STATE AFFAIRS COMMITTEE February 7, 1966

The meeting was called to order by the Chairman immediately upon recess of the House, with all members present. Mr. Hoffman was introduced and proceeded to discuss H.B. 536 and 537. stated that they are quite similar to S.B. 20 and 21, but that some additional safeguards have been built in. He listed various institutions, their total acreage, acreage in use and acreage under lease. He states that there is approximate return of 3% on the investment, but that it is a time consuming and difficult administrative problem; that for example at Ft. Dodge, the prior tenant refused to vacate the land; that it took local counsel and some \$800 to get the land vacated and then the present lessor has sued for \$8000 which was presumably what he had expected to make in profit from the land. He points out that this land is not on the tax rolls but that with private ownership it would be; that this would retain half of the mineral rights for 15 years. Miss Jacquart inquired what would be done with the money and it was established that it would go into the institutional building fund, and it was hoped to use the money i.e. Ft. Dodge for their new proposed facility. Mr. Ford inquired how much land is to be sold, and particularly who determines how much. Mr. Hoffman stated that this proposed legislation places the determination on the State Board administering the institutions and the Finance Council made up of the leadership of the legislature, plus the other executive officers. He feels that there are adequate safeguards. Mr. Ford stated that the price of land had accelerated so much in' past years and wondered if the potential value was taken into consideration. Mr. Hoffman replied that qualified people would do the appraising, as provided by the bills. Mr. Woodworth questioned the method of sale stating that if the appraisal was a real high one and the land didn't sell, he thought it would be a real problem. Mr. Buchele stated that if we really want to get rid of it should we retain mineral rights. Mr. Doyen stated that he had an amendment to add still other safeguards., and Mr. Hoffman stated that he had no objections. With regard to SB 31, Mr. Jones stated that this is not really sale of land, but rather disposition of it; that the US Govt. proposes to build a grain marketing research building, spending about 8 million dollars, at KSU; that all mineral rights are reserved on this 12.39 acres.

Mr. Griffith discussed HCR 523, stating that he proposed a Legislative Council study to investigate practices in purchasing. Mr. Turner stated that counties should be included. Mr. Fribley inquired if he was getting at the oil and asphalt situation as regards the Highway Department, and Mr. Griffith stated that this was about the first thing that prompted his thinking.

SCR 5 was then discussed, dealing with the length and time of legislative sessions. The Chairman inquired of Mr. Turner if this could be amended to suit the authors of the House resolution passed out of committee earlier. It was stated that no amendments were ready but that it could be amended on the flor as a time-saving measure. A majority of the Committee felt that January was a better time to start the session rather than February as proposed by this resolution. Mr. Marshall suggested that the proposed amendments be offered one at a time on the floor.

Thereupon, Mr. Jelinek moved that SCR 5 be recommended favorably. Motion was seconded by Mr. Buchele and carried without dissent.

Mr. Rogers moved that HCR 523 be reported adversely. Motion was seconded by Mr. Bunten and carried 8 to 5.

Mr. Fribley moved that HB 537 be reported favorably. Mr. Doyen stated that he would like to offer an amendment first and Mr. Fribley withdrew his motion. It was moved that said bill be amended (see attached), by Mr. Doyen and seconded by Miss Jacquart, which motion carried unanimously. Thereupon, Mr. Mikesic stated that he didn't see why the state couldn't retain full mineral rights if that is the way the federal government operates; and then moved that in the sale of this property, full mineral rights be retained for all time, eliminating the 15 year retention. Motion was seconded by Mr. Turner. Mr. Rogers stated that in his opinion such a restriction would n egate the sale of the land. Mr. Bob Brown stated that most mineral right retentions don't extend more than five years and that the land wouldn't look very enticing tied up this way. Motion lost 5 to 9. Thereupon, Mr. Bob Brown moved that 537 as amended, be passed. Motion was seconded by Mr. Rogers. Mr. Griffith stated that this proposal is no better today than it was a few days ago when the committee killed the proposal; that who can say what our needs may be in 25 years time. Motion prevailed 8 to 6.

Mr. Bob Brown moved that HB 536 be reported favorably. Motion was seconded by Mr. Rogers and carried 9 to 6.

Meeting was adjourned.

Later a poll was taken of the committee regarding SCR 15, and it was recommended favorably. See attached.

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STATE OF KANSAS

HOUSE OF REPRESENTATIVES

WIR. CHARWAN.				
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