

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 3:00 p.m. on May 4, 2009, in Room 446-N of the Capitol.

All members were present except:

Senator Steve Morris- excused

Senator Terry Bruce- excused

Committee staff present:

Kristen Kellems, Revisor of Statutes Office

Mike Heim, Revisor of Statutes Office

Corey Carnahan, Kansas Legislative Research Department

Raney Gilliland, Kansas Legislative Research Department

Alissa Vogel, Committee Assistant

Conferees appearing before the Committee:

Dale Goter, Government Relations Manager, City of Wichita

Kim Winn, Director, Policy Development and Communications, League of Kansas Municipalities

Others attending:

See attached list.

The meeting began with continued discussion on **HB 2283- Procedures for release of certain property of rural water districts** and **SB 332- Annexation by cities; territory of rural water districts**.

Kristen Kellems, Revisor of Statutes Office, provided Committee members with a summary of the proposed changes to **HB 2283** and **SB 332** that would combine the legislation into one bill. (Attachment 1) Proposed amendments to the combined legislation include: inserting sections 1 through 3 of **SB 332** into **HB 2283**, modifying the title of **HB 2283**, inserting “geographic area” into the language of **SB 332**, inserting new language that would clarify the rural water district board’s procedure when considering the release of land, the procedure for the appointment of appraisers, and the factors the appraisers need to consider for determining value.

She stood for questions. Senator Abrams asked whether language needs to be added to the new section 3, which would state that a city will not purchase a main water line that a rural water district (RWD) uses to provide water service for those outside the annexed area. Kristen Kellems suggested adding the language “except defined in subsection (d),” in which RWDs could elect to retain and cities not purchase main lines which serve residents outside the proposed area of annexation. Discussion ensued. Senator Francisco suggested adding language in subsection (d) stating that “whatever the RWD chooses to retain, it will not be compensated for.”

Discussion was held on the use of “geographic area,” and a suggestion was made to replace the term with “going concern.” Kristen Kellems suggested adding the definition of “going concern” as a new section.

Senator McGinn stated that an attempt to reach an agreement was made between the League of Kansas Municipalities (LKM) and the City of Wichita. Kim Winn, Director of Policy Development and Communications from the League of Kansas Municipalities, explained that the best way to move forward with the legislation is to use K.S.A. 66-1, 176 as the model for the process. (Attachment 2) Dale Goter, Government Relations Manager from the City of Wichita, expressed concern regarding the notification requirement of 30 days located in the new section 3, number (3). He suggested increasing the time period to 60 days.

Senator Francisco expressed concern regarding the language contained in section (f), on page 3, stating “to enable the district to make a fair profit from the release.” Senator Taddiken suggested using the terminology “adequate compensation.”

Senator Abrams stated that punctuation needs to be added to section (f), on page 3. Kristen Kellems stated that a comma would be appropriate between “denied” and “the.”

CONTINUATION SHEET

Minutes of the Senate Natural Resources Committee at 10:00 a.m. on May 4, 2009, in Room 446-N of the Capitol.

Dale Goter, Government Relations Manager of the City of Wichita, and Kim Winn, Director of Policy Development and Communications of the LKM, reached an agreement. They agreed that the bill should not be amended into the annexation statute, K.S.A 12-527. Instead, the bill should be inserted into Chapter 82a, Article 6, regarding rural water districts. Their concern was that, if the bill was amended into the annexation statute, courts could call into question the whole annexation process. The Committee members concluded that K.S.A. 12-527 should be repealed, and the new legislation would be made supplemental to the rural water district law.

Senator Lee moved to combine **SB 332** and **HB 2283**, by placing sections 1 through 3 of **SB 332** into **HB 2283**. Senator Abrams seconded the motion, and the motion carried.

Senator Lee moved to replace “geographic area,” located in the new section 3, with the terminology “going concern.” Senator Teichman seconded the motion, and the motion carried.

Senator Teichman moved to replace “fair profit” with “adequate compensation.” Senator Lee seconded the motion. Senator Francisco requested that the motion be interpreted liberally. After discussion, the motion carried.

Senator Abrams moved to include language on page 3, section (d), that states “transmission of water to be used, provided water service is provided to benefit units outside the annexed area.” Senator Teichman seconded the motion, and the motion carried.

The Committee members agreed to wait for a final draft of the bill, before considering moving the bill out of Committee.

The next meeting is scheduled for May 5, 2009.

The meeting was adjourned at 4:00 p.m.