

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 2, 2006 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Athena Andaya, Kansas Legislative Research Department
Raney Gilliland, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes' Office
Diana Lee, Revisor of Statutes' Office
Ann McMorris, Committee Secretary
Leann Hershfeld, Intern for Sen. Emler

Conferees appearing before the committee:

Others in attendance: See attached list

Approval of Minutes

Moved by Senator Lee, seconded by Senator Petersen, the minutes of the meetings of the Senate Utilities Committee held on February 21, 2006 and March 1, 2006 be approved. Motion carried.

Chair opened for discussion and possible action on:

HB 2703 – Nuclear generating facility, security guards

An explanation was offered by Revisor Bruce Kinzie that the definition of facility was contained in another statute and covered the intent as used in **HB 2703**.

Moved by Senator Petersen, seconded by Senator Pyle, **HB 2703** be moved out favorably. Motion carried.

HB 2592 - Liens for utility services provided by municipally owned or operated utility.

Revisor Kinzie provided copy of proposed amendments to **HB 2592** which would make the law uniform and apply to all cities. (Attachment 1)

Moved by Senator Francisco, seconded by Senator Lee, to strike the new language added on page 1, lines 39 thru 42 of the proposed amendments to **HB 2592** (Attachment 1).

Substitute motion by Senator Petersen, seconded by Senator Pine, to change the wording on line 41 the deposit shall not exceed the amount expected in a two month period. After discussion, motion was withdrawn.

Discussion returned to the original motion. Motion carried.

Moved by Senator Apple, seconded by Senator Reitz, to amend **HB 2592** pursuant to the balloon provided by Revisor Kinzie. (Attachment 1). Motion carried.

Moved by Senator Taddiken, seconded by Senator Apple, **HB 2592** be passed out favorably as amended. Motion carried. "NO" vote by Senator Lee.

Adjournment.

Respectfully submitted,
Ann McMorris, Secretary

Attachments - 1

HOUSE BILL No. 2592

By Representatives F. Miller, Goico, Grange, Huy, Kiegerl, Knox,
McCreary, Judy Morrison, Oharah, Peck and Pilcher-Cook

1-11

Senate Utilities Committee
March 2, 2006
Attachment 1-1

11 AN ACT concerning municipalities; relating to utilities services; also re-
12 pealing K.S.A. 2005 Supp. 12-631k, 12-631z, ~~12-1,124 12-6,124, 19-~~
13 ~~860~~ 14-569 and 19-2765b.

amending K.S.A. 12-856 and K.S.A. 2005 Supp. 12-860 and
repealing the existing sections;

14
15 *Be it enacted by the Legislature of the State of Kansas:*
16 Section 1. (a) Except as provided in subsection (b), if any person,
17 firm, corporation, organization, political or taxing subdivision of the state
18 or other entity other than the state of Kansas and the federal government
19 residing, occupying, using or operating on property to which is provided
20 utility services by a utility owned or operated by a municipality, neglects,
21 fails or refuses to pay the fees or charges for such service, the unpaid fees
22 or charges shall constitute a lien upon the property to which such utility
23 service is provided. The amount of the unpaid fees or charges shall be
24 certified by the governing body of the municipality to the county clerk of
25 the county in which such property is located, to be placed on the tax roll
26 for collection, subject to the same penalties and collected in the same
27 manner as other taxes are collected by law. The governing body may
28 refuse the delivery of such utility service as otherwise permitted by law
29 until such time as such charges are fully paid.
30 (b) A lien shall not attach to property for unpaid utility fees or
31 charges, when the utility service has been contracted for by a tenant and
32 not by the landlord or owner of the property to which such service is
33 provided.
34 (c) Except as provided by this subsection, no municipality which pro-
35 vides utility services shall refuse to contract with a tenant for provision of
36 such services to property occupied by such tenant. A municipality shall
37 not be required to contract with any person if such person has outstanding
38 or unpaid charges for utility services provided by such municipality.
39 (d) A utility owned or operated by a municipality may require
40 a deposit to be paid by a customer, but such deposit shall not ex-
41 ceed the amount of an average expected month's bill for use of the
42 utility's service.
43 (e) When used in this section:

1-2

1 (1) "Municipality" means any city, county, township, water district,
 2 improvement district or other political or taxing subdivision of the state
 3 or any agency or instrumentality of a municipality which provides utility
 4 services **but does not include any rural water district organized pur-**
 5 **suant to K.S.A. 82a-612 et seq., and amendments thereto.**

6 (2) "Utility services" means refuse, trash, garbage or other solid waste
 7 collection and disposal, sewer, water, gas and electric power services.

8 Sec. 2. ~~K.S.A. 2005 Supp. 12-631k, 12-631z, 12-1, 124 12-6, 124, 12-~~
 9 ~~860, 14-569 and 19-2765b~~ are hereby repealed.

10 Sec. 3. This act shall take effect and be in force from and after its
 11 publication in the statute book.

By inserting Sec. 2. K.S.A. 12-856 and Sec. 3. K.S.A.
 2005 Supp. 12-860 (see attachment)

And by renumbering the remaining sections accordingly

K.S.A. 12-856 and

Sec. 2. K.S.A. 12-856 is hereby amended to read as follows:
12-856. For the purpose of this act the following words and phrases shall have the meanings ascribed to them in this section:

(a) "City" shall mean any city ~~having a population of less than eighty thousand~~ ~~(80,000)~~ in this state.

(b) "Waterworks system" shall mean a waterworks system owned and operated by a city.

(c) "Sewage disposal system" shall mean the sanitary and storm sewers, pumping stations, sewage treatment plants, outfall sewers and any and all appurtenances necessary in the operation of the same owned and operated by a city.

(d) "Water and sewage system" shall mean a combination of a waterworks system and sewage disposal system.

Sec. 3. K.S.A. 2005 Supp. 12-860 is hereby amended to read as follows: 12-860. ~~(a)~~ The governing body of the city shall establish rates and charges for water and for the use of the sewage disposal system. The amount of such rates and charges shall be reasonable and sufficient to pay the cost of operation, repairs, maintenance, extension and enlargement of the water and sewage system and improvements thereof and new construction and the payment of any bonds and the interest thereon as may be issued for such water and sewage system. No revenue shall be used for the payment of bonds payable primarily by assessments against property in sewer districts. Such revenue may be used to pay revenue bonds or general obligation bonds payable by the city at

large issued either for the waterworks system or sewage disposal system before the systems were combined or for the water and sewage system after they have been combined. The city is authorized to discontinue water service for any failure to pay the rates or charges fixed for either water service or the use of the sewage disposal system or both when due, ~~and, except as provided in subsection (b), if there is sewage disposal system use without water service the charge may be certified as a lien against the property served and assessed as a tax by the county clerk or county assessor.~~

~~(b) The lien established by subsection (a) shall not apply whenever the water service or the use of the sewage disposal system has been contracted for by a tenant and not by the landlord or the owner of the property affected.~~