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Date: March 19, 2015

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To: House Local Government Committee

From: Larry R. Baer

Legal Counsel

Re: SB 244, as amended

Neutral Testimony with Comments

Thank you for allowing me to appear before you today and present testimony on behalf of the League of Kansas Municipalities and our member cities on Senate Bill 244, as amended.

As introduced, SB 244 would amend current law regarding the budget vote provisions that were adopted last session. The language requires publication within 30 days of the adoption of the budget (current law is silent as to timing). The bill also attempts to clarify some publication requirements, including how publication should be done when a municipality is located in two or more counties. The bill also adds language to 79-2929 regarding publication of the budget hearing notice. This language is similar to the language placed in 79-2925b to cover the more than one county situation.

The League testified in support of SB 244 before the Senate Local Government because we believe that our cities are now following this procedure and it does help with the dual county issue. We did suggest some technical language changes that we believed would help the two provisions to read more consistently.

However, changes made by the Senate, including those mixing references to "an official" and "the official newspaper" (See lines 10, 12 and 41, page 2; and, line 1, page 3) and the language added in lines 13 to 20, page 2, have caused us to shift from supporting the bill to being neutral. We believe that the new language has added confusion and complexity to the bill and has made it difficult to understand and unwieldy to use.

While the League stands in support of the base bill and its purpose to clarify and simplify the publication requirements, we have concerns with the wording and application of the bill following the Senate amendments. We ask that you take a very close look at the current language before taking any action on the bill.

Thank you. I will stand for questions.

the official municipal newspaper. In the event that a municipality has not designated an official newspaper, the publication shall be made in the official county newspaper

the official municipal newspaper and in the official county newspaper of all the counties in which at least 15% of the total appraised value of the municipality is located

, in addition,

of each county in which the municipality is located,

the official newspaper of the taxing or political subdivision or municipality. In the event that a taxing or political subdivision or municipality has not designated an official newspaper, the publication shall be made in the official county newspaper.

the next preceding year.

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- (c) In the event the governing body votes to approve any appropriation or budget, as the case requires, which may be funded by revenue produced from property taxes, and which provides for funding with such revenue in an amount exceeding that of the next preceding year as provided in subsection (a), notice of such vote and, by yeas-and [,] nays; {and passes} how each member of the governing body voted, shall be published in the official county newspaper of the county where such municipality is located within 30 days following the adoption of such budget in a {the official} weekly or daily newspaper of the county-having a general circulation therein. A municipality located in more than one county shall publish notice of such vote in-a {an official} weekly or daily newspaper-of the municipality having a general circulation therein Au. each county which contains at least 5% of the total-appraised value of the-real property-in-that-municipality-and-in-each-county-in-which-15% of the total appraised value in the county is subject to the taxy and for a period of not less than 10 days on the official website of the each county of greatest valuation of having territory in the municipality or, in the absence thereof, on a website designated by the secretary of administration.
- (d) The provisions of this section shall be applicable to all fiscal and budget years commencing on and after the effective date of this act.
- (e) The provisions of this section shall not apply to revenue received from property tax levied for the sole purpose of repayment of the principal of and interest upon bonded indebtedness, temporary notes and no-fund warrants.
- (f) For purposes of this section, "municipality" means any political subdivision of the state which levies an ad valorem tax on property and includes, but is not limited to, any county, township, municipal university, school district, community college, drainage district or other taxing district. "Municipality" shall not include any such political subdivision or taxing district which receives \$1,000 or less in revenue from property taxes in the current year.
- Sec. 2. K.S.A. 79-2929 is hereby amended to read as follows: 79-2929. Prior to the filing of the adopted budget with the county clerk, the governing body of each taxing or political subdivision or municipality shall meet for the purpose of answering and hearing objections of taxpayers relating to the proposed budget and for the purpose of considering amendments to such proposed budget. The governing body shall give at least 10 days' notice of the time and place of the meeting by publication in a the official; weekly or daily newspaper of the county having a general circulation-therein. A taxing or political subdivision or municipality located in more than one county shall give at least 10 days'

in which the municipality is located,

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notice of the time and place of the meeting by publication in a {an-official} weekly-or-daily newspaper of the municipality-having-general-circulation—therein and for a period of not less than 10 days on the official county website of the each county of greatest valuation of having territory in the municipality-or, in the absence thereof, on a website designated by the secretary of administration. Such notice shall include the proposed budget and shall set out all essential items in the budget except such groupings as designated by the director of accounts and reports on a special publication form prescribed by the director of accounts and reports and furnished with the regular budget form. The notice of a governing body of any taxing subdivision or municipality having an annual expenditure of \$500 or less shall specify the time and place of the meeting required by this section but shall not be required to include the proposed budget of such taxing subdivision or municipality.

- Sec. 3. K.S.A. 79-2929 and K.S.A. 2014 Supp. 79-2925b are hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.