownership is typically required as a prerequisite to vote in drainage district elections. In *The State v Monahan*, 72 Kan. 492, 84 P. 130 (1905), the court held that Section 7 of the Bill of Rights of the *Kansas Constitution* which prohibits imposition of a property qualification for exercising the right to vote only applies to those offices and elections contemplated by the constitution not to drainage district elections. See, for example, KSA 24-410 which defines "qualified elector" to mean "any qualified elector of the district and any person eighteen (18) years of age or over owning land within the district, although not a resident therein, or owning tangible personal property within the district and having residence within such district." See KSA 24-605 which grants landowners one vote for each acre of land owned in the district. See KSA 24-507, where only persons 18 years of age or older who are freeholder residents may vote and KSA 24-656 which defines "qualified elector" to mean any person 18 years of age or over who owns land within the district. The Attorney General, in Op. Att'y Gen. 72 (1987), said that a property ownership qualification for drainage district elections was permitted.

In 1997, the Legislature amended KSA 24-409 to delete a requirement that directors in districts located in counties having a population of 85,000 or more must be residents of as well as landowners in the district. Directors need only be landowners in any district organized under this act, as is the rule for districts located in counties under 85,000 population.

3. Scope of Powers

§13.44 a. Overview

Drainage districts have a broad range of powers. For example, KSA 24-407 provides that drainage districts, subject to the superior jurisdiction of the United States over navigable waters, have exclusive control of the beds, channels, banks and of all lands within the district between banks at high water mark the title to which is vested in the state. Note the Attorney General has said that drainage districts may prohibit or limit discharges into a drainage ditch that prevent its proper maintenance. See Op. Att'y Gen. 32 (1990). The statute lists 16 separate divisions of powers a district may exercise which include among many others the ability to widen, deepen, regulate and maintain the channels of all watercourses within the district; construct and maintain detention dams, reservoirs, ditches, drains, sewers and canals; regulate the height of all bridges and the number and height of piers; regulate the height of railroads and highways at points where their right-of-way intersects with levees; sue and be sued; buy, sell and hold real estate; and exercise the power of eminent domain.

Districts also may levy taxes, impose special assessments and issue general obligation bonds. See KSA 24-407. Note KSA 24-136 permits drainage districts to establish a special emergency fund to pay costs of emergencies either due to current injuries or because of imminent danger and to levy a special emergency tax or to transfer surplus moneys from the general fund. See Op. Att'y Gen. 159 (1987) discussing these powers. Further, KSA 24-434 states the legislative intent is that the act shall be liberally construed to protect lands and to promote the public health.

KSA 24-132 was amended in 1995 to authorize the governing body of a drainage district to regulate excavations within their boundaries in accordance with KSA 19-3309. The district engineer is required to review applications for permits. If the engineer determines that a proposed excavation will be detrimental to or will endanger or impair the function of flood protection works, permission for excavation will be denied. The engineer also has the authority to issue restricted or conditional permits for excavation. Any permits issued shall not violate any existing zoning laws or building codes. Any person who disagrees with the decision of the district engineer can appeal that decision to the governing body of the drainage district. This appeal must be initiated within ten days of the decision and will be decided in a public hearing.

Powers of drainage districts created under the other general laws of the state are similar. Districts organized under KSA 24-656 *et seq.* exercise identical powers as those districts formed under KSA 24-401 *et seq.*

The Kansas Supreme Court has held that there is no requirement that drainage districts build or maintain bridges where its ditches cross public highways and that a board of county commissioners has no right to recover the county's expenses for constructing bridges. See *Jefferson County v Drainage District,* 97 Kan. 302, 304, 155 P. 54 (1916). Drainage districts may condemn county road beds. See *Keimig v Drainage District,* 183 Kan. 12, 16, 325 P.2d 316 (1958). Likewise, a district may widen, deepen and repair a ditch within its boundaries originally constructed by a township even though the township law provides for making needed repairs. See *State, ex rel v North Topeka Drainage District,* 133 Kan. 274, 299 P. 637 (1931). The court has also held that cities and drainage districts may enter into contracts for joint sewer and drainage projects. See *Alber v Kansas City,* 138 Kan. 184, 25 P.2d 364 (1933).

A district may enter into contracts with landowners outside the district to change the channels of watercourses and relocate and establish new channels and a court will not interfere unless bad faith or fraud is shown. See *Drainage District v Drainage District,* 104 Kan. 233, 235, 178 P. 433 (1919). Private drainage systems within a district are subject to control of the board of supervisors of the drainage district. See *Schrag v Blaze Fork Drainage District*, 119 Kan. 169, 237 P. 1047 (1925).

Legislation enacted in1995 amends KSA 24-133 authorizing drainage districts to issue no-fund warrants in emergency situations without approval of the State Board of Tax Appeals. The change makes the issuance of any no-fund warrants for emergency purposes which would cause outstanding no-fund warrants to exceed 5 percent of the district's assessed value to be subject to a 5 percent protest petition and election procedure.

KSA 24-605 was amended in 1995 to cover no-fund warrants under existing election procedures for drainage districts organized under Article 6 of Chapter 24. The net effect of the

amendment was to clarify that the voters are entitled to one vote for each acre of land owned in the district in any election on the question of issuing no-fund warrants.

§13.45 b. Limits on District Powers

Powers of drainage districts are limited by KSA 82a-301 *et seq.* which requires the written consent or permit of the Chief Engineer of the Division of Water Resources before any dam or other water obstruction may be constructed, or any change may be made in an existing dam or other water obstruction or any change made in the course, current or cross section of any stream. In *State, ex rel v Dolese Bros Co*, 151 Kan. 801, 814, 102 P.2d 95 (1940), the court recognized that drainage districts no longer enjoyed supremacy in the conduct of drainage powers within their boundaries. A year later, the court in *State, ex rel v Stonehouse Drainage Dist.,* 154 Kan. 422, 118 P.2d 587 (1941), held that approval of the Chief Engineer of the Division of Water Resources was a condition precedent to the legality of constructing and altering certain drainage and flood control projects. The court has also held that a drainage district may not operate a sand plant for profit despite a statutory authorization. The court reasoned that it was better that a "statute be construed to have no useful purpose than to construe it to create a power directly opposed to our definite state policy, as provided in our constitution and elsewhere, that the state, or its municipal subdivisions, shall not engage in purely commercial enterprises." See *State, ex rel v Kaw Valley Drainage District,* 126 Kan. 43, 50, 267 P. 31 (1928).

Drainage districts must exercise their powers in a reasonable manner and may not act in an arbitrary, unreasonable or confiscatory manner. A district may order a railroad bridge removed since the security of people against the danger of floods is more important than interstate commerce if the bridge constitutes such an obstruction as to cause a river to overflow and endanger lives. See *Kaw Valley Drainage District v Railway Co.,* 99 Kan. 188, 161 P. 937 (1916). A drainage district, however, may not build a dam or dike across a natural watercourse at a place where the water enters the district and divert the water onto public and private property in such a way as to maintain a public or private nuisance. See *State, ex rel v Riverside Drainage District,* 123 Kan. 46, 54, 254 P. 366 (1927).

§13.46 c. Financial Matters

Drainage districts absent express statutory authority may not levy special assessments against the county for improvements on the basis of county roads and highways since the roads and highways do not constitute real estate owned by the county. Adjoining landowners own the fee and the county has only a public easement. See *Jefferson County Comm., v Stonehouse Drainage District,* 127 Kan. 833, 837-8, 275 P. 191 (1929).

A drainage district absent a contract, implied or otherwise, may not compel Kansas City or the Kansas City Board of Public Utilities to pay a user fee for sewer services provided. See Op. Att'y Gen. 115 (1993).

Costs of certain improvements may be paid out of the general fund of a drainage district and there is no requirement that the improvement be of a direct benefit to all of the taxpayers in the district since "the district is a unit for the interests of all, and there is nothing unfair about

the fact that improvements are sometimes of a greater benefit to one than to another." See *State, ex rel v North Topeka Drainage District,* 133 Kan. 274, 284, 299 P. 637 (1931).

Legislation passed in 1994 permits certain townships to give a share of their proceeds, received from lease payments by the federal government for lands located within a flood control project, to drainage districts. Townships to which this would apply include those in which there are no roads maintained in a flood control project area and in which there lies one or more drainage districts. Township moneys would be paid to each drainage district in proportion to the land area of each within the project area. See KSA 27-117.

Paying attorney fees and engineering fees out of a drainage district's special improvement fund instead of the general fund was found to be void by the court since the former fund can be used only to pay for special improvements which benefit particular property. The payment constituted a breach of faithful duty by the treasurer of the district and rendered him and his bondsman liable. See *State, ex rel v Baker,* 156 Kan. 439, 442, 448, 134 P.2d 386 (1943). See also *State, ex rel v Baker,* 160 Kan. 180, 160 P.2d 264 (1945).

The enactment of the cash basis, budget and tax levy limitation law did not repeal or render inoperative the ability of a drainage district to make special assessments. *McCall v Goode*, 168 Kan. 361, 363, 212 P.2d 209 (1949).

A drainage district refusing to pay a lawful debt may be compelled to levy a tax for purposes of paying the debt. See *Fidelity Nat'l Bank and Trust Co. v Morris,* 127 Kan. 283, 286, 273 P. 425 (1929). A drainage district trying to collect a debt from a county for work performed for removing the approach to one of the county's bridges was done in a proprietary capacity and as a result the district had to submit the claim within the two-year time period required by KSA 19-308. See *Kaw Valley Drainage District v Wyandotte County,* 117 Kan. 634, 232 P. 1056 (1925).

§13.47 d. Condemnation Proceedings

A gas company was entitled to recover for the cost of lowering or relocating its pipeline as well as for the value of the land appropriated in *Cities Service Gas Company v Riverside Drainage Dist.*, 137 Kan. 410, 20 P.2d 520 (1933). An owner of a milldam was entitled to compensation for its destruction by a drainage district in *Piazzek v Drainage District,* 119 Kan. 119, 237 P. 1059 (1925). An owner of land is not entitled to compensation for the erosion of land due to drainage district improvements unless the district intended to widen the waterway by erosion. See *Sester v Belvue Drainage District,* 162 Kan. 1, 4, 173 P.2d 619 (1946).

STATE OF KANSAS

BILL GRAVES, GOVERNOR
Jamie Clover Adams, Secretary of Agriculture
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KANSAS DEPARTMENT OF AGRICULTURE
House Committee on Local Government

February 15, 2001

Testimony Regarding House Bill 2246

Greg A. Foley, Assistant Secretary of Agriculture

Madam Chairperson and members of the committee, thank you for allowing me to testify regarding House Bill 2246. My name is Greg A. Foley, and I appear on behalf of Secretary of Agriculture Jamie Clover Adams and David L. Pope, chief engineer of the Kansas Department of Agriculture's division of water resources.

The chief engineer administers state law relating to stream obstructions, and drainage, levee and watershed districts. These laws are K.S.A 82a-301 et. seq. and K.S.A 24-126 and 24-1201 et seq.

The provisions of K.S.A 82a-301 to 305a authorize the chief engineer to regulate dams, stream obstructions and any other human activities that change the course, current or cross-section of any stream in Kansas. A stream is defined as any watercourse that drains greater than 240, 320 or 640 acres at the point under consideration, and the drainage area increases from east to west by counties. Dams impounding less than a total volume of 30 acre-feet are exempt from state regulation. Furthermore, jetties or revetments that are properly placed to stabilize a caving bank are not subject to regulation under K.S.A 82a-301. K.S.A 24-126 authorizes the chief engineer to regulate levees, and any other improvements, such as floodplain fills, along or near any stream in Kansas.

Sections 2(b)(7), 2(b)(9) and 2(b)(10) of the proposed bill refer to activities in streams and floodplains of streams. These provisions empower the drainage districts to construct certain facilities and to compel actions related to certain water structures that are regulated by the provisions of K.S.A 82a-301 to 305a and K.S.A 24-126. To prevent inconsistencies between the actions of a drainage district and these state laws, we suggest the following technical amendment be made to HB 2246:

Nothing in this act shall exempt the district from complying with the requirements of K.S.A 82a-301 et. seq. and K.S.A 24-126.

Thank you for the opportunity to provide testimony on this issue. I will be glad to answer your questions at the appropriate time.

2

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #2

STATE OF KANSAS

JOANN LEE FREEBORN
REPRESENTATIVE, 107TH DISTRICT
CLOUD, OTTAWA COUNTIES
AND PART OF CLAY AND DICKINSON COUNTIES
RR 3, BOX 307
CONCORDIA, KANSAS 66901-9105
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TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNM 3
CHAIR: ENVIRONMENT
MEMBER: AGRICULTURE
FEDERAL AND STATE AFFAIRS

STATE CAPITOL RM 155-E
TOPEKA, KS 66612-1504
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February 15, 2001

The Honorable Gerry Ray, Chairperson
House Local Government Committee
Statehouse, Room 112-S
Topeka, Kansas 66612

Dear Chairperson Ray,

Thank you for holding a hearing on House bill 2158. This is important to the Cloud County Commissioners who are part of my district. Most of the changes to current law are of a technical nature and were the result of revisors decisions. The language on page two that clarifies current law allows for an adminstrative fee not to exceed $25.00 to be imposed on property/properties that have become delinquent and have been attached to the current assessment roll as liens against the property (according to current law).

Local government currently can attach a lien to (non paying) properties for the purpose of collection. You can see this is allowed by current law by looking back up to lines 18 thru 32. This new language would clarify that they "MAY" also impose an administrative fee. They would like to be able to point to a section of law that allows this fee instead of just telling the citizen that they have the authority to do so. This makes for a better relationship in the community.

Language on page three under (f) was put in by the revisor and does not change current law. It is clarifying for the legal community. I do not understand the purpose.

I would appreciate your support on this matter. The county has costs in the process of collections and this will help them to be able to recover the costs and provide them with a portion of law they can point to which shows that they "may" impose the fee.

Sincerely,

Joann

Joann Freeborn
State Representative
District 107

3

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #3

TESTIMONY ON HOUSE BILL NO. 2158
BY
CLOUD COUNTY

Before the House Committee on Local Government
February 15, 2001

Madame Chairwoman Ray, Members of the Committee:

Thank you for the opportunity to present information on this proposed legislation, House Bill No. 2158.

We would like to provide a short history of the issue at hand. The method of collection of unpaid solid waste fees is detailed in K.S.A. 65-3410(a).

(1) A public hearing must be held, notice of which is to be mailed to the property owners not less than 10 days prior to the hearing.

(2) Revisions or corrections of the list of delinquent fees may be made by the County Commission at the public hearing upon hearing protests.

(3) A resolution of confirmation of the list of delinquent fees is certified to the County Clerk to be attached to the tax roll for collection at the same time as general property taxes.

In Cloud County the required public hearing is held in August so that the list certified to the County Clerk may be as timely as possible for attachment to the tax roll. This means that by the time the first half of taxes are due (December 20) solid waste fees may be delinquent by as much as 18 months.

4

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #4

Although a portion of the fees are collected for the county on city water bills, the county solid waste department bills rural residents semi-annually. Historically about 935 statements are sent out with 10 to 15 per cent becoming delinquent. County-billed fees run about $60,000 per year. Delinquent fee amounts for the last five years are:

2000	$5,482	102	delinquent statements
1999	$5,261	100	" "
1998	$6,944	132	" "
1997	$5,922	118	" "
1996	$8,984	145	" "

In checking with other counties across the state, it appears that this is a problem that is not limited to Cloud County. Delinquencies range from an average of 15 per year to over 200 per year.

In addition to affecting the cash flow for the county solid waste department, there are administrative costs in the departments of solid waste, county clerk, county treasurer.

Those residents and taxpayers who handle their obligations in a timely manner appear to be financially jeopardized for doing so while those who procrastinate are provided what is, in essence, interest-free loans for a considerable period.

You will have noticed that we are requesting a change in the current statute to allow, but not require, the imposition of

an administrative fee in an amount not to exceed $25 for each solid waste account unpaid for a period of 60 days or more after the date on which such fees were billed. We are requesting that only the county be allowed the option of imposing the administrative fee since it is only the county which incurs administrative costs in collecting the delinquent fees.

We urge the members of this committee to give favorable consideration to this proposed legislation.

Although prevented by the weather from appearing before you in person, we appreciate the opportunity to provide this written testimony and will be glad to discuss any questions you may have.

Cloud County Commissioners

Gary E. Fraser	785-243-1101
Roger C. Nelson	785-439-6627
Richard Chartier	785-446-3289

Cloud County Clerk

Betty L. Musick 785-243-8110 Betty L Musick

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Testimony of Jonathan Small
Consultant to
National Multi Housing Council

Before the House Local Government Committee
House Bill 2249
February 15, 2001

Madam Chair and Members:

My name is Jonathan Small. I represent the National Multi Housing Council, an organization that represents many firms located around the country, including several located in Kansas, that own, manage, operate and lend funds for multi housing facilities.

Many of you ask why a rent control preemption bill is needed in Kansas at this time? In our view, this is the best time to favorable consider such legislation. Housing starts we are told are down around the country, including Kansas, and vacancy rates are generally moving downward. "Rent control preemption" is necessary during this period of economic change to help assure a steady supply of affordable housing to Kansas' residents.

Enactment of HB 2249 will send a very positive message to the investment community that the State of Kansas encourages construction of, and investment in, rental housing. This will help attract housing investment capital to our state and attract further investment in your communities. This is especially important during a period of expected change to our national economy when funding for new construction may not be readily available and the investment community searches for safe investment opportunities. Therefore, by enacting HB 2249, you will (i) encourage new housing construction and investment in Kansas' communities, (ii) help assure that Kansas in general will not experience a shortage in housing and (iii) help guarantee affordable housing to all citizens, both wealthy and poor.

Finally, this is an excellent time to enact HB 2249 because, during a real housing shortage, local governments will undergo considerable pressure to take some action to respond to a perceived crisis. Such reactive policy pressure often makes it difficult to enact a measured response. I want to emphasize that HB 2249 would not prohibit the implementation of rent control laws. Rather it would require that such laws be enacted at the state level, after full consideration by the Kansas Legislature and its committees, in order to allow and require consideration of the statewide implications of proceeding with such a legislative response.

Many other states have already enacted rent control preemption statutes. In fact, 34 states, including Missouri, Colorado, Oklahoma and Iowa to name a few, have enacted rent control preemption laws in recent years and others are considering such laws at this time.

5

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #5

The difficulties caused by rent control have long been well documented and accepted by economis and housing experts across the country. Many nationally respected studies conducted over the past twenty years have established that rent control is an ineffective and usually counter-productive housing policy and that such laws simply do not accomplish their objectives. These studies have documented the fact, and experience continues to demonstrate, that rent control laws usually reduce the supply of housing during a time of shortage, cause the deterioration of existing housing stock, a reduction in property tax revenues and help moderate and upper income households at the expense of the poor and needy. There is considerable anecdotal evidence regarding the abuses and discrimination that result from such laws.

The goals of rent control have often been described as an effort to provide for adequate and decent housing for the residents of a community and to assure that people that survive on low and moderate incomes can continue to afford to live in their homes. We agree that that should be the goal. However, rent control laws have consistently demonstrated that they have just the opposite effect. In a recent survey of the American Economic Association, 98% of the economists polled agreed that "a ceiling on rents reduces the quality and quantity of housing available." The best way to eliminate a housing shortage and to keep rents under control is to increase the supply of rental housing units not implement rent control.

I have attached a report entitled "The High Cost of Rent Control" which is illustrative of many similar studies describing the economic and social problems that result from such laws. To briefly summarize the findings of this report:

1. Rent control inhibits new construction.
2. Rent control leads to the deterioration and elimination of existing housing stock.
3. Rent control causes a reduction in property tax revenues.
4. The poor suffer the most under rent control and bear the brunt of its ill effects.
5. Rent control often creates homelessness.
6. Substantial administrative costs are incurred in regulating such programs.
7. Rent control laws reduce tenant mobility.

Now is the time to enact a preemption statute. On behalf of the National Multi Housing Council, I strongly encourage you to favorably recommend HB 2249.

Jonathan Small
800 SW Jackson Ave. Ste 808
Topeka, KS 66612
(785) 234-3686

KANSAS 2001
HOUSE BILL 2249
Attachment A

The High Cost of Rent Control

That rent control is an ineffective and often counterproductive housing policy is no longer open to serious question. The profound economic and social consequences of government intervention in the nation's housing markets have been documented in study after study, over the past twenty-five years. In response to this hard-earned experience, states and local jurisdictions from Massachusetts to California have banned or greatly constrained rent control. Nevertheless, a number of communities around the country continue to impose rent controls, usually with the stated goal of preserving affordable housing for low- and middle-income families. Rent control does not advance this important goal. To the contrary, in many communities rent control has actually reduced both the quality and quantity of available housing.

Role of Rents in a Market Economy

Too often, those who advocate rent regulation have ignored the basic laws of economics that govern the housing markets — treating privately-owned, operated and developed rental housing as if it was a "public utility." In so doing, they harm not only housing providers, but also, in the long-run, the consumers they intend to serve.

Rents serve two functions essential to the efficient operation of housing markets:

- they compensate providers of existing housing units and developers of new units for the cost of providing shelter to consumers; and

- they provide the economic incentives needed to attract new investment in rental housing, as well as to maintain existing housing stock. In this respect, housing is no different from other commodities, such as food and clothing — the amount producers supply is directly related to the prevailing market price.

This second function is particularly important in evaluating the economic implications of rent control. In an unregulated market, a housing shortage — the reason usually cited for imposing rent control — will be addressed in a two-step process. In the short-term, rents on the margin will rise as consumers compete for available units. Over time, these higher rents will encourage new investment in rental housing — through new construction, rehabilitation, and conversion of buildings from nonresidential to residential use — until the shortage of housing has been eliminated. *Without the increased rents required to attract new investment, new housing construction would be sharply limited and there would be no long-term solution to the housing shortage.* Conversely, a fall in rents sends the message to the market that there is no room for new investments.

5A

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #5A

When a community artificially restrains rents by adopting rent control, it sends the market what may be a false message. It tells builders not to make new investments and it tells current providers to reduce their investments in existing housing. Under such circumstances, *rent control has the perverse consequence of reducing, rather than expanding, the supply of housing in time of shortage.*

Three additional factors must be considered in the economic implications of rent control. First, the longer rent control remains in place, the more substantial the gap between controlled rents and true market rents is likely to be. Second, the costs of rent controls are not confined to the political boundaries of those communities that adopt them, but often impose significant costs throughout regional housing markets. Third, while the distortions induced by rent controls depend on their stringency, any application of rent control leads to inequities and inefficiencies in the housing market.

Harm Caused by Rent Control

Economists are virtually unanimous in their condemnation of rent control. In a survey of economists of the American Economic Association, fully 93 percent agreed that "a ceiling on rents reduces the quality and quantity of housing available."[1] Economists generally point to six principal objections to rent control:

1. Inhibition of New Construction

By forcing rents below the market price, rent control reduces the profitability of rental housing, directing investment capital out of the rental market and into other more profitable markets. Construction declines and existing rental housing is converted to other uses.

Studies have shown, for example, that the total number of rental units in Cambridge and Brookline, Massachusetts, fell by 8 percent and 12 percent respectively in the 1980s, following imposition of stringent rent controls. Rental inventories in most nearby communities rose during that period.[2] Similarly, in California the total supply of rental units dropped 14 percent in Berkeley and 8 percent in Santa Monica between 1978 and 1990, even though the rental supply

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[1]R.M. Alston, J.R. Kearl, and M.B. Vaughan, "Is There a Consensus Among Economists in the 1990s?" *American Economic Review*, May 1992, 82, 203-9. The criticism of rent control is so universally shared by economists that rent control often is cited by textbook writers as a paradigm of the harm governmental interference can have on the operation of a competitive market. See, for example, P. Samuelson and W. Nordhaus, *Economics* p. 79 (14th edition, 1992).

[2]R. Goetze, *Rent Control: Affordable Housing for the Privileged, Not the Poor*. Report prepared for the Small Property Owners Association of Cambridge, 1994.

rose in most nearby cities.[3] And in the United Kingdom, which has imposed rent control since the Second World War, the share of all housing provided through privately owned rental units dropped from 53 percent in 1950 to less than 8 percent in 1986, reflecting the flight of investment from the regulated market.[4]

2. Deterioration of Existing Housing

By reducing the return on investments in rental housing, rent control also can lead to a drop in the quality and quantity of existing rental stock. This may take the form of condominium and cooperative conversions or, in some cases, abandonment of unprofitable property. It can also lead to a deterioration of the quality of housing stock as providers faced with declining revenues may be forced to substantially reduce maintenance and repair of existing housing.

A study by the Rand Corporation of Los Angeles' rent control law found that 63 percent of the benefit to consumers of lowered rents was offset by a loss in available housing due to deterioration and other forms of disinvestment.[5] Studies of rent control in New York and Boston similarly found marked differences between rent-controlled and other units in housing quality and the level of expenditures on maintenance and repair.[6]

3. Reduced Property Tax Revenues

Rent control also reduces the market value of controlled rental property, both in absolute terms and relative to the increase in property values in unregulated markets. The tax implications of this reduction can be significant, as taxable assessed rental property values decline relative to unregulated property. A study of rent control in New York City calculated the loss in taxable assessed property values attributable to rent control at approximately $4 billion in the late 1980s.[7] These distorted assessments cost the city an estimated $370 million annually in property

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[3]St. John and Associates, *Rent Control in Perspective — Impacts on Citizens and Housing in Berkeley and Santa Monica Twelve Years Later*. (Berkeley: Pacific Legal Foundation, 1993).

[4]R.N. Chubb, *Position Paper: United Kingdom*. Report UP/L(87)28 (Paris: Organization for Economic Cooperation and Development, 1987).

[5]C.P. Rydell, et al., *The Impact of Rent Control on the Los Angeles Housing Market*. Report N-1747-LA (Santa Monica: The Rand Corporation, 1981).

[6]U.S. Bureau of the Census, Housing Division, 1987 *New York City Housing and Vacancy Survey, Series* IA; M. Lett, *Rent Control: Concepts, Realities, and Mechanisms* (Center for Urban Policy Research, Rutgers University, 1976).

[7]Peat Marwick, *A Financial Analysis of Rent Regulation in New York City: Costs and Opportunities* (1988).

tax revenues. The city of Berkeley, California, also estimates a significant loss in its tax revenue because of rent control.[8]

4. Substantial Administrative Costs

The administrative costs of rent control can be substantial, often outweighing any short-term benefits of rent regulation. Rent controls require the creation of elaborate bureaucratic systems. Rental property must be registered; detailed information on the rental property must be collected; and elaborate systems for determining rents and hearing complaints and appeals must be established. The associated costs in dollars and time fall not only on providers, but also on consumers and municipal authorities. For example, in Santa Monica, the Rent Control Board in 1996 had a budget of more than $4 million a year to control rents on only 28,000 apartments.[9]

5. Reduced Consumer Mobility

The primary beneficiaries of rent control are those consumers lucky enough to find themselves in a rent-controlled unit. But even these consumers pay a price. Consumer "mobility" is substantially reduced by the reluctance of many consumers to part with the rent control subsidy. A recent study in New York City found that rent control tripled the expected duration of residence.[10] Consumers who would otherwise move to smaller or larger homes or closer to their jobs do not do so because they do not want to lose the subsidy. This loss of mobility can be particularly costly to families whose job opportunities are geographically or otherwise limited and who may have to travel long distances to reach those jobs available to them. And for the community at large — including nearby communities that have not themselves imposed rent control — reduced consumer mobility can mean increased traffic congestion and demand for city services, among other costs. Because of these spillover effects, rent control is an issue for state and regional policy as well as for local governance.

6. Consumer Entry Costs

The short-term benefits of rent control also are limited by often significant entry costs that must be paid by those in search of rental housing. In many rent-controlled communities, prospective consumers must pay substantial finder's fees to obtain a rental unit, due to the scarcity of available housing. And in some communities, a "gray-market" in rental housing has

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[8]Community Development Department, City of Berkeley, *Rent Control in the City of Berkeley, 1978 to 1994: A Background Report for Updating the City of Berkeley's General Plan Housing Element*. Berkeley, 1994.

[9]Santa Monica Rent Control Board, Administration Memorandum, February 14, 1996.

[10]R. Ault et. al., "The Effect of Long-Term Rent Control on Tenant Mobility," *Journal of Urban Economics* 35 (1994): 140-158.

developed in which units are passed among friends or family members, or new consumers may be required to pay "key money" or to make other payments to current consumers or providers to obtain housing. Poor families, single consumers, and young people entering the market are especially hard-hit by these costs.

Social Implications of Rent Control

In addition to the substantial economic costs associated with rent control, the decision whether to regulate rents raises difficult questions of social policy:

1. The Substantial Costs of Rent Control Fall Most Heavily on the Poor

The costs of rent control fall disproportionately on the poor. As described earlier, these costs include (a) an often substantial drop in the quality of existing rental housing, and (b) substantially reduced access to new housing.

Poor families suffer a marked decline in existing housing as the quality of existing housing falls in response to reduced maintenance expenditures. The middle class can move out; for many reasons, poorer families lack this option.

Poor families also are at substantial disadvantages when it comes to finding new housing. In a tight market, there may be more people looking for housing than available rental units, thereby giving housing providers substantial discretion in choosing among competing potential consumers. In an unregulated market, this consumer selection process will be governed by the level of rents. However, by restricting rent levels rent control causes housing providers to turn to other factors, such as income and credit history, to choose among competing consumers. These factors tend to bias the selection process against low-income families, particularly female-headed, single-parent households.

2. Higher Income Households Benefit Most from Rent Controls

Rent control is most often justified as an anti-poverty strategy. Yet, there is strong evidence that higher income households - not the poor - are the principal beneficiaries of most rent control laws. For example, a study of rent control in New York City found that rent-controlled households with incomes greater than $75,000 received nearly twice the average subsidy of rent-controlled households with incomes below $10,000.[11] Another study concluded that rent control had the greatest effect on rents in Manhattan, the borough with the highest

[11]Citizens Budget Commission, *Reforming Residential Rent Regulations*, New York City, 1991.

average income.[12] Similarly, a study of rent control in Berkeley and Santa Monica found that the beneficiaries of controls in those communities are "predominantly white, well-educated, young, professionally employed and affluent," and that rent control had substantially increased the disposable income of these tenants while "exacerbating" the problems of low-income families.[13] And in Cambridge, Massachusetts, residents of rent-controlled housing had higher incomes and higher status occupations on average than other residents of the city, including homeowners.[14]

3. Rent Control Promotes Housing Discrimination

By eliminating rents as the basis of choosing among a pool of potential consumers, rent control opens the door to discrimination based on other factors. As noted earlier, rent control forces housing providers to look to income and credit history in choosing among competing consumers, factors which sharply bias the selection process against poor and young consumers. In some cases, consumer selection decisions also may be based on a potential consumer's race, sex, family size or other improper or unlawful factors. This may occur notwithstanding the rigorous enforcement of Fair Housing laws.

The reduction in housing caused by rent control also can slow the process of racial and economic integration of many communities, by limiting the opportunities of certain classes of consumers to reside in rent-controlled communities. In fact, in many middle class communities rent control has raised a relatively impenetrable barrier to economic and racial integration.

4. Rent Controls Unfairly Tax Rental Housing Providers and Other Real Estate Providers

Rent controls are designed to supplement consumer income at the expense of rental property providers — by holding below market levels the permissible rate of return on rental property investment. There is substantial evidence that such transfers are highly inefficient. For example, one study concluded that housing consumers gained in benefits only 52 percent of what housing providers lost.[15] This is due, in part, to the tendency of consumers in rent-controlled units to "hoard" housing and to be over-housed, a tendency that further exacerbates the underlying housing shortage.

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[12]H. Pollakowski, *An Examination of Subsidies Generated by Rent Stabilization in New York City* (Cambridge: Joint Center for Housing Studies of Harvard University, 1989).

[13]R. Devine, *Who Benefits from Rent Controls?* (Oakland: Center for Community Change, 1986).

[14]Goetze, *Rent Control*.

[15]E. Olsen, "An Econometric Model of Rent Control," *Journal of Political Economy* (Nov.-Dec. 1972):1081-1100.

But more importantly, such income transfers pose fundamental questions of fairness. Why should the uniquely public burden of providing subsidized housing to the poor and middle class be borne solely by providers of rental housing? Given both the inefficiency and unfairness of the rent control "tax," we should rely on broader, more equitable means of subsidizing poor families.

The fairness issue, as well as many of the other arguments against rent control, apply to commercial real estate as well. Controls on rents of retail, office, or industrial space deter construction, diminish the quality of existing structures, and unfairly transfer income from the property owner to the business occupying the rental space.

5. Effective Alternatives to Rent Control Exist

The answer to the problem of scarce housing and rising rents is increased housing supply — not rent control-induced disinvestment. One way of stimulating the supply of affordable housing is through direct financial assistance to needy renters, whose increased purchasing power will lead to expansion of the quantity and quality of housing in the local market. This "demand-side" strategy is already in place through proven Federal and state programs. In addition, targeted programs to subsidize the construction or rehabilitation of affordable housing can be an effective complement to direct renter assistance. More generally, removal of inappropriate regulatory barriers to housing construction promotes housing affordability for both renters and home owners.

Conclusion

Economists have long considered rent control a failed housing policy. As Dr. Anthony Downs, a leading economist and nationally-recognized expert on housing policy, concluded in a recent report on rent controls, other than during wartime, the economic and social costs of rent control "almost always outweigh any perceived short-term benefits they provide."[16] He also found that rent controls are both "unfair to owners of rental units and damaging to some of the very low income renters they are supposed to protect." Given this fact, reliance on rent-control as a solution to the problem of housing affordability cannot be justified.

[16] A. Downs, *A Reevaluation of Residential Rent Controls* (Urban Land Institute, 1996).

Signatories

American Seniors Housing Association
California Apartment Association
California Housing Council
Community Housing Improvement Program
Institute of Real Estate Management
Manufactured Housing Institute
National Apartment Association
National Association of Home Builders
National Association of Realtors
National Multi Housing Council
Real Estate Board of New York
Rent Stabilization Association of New York City
Rental Housing Association, Greater Boston Real Estate Board

Attachment B

Rent Control Status by State

States with Rent Control	States that Preempt Rent Control	States with No Rent Control/No Preemption
California	Alabama	Alaska
District of Columbia	Arizona	Delaware
Maryland[1]	Arkansas	Hawaii
New Jersey	Colorado	Kansas
New York	Connecticut	Maine
	Florida	Montana
	Georgia	Nebraska
	Idaho	Nevada
	Illinois	Ohio
	Indiana	Pennsylvania
	Iowa	Rhode Island
	Kentucky	West Virginia
	Louisiana	
	Massachusetts	
	Michigan	
	Minnesota	
	Mississippi	
	Missouri	
	New Hampshire	
	New Mexico	
	North Carolina	
	North Dakota	
	Oklahoma	
	Oregon	
	South Carolina	
	South Dakota	
	Tennessee	
	Texas	
	Utah	
	Vermont	
	Virginia	
	Washington	
	Wisconsin	
	Wyoming	

[1] Only in one town (Takoma Park)

KANSAS
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TESTIMONY

Before

THE HOUSE

LOCAL GOVERNMENT COMMITTEE

TO: Representative Gerry Ray, Chairwoman
And Members of the Committee

FROM: Martha Neu Smith
Executive Director

DATE: February 15, 2001

RE: House Bill 2249

Madam Chairwoman and members of the Committee, my name is Martha Neu Smith and I am the Executive Director of Kansas Manufactured Housing Association (KMHA) and I appreciate the opportunity to comment. KMHA is a statewide trade association representing all facets of the manufactured housing industry (i.e. manufacturers, retailers, community owners, suppliers, finance and insurance companies and transporters).

I am here today to voice KMHA's support of HB 2249. Currently over 30 states have realized the negative impact that rent control can have on their housing needs and have passed laws similar to HB 2249.

The vast majority of States have accurately and wisely concluded that rent control creates an overwhelming negative consequence for their local governments and communities. Basically, this negative impact can be divided into three general categories: economic costs, legal costs, and cost to the community.

Most economists agree that rent control is a form of price fixing that increases housing shortages and drastically diminishes the quality of rental housing. To demonstrate the impact of rent control we can look at California's housing supply statistics. Prior to rent control, from 1970 to 1975 the number of manufactured home spaces increased 32.6%. From 1975 to 1980 when rent control began, the increase dropped to 8.37%; and from 1980 to1985 when rent control became entrenched, California only saw a 0.6% increase.

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #6

It has also been noted that rent control reduces the quality of rental housing. In rent control communities, owners of rent-controlled housing are often financially prevented from increasing the quality of the housing they provide because it would increase costs but not revenues. As years go by and fixed costs continue to rise, but rents stagnate, owners seek to reduce expenses, which often leads to a decline in the quality of living conditions within the rental community.

The legal costs of rent control are also very important to consider. Rent control has a long and somewhat up and down history in the courts, but no matter what the outcome of any particular case, local governments in today's tight financial times would have to bear the additional high costs of rent control litigation.

Citizens living in communities where rent control has been enacted are also negatively impacted even if they are not living in rent-controlled housing. Experience has shown that the community will experience: *housing shortages* due to keeping prices artificially low; *disinvestments,* real estate investors and developers shy away from communities that have enacted rent control; *deterioration-* properties deteriorate when owners are prevented from recapturing improvement costs and *increased taxes or reduced city services*. When the local government authorizes rent control, it is authorizing an expensive subsidy program. This subsidy carries a significant cost in the form of the annual administrative cost for the local government. This can range from a few thousand dollars for smaller communities to thousands of dollars for larger communities. Not to mention if local assessors are accurately appraising units where rent is capped at a level that is below market rent, these lower assessments will cause a decline in total assessed property value.

In summary, rent control changes the basic structure of the housing market in the sense that it shifts the responsibility of providing affordable housing to one segment of society – landlords. Rent control is a detriment in promoting quality housing alternatives. To provide decent affordable housing, we need an environment that encourages new capitol in the market; rent control merely chases it away.

I would encourage you to support HB 2249, and thank you for the opportunity to comment.

HEARTLAND Apartment Association

P.O. Box 30097 • Kansas City, Missouri 64112 • 913-384-8600

February 15, 2001

Re: Testimony in support of HB 2249..... Local Government

Madam Chair and Members of the Committee:

My name is Sam Alpert and I am speaking on behalf of the Heartland Apartment Association, which directly represents public policy interests of providers of well over 20,000 apartment units throughout Kansas. I am here today as a conferee in support of HB 2249.

Those of us concerned with housing policy spend a great deal of time and energy trying to determine how best to provide "affordable" housing opportunities to the public. Policy makers have come to realize that a diverse, high quality housing inventory constitutes one of the basic amenities required to attract new business and the related employment potential that our communities compete for on a daily basis.

Within this context, I submit to you that "affordability" is relative to all income levels, available housing stock, and the overall development climate. This is to say that without a competitive development environment, it is extremely difficult to maintain an inventory of high quality housing necessary to attract the kind of economic activity that several of the state's local communities are currently seeking.

As you know, there are numerous economic development incentives and subsidies designed to promote the production of housing, particularly within second and third tier markets where no new housing would be generated **but for** these incentives. I believe it is fair to say that if rent controls were to be enacted within these markets, community reinvestment would be sharply curtailed, if not precluded entirely.

In addition to discouraging redevelopment and attraction of investment capital, the imposition of rent controls would eventually adversely impact local and state tax rolls, as taxable assessed values decline relative to unregulated properties. To the extent that rent controls are able to gain wide spread acceptance, the state of Kansas's taxing jurisdictions stand to lose tens of millions of dollars in property tax revenues. The tax base implications of rent controls have been well-documented in places such as New York City and Berkeley, California.

Last, but not least, there seems to be a perception among the public that if

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #7

an apartment rents for $500.00 per month, the landlord doles out $100.00 worth of service to the tenant and puts $400.00 in his pocket. With very few exceptions, this couldn't be farther from the truth. As is the case with most hard assets, an apartment unit and its various components (i.e. carpet, appliances, bathroom fixtures, roof, parking lot, etc.) have finite useful lives, after which a significant capital infusion is required to begin a new life cycle. Even with a best practices preventive maintenance program in place, one can anticipate that within any given 15 year period a number of major capital outlays will be required in excess of routine day to day operations expenditures. Rent controls preclude any opportunity for an owner to project asset management planning, which if implemented, would fund capital reserves to meet these requirements over time. The ultimate result is an owner's inability to keep pace with a property in general decline due to deferred maintenance and much needed capital replacement, which over time translates to sub-standard housing conditions and property devaluation on the tax rolls.

In summary, while we remain generally optimistic about the immediate future for the economy, a significant downturn could set the stage for the adoption of rent controls in a number of Kansas communities. Once enacted anywhere in the state, creating a precedent, we have started down an extremely slippery slope. With the adoption of HB 2249, Kansas would join 34 other progressive states in pre-empting the enactment of rent controls at the local level without regard to the state's economic stability and long term health.

We strongly urge your support in this regard and we thank you for your consideration.

HEARTLAND APARTMENT ASSOCIATION

Samuel V.Alpert
Executive Director

The Peterson Companies
10000 West 75th Street
Shawnee Mission
Kansas 66204
913/384-3800

TESTIMONY BY **Peterson**

Clark Lindstrom, CPM [Certified Property Manager]
Regional Property Manager, The Peterson Companies
Legislative Chairperson for the Wichita Chapter of the National Association of Realtors
Institute of Real Estate Management and the Apartment Association of Greater Wichita

BEFORE THE KANSAS HOUSE COMMITTEE On LOCAL GOVERNMENT

February 15, 2001

Chairperson Ray and Members of the House Local Government Committee, my name is Clark Lindstrom. I live at 138 N. Prescott Court, Wichita, Kansas. I am here today to speak in favor and support of House Bill No. 2249.

I am here representing The Peterson Companies, a Kansas Company, based in Shawnee Mission, Ks., which owns, developed, and manages 3,533 apartment homes, located throughout the State, in the Kansas City, Kansas metro area, Wichita, Topeka, Lawrence, and Emporia. I am also here representing the Apartment Association of Greater Wichita; whose members manage at least one third of the over 35,000 rental units in the City, as well as the Certified Property Manager Members of the National Association of Realtors Institute of Real Estate Management, Wichita Chapter #65.

This simple, *but important* piece of legislation prevents government control of rents. We, as professional property owners and managers, believe that a property owner has the right to strive for rents that will encourage investment in existing properties and new construction. We support the availability of affordable housing for all Kansas citizens. We believe that multifamily properties should be allowed to produce sufficient income to accommodate the service needs of residents. We also defend the right of Kansans to own property free of unreasonable controls.

Rent Control preemption favors the economic well being of Kansas. The experience within the real estate management profession in States and Municipalities that have mistakenly established rent controls is that the impact of rent control changes the community's real estate investment attitude from growth to an attitude of no growth or development and economic malaise. In recent years, The Peterson Companies have invested 3.5 million dollars into the rehab of two apartment communities in Wichita and purchased 5more apartment communities in Kansas. Without a doubt, had rent controls been established, that investment of time and money would not have occurred. We are presently developing plans for a 2 million dollar renovation of Cedar Ridge Apartments, a 312 unit apartment community located in the southwest corner of Topeka, sometime in the near future. Again, these plans and improvements can only be considered if there are reasonable projections to increase income, thereby increasing value, and thus helping to secure financing for this venture.

Rent controls create problems more serious than those they are intended to solve. Rent control threatens the traditional rights of citizens and significantly effects the housing inventory by hastening the deterioration or loss of existing rental housing. Rent controls, in effect, lower the value of multi-family property, which lowers the community's tax base, causes a disproportionate shift of the tax burden to other real estate; especially single family homes, and potentially could limit municipal services. The expense of complying with rent control laws and regulations inevitably increases the cost of housing to the renter. The expense of enforcing rent control adds to the cost of local government.

One important paragraph to note in the language of this bill is ~~line~~ 17. It specifically says that this bill *does not limit the power of a municipality to manage and control property in which such municipalities have a property interest.* Opponents may testify otherwise today.

I and the real estate professionals I represent urge you to consider and vote favorably for the passage of House Bill 2249. Thank you for the opportunity to express our views and position on this legislation. I am available for questions now or I can be contacted at: (316) 682-4903 during the day.

8

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #8

HOUSE BILL 2249

Testimony Date: 2-15-2001

By: Gary Osborn...Kansas Apartment Association

Honorable Chair and Members of the Committee :

My name is Gary Osborn. I own and operate a residential property management company in Topeka and am on the Board of Directors of the Kansas Apartment Association which represents over 55,000 housing units throughout the state, their owners, managers, industry professionals, and a broad base of related business vendors. I am here on behalf of the Kansas Apartment Association in support of the legislation contained in H.B. 2249.

We believe that rent controls in any form would seriously curtail investments in existing properties leading to deterioration of affordable housing. Any degeneration in existing rental housing units would not only adversely affect the tenants, but all of the related business industries and vendors.

In addition, rent controls would almost certainly snuff out incentive for most or all long term investment in new construction throughout the state. This would once again adversely affect many Kansas businesses and the future inventory and availability of decent affordable housing for Kansas residents.

We would appreciate your support of H.B. 2249. Thank You.

9

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #9

Kansas Association of REALTORS®

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www.KansasRealtor.com • FAX 785/267-1867

TO: HOUSE LOCAL GOVERNMENT COMMITTEE

FROM: BILL YANEK, Public Policy Coordinator

DATE: FEBRUARY 15, 2000

SUBJECT: HB 2249 RENT CONTROL

Thank you for the opportunity to present testimony regarding HB 2249. The Kansas Association of REALTORS® supports the concepts in this proposal. We believe that local governments should not be allowed to use price controls on rental housing.

A vivid example of the negative impacts of rent control policies can be seen in New York where the unavailability of affordable housing continues to be a problem even though New York has had forms of rent control since World War II. Additionally, in New York and across the country, rent control policies that take away the incentives to improve and maintain properties have created the blighted neighborhoods that rent controls claim to prevent.

By the late 1990's, the Mayor of New York City, the Governor of New York, and even the New York Times were advocating the opposition to rent control policies. In 1997, New York passed a rent control reform act that will eventually end rent control in New York State.

While proponents of rent control statutes claim that such statutes protect consumers from extreme rent fluctuations in tight housing markets, rent control as a policy initiative is a costly, inefficient, and ultimately ineffective method to protect consumers. Once rent control statutes are in place, practical business considerations will force landlords to control the housing allocation process. While free market forces allow tenants to select housing using their own cost benefit criteria, under rent control statutes, landlords will have to select those tenants with very low risk. This ultimately will constrain the supply of available housing to the ordinary tenant.

Economically, rent control laws will ultimately depress future total return on current property investment and reduce future investment in housing. Rent control will ultimately increase the landlord's cost of doing business and decrease the amount of investment in housing units.

Rent control statutes affect the location of new construction by forcing providers of housing services to consider whether to provide their services in locations with regulation that threatens profitability.

We respectfully request your favorable consideration of this legislation.

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #10

LKM
League of Kansas Municipalities

300 SW 8 .nue
Topeka, Kansas 6660[illegible]-3912
Phone: (785) 354-9565
Fax: (785) 354-4186

To: House Local Government Committee

From: Larry Kleeman, Assistant Legal Counsel

Date: February 15, 2001

Re: Opposition to HB 2249

First, I want to thank the Committee for allowing the League of Kansas Municipalities to testify in opposition to HB 2249. This bill would totally usurp the ability of cities and other local units of government to legislate in the area of residential and commercial housing rent control. While I do not know of any cities in Kansas regulating in this area, municipalities should have the ability to adopt ordinances to meet the needs of the local community.

This proposed legislation is a classic example of a "one size fits all" approach to government. What may be appropriate for one city might not be appropriate for another. It is conceivable that conditions in the housing industry in one community might be an argument for the imposition of rent control. A blanket prohibition is ill advised and presumes that local government officials should not be making decisions that affect their own community. It further presumes that any imposition of rent control, no matter what circumstances exist, is bad. This is simply not good public policy or good government. If rent control ever becomes an issue in Kansas, the League would be willing to sit down and discuss the issue. Until then, this bill is merely a solution looking for a problem. We would strongly urge the Committee to reject HB 2249.

"solution looking for a problem"

Once again, I would like to thank the Committee for the opportunity to appear and testify in opposition to HB 2249.

11

HOUSE LOCAL GOVERNMENT
2/15/01
Attachment #11

KANSAS
ASSOCIATION OF
COUNTIES

Kansas Association of Counties
Testimony on HB 2249
By Judy A. Moler, General Counsel/Legislative Services Director
February 15, 2001

The Kansas Association of Counties is in opposition to HB 2249. The KAC is not aware of any such restrictive rent control occurring in any Kansas county. If a problem arises in a Kansas county having to do with rent control, as always, the Kansas Association of Counties would be willing to discuss the problem and possible solutions. Until that time, this is unnecessary legislation.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to the KAC by calling (785) 272-2585.

12

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