

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Rep. Gerry Ray at 3:30 p.m. on March 19, 2002 in Room 519-S of the Capitol.

All members were present except:

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

Conferees appearing before the committee:

HB 2947: *Proponents*
Randy Irey, Gillmore & Bell

Others attending: See Attached List

Hearing on HB 2947 - concerning municipalities bonds; relating to interest there on

Staff members Mike Heim, Research & Theresa Keirnan, Revisor briefed the committee on substance and intent of **HB 2947**.

Randy Irey, testified as a proponent on behalf of his law firm Gillmore and Bell, Attorneys at Law. He stated that they view **HB 2947** as a technical correction to the existing **KSA 10-1090** which establishes the maximum rate of interest based upon the yield of thirty year U.S. treasury bonds as published in *The Bond Buyer*. The Federal government ceased issuing thirty-year treasury bonds in 2001. It is not known how much longer *The Bond Buyer* will continue to publish a yield for thirty-year U.S. treasury bonds. So the 30 year interest rate will not exist. With the provision of **HB 2947** the maximum rate of interest will be based on the daily yield of ten-year Treasury Bonds instead of 30 years, as published in *The Bond Buyer*. (Attachment #1)

Mark Tomb, Kansas League of Municipalities, voiced support of **HB 2947**. He did not offer testimony.

Following a brief question period the hearing was closed on **HB 2947**.

Action on SB 543 - compensation for volunteer firefighters for fighting fires or attending meets

The Chair announced to the committee that **SB 543** is a request by the State Fire Marshal Office, in response to the Attorney Generals opinion, which concluded that they could not pay compensation to volunteer firemen.

Theresa Keirnan, revisor, explained the proposed amendment to **SB 543** (as amended by Senate Committee). (Attachment #2)

There was lengthy discussion with comments regarding verbiage, "Fair Labor Standard Act & Workman's Compensation reimbursement and general talk of tabling the bill until next week. After an explanation from Staff, it was recommended by Rep. Campbell that the committee go back to the original amendment that the agencies had worked out. The Chair clarified - the three things that volunteer firefighters would be compensated for : 1) fighting fires,2) responding to emergency calls or 3) attending meetings.

Rep. Showalter moved that this amendment be passed on SB 543. Rep. Miller seconded. Following more discussion the committee voted in favor of the amendment.

Rep. Gilbert moves that the committee pass SB 543 out favorably as amended. Rep. Barnes seconded. The motion passes with no opposition.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT at on March 19, 2002 in Room 519-S of the Capitol.

Action on HB 2760 - act concerning historic property; relating to the listing of certain property on the state register of historic places

Rep. Campbell passed out a substitute motion. (Attachment #3) "If the committee worked this bill and could get a motion, I would be offering a substitute motion". Rep Campbell went on to explain what the substitute motion would do. **SB 166 & HB 2882** (Home Rule Bill) were dually referred, both to the Local Government and the Education Committee. Rep. Campbell recommended amending both of the Home Rule bills that were previously heard by the committee and adding a couple of amendments into **HB 2760**.

Questions on the amendment were discussed with input from the committee, the NEA and the Association of School Boards. No conclusive answers were given. **Rep. Campbell made a motion to delay action on HB 2760 until which time the amendment could be clarified, as well as, ratified with all organizations and committee members. Rep. Dahl seconded the motion. The motion carried.**

Meeting was adjourned. The next meeting is scheduled for March 21, 2002.

HOUSE LOCAL GOVERNMENT COMMITTEE GUEST LIST

DATE: MARCH 19, 2002

| NAME | REPRESENTING |
|----------------|---------------------------------|
| MARK DEBETTI | KNEA |
| Mark Tomb | League of Kansas Municipalities |
| Judy Meles | KAC |
| Amy Brunner | KASB |
| Bill Vank | Kansas Assn of REALTORS |
| Ashley Sherard | Johnson County |
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March 19, 2002

To: Ms. Gerry Ray
Chairperson - Kansas House of Representatives Local Government Committee

From: Randy Irely
Gilmore & Bell, P.C.

Re: House Bill 2947

House Bill 2947 (the "Bill") provides a technical amendment to K.S.A. 10-1009 which establishes the maximum rate of interest on Kansas municipal bonds.

BACKGROUND

- Currently, the maximum rate of interest on Kansas municipal bonds is based on the daily yield of thirty-year U.S. treasury bonds as published in *The Bond Buyer*.
- The federal government ceased issuing thirty-year treasury bonds in late 2001.
- It is not known how much longer *The Bond Buyer* will continue to publish a yield for thirty-year U.S. treasury bonds.

PROVISIONS OF BILL

- The maximum rate of interest will be based on the daily yield of ten-year U.S. treasury bonds as published in *The Bond Buyer*.
- The adjustment over the published yield is 3%/4% to compensate for going to a ten-year yield.
- The maximum interest rate for Kansas municipal bonds will be substantially the same as if the thirty-year yield was still the benchmark.
- Recognizes that taxable bonds bear a higher interest rate than tax-exempt bonds.

HOUSE LOCAL GOVERNMENT

03/19/02

Attachment 1

Proposed Amendment to SB 543
(As Amended by Sen. Comm.)

On page 1, by striking all in lines 14 through 18 and inserting:

"Section 1. K.S.A. 12-3915 is hereby amended to read as follows: 12-3915. The governing body of any fire district created pursuant to this act shall have the authority to:

(a) Levy taxes and special assessments as provided by law. Except as provided by K.S.A. 12-3913, and amendments thereto, the governing body shall fix the amount of the tax, not to exceed 11 mills, to be levied upon all taxable tangible property in the consolidated fire district;

(b) enter into contracts;

(c) acquire and dispose of real and personal property;

(d) acquire, construct, reconstruct, equip, operate, maintain and furnish buildings to house fire-fighting equipment;

(e) acquire, operate and maintain fire-fighting equipment;

(f) issue general obligation bonds and no-fund warrants;

(g) ~~pay-compensation-and-salaries-to-fire-district-employees~~
compensate employees and volunteer members of the fire district for the discharge of duties as a firefighter;

(h) exercise eminent domain;

(i) pay the operation and maintenance expenses of the fire district and other expenses legally incurred by the district;

(j) select regular employees, provide for their compensation and furnish quarters for such employees if deemed desirable;

(k) provide for the organization of volunteer members who ~~may-be-compensated-for-attending-fires-or-meetings;~~

(l) provide special clothing and equipment for such employees and volunteers;

(m) insure such employees and volunteers against accidental death and injury in the performance of their duties; and

(n) do all things necessary or desirable to maintain and operate such department so as to furnish fire protection for the

HOUSE LOCAL GOVERNMENT
02/19/02
Attachment 2

inhabitants of the district and otherwise effectuate the purposes of this act.

Sec. 2. K.S.A. 19-3601a is hereby amended to read as follows: 19-3601a. Upon the creation of a fire district under the provisions of K.S.A. 19-3601 et seq., and amendments thereto, the governing body shall have the authority to:

- (a) Enter contracts;
- (b) acquire and dispose of real and personal property;
- (c) acquire, construct, reconstruct, equip, operate, maintain and furnish buildings to house fire fighting equipment;
- (d) acquire, operate and maintain fire fighting equipment;
- (e) issue bonds as provided in this act;
- (f) pay-compensation-and-salaries-to-fire-district-employees compensate employees and volunteer members of the fire district for the discharge of duties as a firefighter;
- (g) exercise eminent domain;
- (h) pay the operation and maintenance expenses of the fire district and any other expenses legally incurred by the fire district; and
- (i) do all other things necessary to effectuate the purposes of this act.

Sec. 3. K.S.A. 19-3612e is hereby amended to read as follows: 19-3612e. (a) The governing body of Reno county fire district No. 2 and the governing body of Sedgwick county fire district No. 1, both created under K.S.A. 19-3601 et seq., and amendments thereto, shall have the power to levy a tax in an amount to be determined by such governing body upon all taxable tangible property in the district ~~for--the--purpose--of--paying compensation-to-fire-district-employees,~~ to pay:

- (1) The expenses of operating and maintaining the fire district and;
- (2) compensate employees and volunteer members of the fire district for the discharge of duties as a firefighter; and
- (3) other legal expenses of the fire district.
- (b) Whenever the governing body of the fire district

determines it is necessary to increase the amount levied in the next preceding year, the governing body shall give notice of its intent to increase such levy by adopting a resolution which states the amount currently levied and the amount proposed to be levied. The resolution shall be published once each week for two consecutive weeks in a newspaper of general circulation in the fire district. If within 30 days after the last publication, a petition signed by not less than 5% of the qualified electors in the fire district is filed in the office of the county election officer requesting an election thereon no levy in an amount in excess of the amount levied in the next preceding year shall be made unless the question of the levy shall be submitted to and approved by a majority of the voters of the fire district voting at an election called by the governing body. Such election shall be called and held in the manner provided under the provisions of K.S.A. 10-120, and amendments thereto.

Sec. 4. K.S.A. 19-3616 is hereby amended to read as follows: 19-3616. Upon the creation of a fire district pursuant to K.S.A. 19-3613, and amendments thereto, the governing body of the fire district shall have the authority to:

- (a) Enter contracts;
- (b) acquire, by lease or purchase, and dispose of real and personal property;
- (c) acquire, by lease or purchase, construct, reconstruct, equip, operate, maintain and furnish buildings to house fire-fighting equipment;
- (d) acquire, by lease or purchase, operate and maintain fire-fighting equipment;
- (e) issue bonds, if approved by the board of county commissioners, as provided in K.S.A 19-3601b, and amendments thereto;
- (f) pay-compensation-and-salaries-to-fire-district-employees
compensate employees and volunteer members of the fire district
for the discharge of duties as a firefighter;
- (g) issue no-fund warrants;

- (h) exercise eminent domain;
- (i) pay the operation and maintenance expenses of the fire district and any other expenses legally incurred by the fire district;
- (j) prepare and adopt a budget, subject to the approval of the board of county commissioners; and
- (k) do all other things necessary to effectuate the purposes of this act.

Sec. 5. K.S.A. 80-1501 is hereby amended to read as follows:
80-1501. (a) Any township or county may join with a municipality in the maintenance of a fire department for the prevention and fighting of fires within their boundaries. The cost of equipment and maintenance, the payment of compensation to firefighters employees and volunteer members of the fire department for the discharge of duties as a firefighter, the rent or purchase of buildings shall be paid in such proportion as agreed upon by the parties. The supervision and control of the department shall be with the governing body of the municipality if the municipality joins with a township or county. The fire department members may be paid or may be volunteers and shall be subject to such rules and regulations as the municipalities adopt. Such departments, when organized, may incorporate as firefighters' relief associations, and such associations shall come within the purview and be subject to the provisions of and entitled to the rights under article 17, chapter 40, of the Kansas Statutes Annotated and amendments thereto.

(b) When a municipality and a township join, the agreements shall be entered into by the municipality by ordinance and by the township or county by resolution, and the agreement as set out in the ordinance and resolution shall be signed by the mayor of the city and attested by the city clerk and, in the case of a township shall be signed by the township trustee and attested by the township clerk and, in the case of a county shall be signed by the chairperson of the board of county commissioners and attested by the county clerk. The agreement shall state the

amount each party shall contribute, the rules and regulations governing the department, and such other matter as may be necessary to fully set out the duties and responsibilities of the parties, and the agreement may be amended or changed or added to by mutual agreement of the parties in the same manner as that in which the original contract was entered into. Such agreement may be terminated if one party passes or adopts an ordinance or resolution declaring its intention to carry out the agreement no longer. When an agreement is terminated, one party may pay the other for its share of the equipment or apparatus or the apparatus may be sold. Any money in the treasury shall be divided pro rata as it was paid in. No election shall be required to authorize the township board, board of county commissioners or governing body of any municipality to enter into such agreement, but the township board, board of county commissioners or governing body of a municipality shall have the power to decide whether to enter into such contract.

(c) The governing body of any joint fire department created pursuant to this section may reorganize itself as a consolidated fire district in the manner provided for the consolidation of fire districts pursuant to K.S.A. ~~1997~~ 2001 Supp. 12-3910 et seq., and amendments thereto.

Sec. 6. K.S.A. 80-1514a is hereby amended to read as follows: 80-1514a. Upon the creation of a fire district under the provisions of K.S.A. 80-1512 et seq., the governing body shall have the authority to:

- (a) Enter contracts;
- (b) acquire and dispose of real and personal property;
- (c) acquire, construct, reconstruct, equip, operate, maintain and furnish buildings to house fire fighting equipment;
- (d) acquire, operate and maintain fire fighting equipment;
- (e) issue bonds as provided in this act;
- (f) pay-compensation-and-salaries-to-fire-district-employees
compensate employees and volunteer members of the fire district
for the discharge of duties as a firefighter;

(g) exercise eminent domain;

(h) pay the operation and maintenance expenses of the fire district and other expenses legally incurred by the fire district; and

(i) do all other things necessary to effectuate the purposes of this act.

Sec. 7. K.S.A. 80-1544 is hereby amended to read as follows: 80-1544. (a) The governing body of such fire district shall have full direction and control over the operation of such fire department and may select regular employees, ~~provide for their compensation~~ and furnish quarters for such employees if deemed desirable. The governing body also may provide for the organization of volunteer members of such department, ~~to be compensated at a specified rate when attending fires~~. In addition, the governing body may provide special clothing and equipment for such employees and volunteers, may insure such employees and volunteers against accidental death and injury in the performance of their duties, and may do all other things necessary or desirable to maintain and operate such department so as to furnish fire protection for the inhabitants of such district. In addition to the powers granted by this section the governing body shall have any powers granted to a fire district under K.S.A. 80-1514a, and amendments thereto. Each of the members of the governing body may receive as compensation for services rendered in an amount determined by the governing body as provided by K.S.A. 80-207, and amendments thereto.

(b) The auditing board for the fire district shall meet once each month on the date designated by the board to examine and audit all claims against the fire district and shall file their annual report with the county clerk for the approval of the board of county commissioners before January 31 of the succeeding year. No claim against any township fire district shall be paid until approved by the auditing board. All claims approved by the auditing board shall be recorded by the clerk of the fire district in a book to be kept for that purpose. Any township

officer serving on a fire district auditing board shall receive for such services in attending to township fire district business an amount to be fixed by the governing body of the fire district as provided by K.S.A. 80-207, and amendments thereto.

Sec. 8. K.S.A. 80-1904 is hereby amended to read as follows: 80-1904. The township board shall have full direction and control over the operation of such township fire department~~7-and-may~~. The governing body shall have the power to:

(1) Select regular employees~~7----provide----for----their compensation7~~ and furnish quarters for such employees and their families if deemed desirable; and-may-also

(2) provide for the organization of volunteer members of such department~~7--to--be--compensated--at--a--specified--rate--when attending--fires7--and--may;~~

(3) provide special clothing and equipment for such employees and volunteers~~7--and--may;~~

(4) insure such employees and volunteers against accidental death and injury in the performance of their duties~~7--and--may;~~

(5) compensate employees and volunteer members of the fire department for the discharge of duties as a firefighter; and

(6) do all other things necessary or desirable to maintain and operate such department so as to furnish fire protection for the inhabitants of such township.

Sec. 9. K.S.A. 80-1913 is hereby amended to read as follows: 80-1913. ~~Said~~ The township board may organize a fire company and prescribe rules of duty and the government thereof, and make all necessary appropriations therefor and for the maintenance and operation of its equipment from the general fund of the township and to compensate employees and volunteer members of the fire company for the discharge of duties as a firefighter.

Sec. 10. K.S.A. 80-1917 is hereby amended to read as follows: 80-1917. The township board shall have full direction and control over the operation of such township fire department~~7-and-may~~. The board shall have the power to:

(1) Select regular employees~~7----provide----for----their~~

compensation~~7~~ and furnish quarters for such employees and their families if deemed desirable; ~~and may also~~

(2) provide for the organization of volunteer members of such department~~7-to-be-compensated-at-a-specified-rate-when attending-fires7-and-may;~~

(3) provide special clothing and equipment for such employees and volunteers~~7-and-may;~~

(4) insure such employees and volunteers against accidental death and injury in the performance of their duties~~7-and-may;~~

(5) compensate employees and volunteer members of the fire department for the discharge of duties as a firefighter; and

(6) do all other things necessary or desirable to maintain and operate such department so as to furnish fire protection for the inhabitants of such township.

Sec. 11. K.S.A. 2001 Supp. 80-1921 is hereby amended to read as follows: 80-1921. (a) The township board of any such township shall have full direction and control over the operation of such township fire department ~~and shall~~. The board shall have the power to:

(1) Provide for the organization of volunteer members of such department~~7-to-be-compensated-at-a-specified-rate-when attending-fires7-and-may;~~

(2) provide special clothing and equipment for such volunteers~~7-and-may;~~

(3) insure such volunteers against accidental death and injury in the performance of their duties~~7-and-may;~~

(4) compensate employees and volunteer members of the fire department for the discharge of duties as a firefighter;

(5) do all other things necessary or desirable to maintain and operate such department so as to furnish fire protection to the inhabitants of such township. Such township board may levy an annual tax on all the taxable tangible property in such township for the purpose of paying the expenses of equipping, operating and maintaining such fire department. Any tax levy authorized by this section shall be in addition to the tax levy made to pay for

no-fund warrants issued pursuant to K.S.A. 80-1920, and amendments thereto. Except as otherwise specifically provided in this act, the provisions of K.S.A. 80-1906 and 80-1907, and amendments thereto, shall apply to townships adopting the provisions of this act.

(b) In addition to the tax levy herein authorized, the township board of Kickapoo, Tonganoxie, Easton, Fairmount, Sherman and Delaware townships located in Leavenworth county may levy an annual tax of not to exceed two mills on all the taxable tangible property in such township for the purpose of purchasing additional equipment for such fire department. If a petition in opposition to the tax levy authorized herein, signed by not less than 5% of the qualified electors of such township is filed with the township board of such township, within 40 days after the effective date of this act, the tax levy shall not be made unless first approved as a question submitted at the next general election or at a special election called for the purpose of submitting the question. If such a petition is filed, the township board may cause to be placed on the ballot at the next general election the question of whether such tax shall be levied. If a majority of the votes cast and counted at such election are in favor of the resolution, such governing body may levy the tax authorized herein. Upon this act taking effect it shall be published once each week for two consecutive weeks in a newspaper having general circulation in the township.";

Renumber, Repealer, Title changes

Proposed Substitute for HOUSE BILL NO. 2760

By Committee on Local Government

AN ACT concerning schools and school districts; relating to the powers and duties of the governing body thereof; amending K.S.A. 72-8205 and 72-8212 and repealing the existing sections.

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

Section 1. K.S.A. 72-8205 is hereby amended to read as follows: 72-8205. (a) The board of education shall meet at least once each month. At some time during the month of July of each year, the board shall adopt a resolution specifying a regular meeting time of the board and such resolution shall specify the regular hour of commencement of the meeting, as well as the day of the week and the week of the month. Such resolution shall also provide that if the regular meeting date occurs on a Sunday or on a legal holiday or on a holiday specified by the board, such regular meeting shall be held on the day following commencing at the same hour. Such resolution shall also specify the regular meeting place of the board and may specify that any regular meeting may be adjourned to another time and place. Special meetings may be called at any time by the president of the board or by joint action of any three members thereof. Written notice, stating the time and place of any special meeting and the purpose for which called, shall, unless waived, be given each member of the board at least two days in advance of the special meeting and no business other than that stated in the notice shall be transacted at such meeting. A majority of the full membership of the board shall constitute a quorum for the purpose of conducting any business of the school district, and the vote of a majority of the full membership of the board shall be required for the passage of any motion or resolution. Any member who abstains from voting shall be counted as having voted against the motion or resolution. If a member announces a conflict of interest with regard to the issue, the member may leave the meeting until the voting on the issue is concluded and the member who abstains from voting thereby shall not be counted as having voted.

(b) Except as otherwise provided in the unification acts,

the board of education shall have and may exercise the same powers and authorities as were immediately prior to this act conferred uniformly upon boards of education in cities of the first class, and, in addition thereto, the powers and authority expressly conferred by law.

(c) The board of education shall have authority to prescribe courses of study for each year of the school program and provide rules and regulations for teaching in the school district and general government thereof, and to approve and adopt suitable textbooks and study material for use therein subject to the plans, methods, rules and regulations formulated and recommended by the state board of education.

(d) The board of education may provide legal counsel at district expense to any members of the board of education, or school district officers or employees who are sued in situations relating to and arising out of the performance of their office or employment. No teacher or other employment contract shall make reference to or incorporate the provisions of this subsection, nor shall the provisions of this subsection be construed as any part of the consideration of employment of any teacher, officer or other employee of the board.

(e) (1) The board of education may transact all school district business and adopt policies that the board deems appropriate to perform its constitutional duty to maintain, develop and operate local public schools.

(2) The power and authority conferred on school districts by this subsection shall not be construed to relieve any other unit of government of its duties and responsibilities which are prescribed by law, nor to create any responsibility on the part of a school district to assume the duties or responsibilities which are required of another unit of government.

(3) School districts shall exercise the powers of local control conferred by this subsection by resolution of the board of education.

Sec. 2. K.S.A. 72-8212 is hereby amended to read as follows:

72-8212. (a) (1) Subject to provision (2) of this subsection, every unified school district shall maintain, offer and teach kindergarten and grades one through 12 and shall offer and teach at least 30 units of instruction for pupils enrolled in grades nine through 12 in each high school operated by the board of education. The units of instruction, to qualify for the purpose of this section, shall have the prior approval of the state board of education.

(2) Any unified school district which has discontinued kindergarten, any grade or unit of instruction under authority of K.S.A. 72-8233, and amendments thereto, and has entered into an agreement with another unified school district for the provision of kindergarten or any such grade or unit of instruction has complied with the kindergarten, grade and unit of instruction requirements of this section.

(b) The board of education shall adopt all necessary rules and regulations for the government and conduct of its schools, consistent with the laws of the state.

(c) The board of education may divide the district into subdistricts for purposes of attendance by pupils.

(d) The board of education shall have the title to and the care and keeping of all school buildings and other school property belonging to the district. The board may open any or all school buildings for community purposes and may adopt rules and regulations governing use of school buildings for those purposes. School buildings and other school properties no longer needed by the school district may be disposed of by the board upon the affirmative recorded vote of not less than a majority of the members of the board at a regular meeting. The board may dispose of the property in such manner and upon such terms and conditions as the board deems to be in the best interest of the school district. Conveyances of school buildings and other school properties shall be executed by the president of the board and attested by the clerk.

(e) The board shall have the power to acquire personal and

real property by purchase, gift or the exercise of the power of eminent domain in accordance with K.S.A. 72-8212a, and amendments thereto.

(f) The board of education shall have the power to contract for the efficient and effective use of district resources in a manner and upon such terms and conditions as the board deems to be in the best interest of the school district.

New Sec. 3. Property which is owned by a school district or property which a school district is required to manage or maintain shall not be placed on the state register of historic places without the written approval of the board of education of the school district owning, managing or maintaining such property.

Sec. 4. K.S.A. 72-8205 and 72-8212 are hereby repealed.

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