Approved: March 10, 1993

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Nancy Brown at 1:30 p.m. on February 25, 1993 in Room 521-S of the Capitol.

All members were present.

Committee staff present: Michael Heim, Legislative Research Department

Theresa Kiernan, Revisor of Statutes Lois Hedrick, Committee Secretary

Conferees appearing before the committee: Jim Kaup, Gilmore and Bell of Topeka

Others attending: See Guest List (Attachment 1).

The Chairman opened the hearing on **HB 2506**, concerning municipal bonds and interest rates. Mr. Jim Kaup, representing the law firm of Gilmore and Bell, a municipal law firm of Topeka, stated he was testifying at the request of the City of Manhattan to provide an objective assessment of the bill's provisions and to present the written testimony of Joe Norton of the law firm of Gilmore and Bell (see <u>Attachment 2</u>). Mr. Kaup stated the bill should increase the marketability of municipal bonds by increasing competition in bidding by bond buyers and increased competition should result in lower interest rates on the bonds and thus a lower cost to taxpayers.

The written testimonies of Robin Yessin, of the firm of Edward D. Jones & Company of Wellington; and Curt Wood, Director of Finance of the City of Manhattan, were distributed (see <u>Attachments 3 and 4</u>).

After discussion, on motion of Representative Mays, seconded by Representative Packer, the Committee passed **HB 2506**.

Chairman Brown opened the discussion on **HB 2470** (concerning historic property; notice requirements; and delegation of powers to cities and counties). A suggested balloon amendment to section (e) was considered (see Attachment 5) to delineate the criteria for delegating responsibilities to a city of county. Representative Welshimer stated her support for political subdivisions to give notice to the state historic preservation officer when a proposed project is located within 500 feet of a historic property. In view of her experience with a Wichita project, Representative Welshimer felt the increased footage would assure precautionary behavior by government officials with respect to historic preservation. (see Attachment 6), and moved its adoption.

Representative Welshimer also offered a further amendment was adopted. Representative Welshimer moved to leave the footage at 500; Representative Wootton seconded the motion. After the Committee debated the motion, on a show of hands, the motion failed. Then, on motion of Representative Ballard, seconded by Representative Packer, the Committee passed HB 2470, as amended.

The Committee discussed further amendment to **HB 2433** (concerning special assessments; payments by owners of property within a benefit area outside improvement district) (<u>Attachment 7</u>). <u>Representative Macy moved adoption of the amendments, Representative Watson seconded the motion. After discussion, a vote was taken and the motion failed. Then, Representative Mays moved, and Representative Pettey seconded, the adoption of the further amendments shown on Page 1 of Attachment 7. The motion carried.</u>

The Committee discussed the proposed amendment shown on page 2 of <u>Attachment 7</u>. On motion of <u>Representative Grant, seconded by Representative Toplikar, the Committee voted down the amendment.</u>
Then, on motion of Representative Macy, seconded by Representative Grant, the Committee passed <u>HB</u> <u>2433</u>, as amended.

Chairman Brown opened the discussion on **HB 2469** (concerning assessments against the state for township road maintenance). An amendment was considered (see <u>Attachment 8</u>). On motion of Representative <u>Mays</u>, seconded by Representative <u>Packer</u>, the amendment was adopted. Representative <u>Wempe moved that <u>HB</u> **2469** be passed, as amended. Representative <u>Mays</u> seconded the motion. Motion carried.</u>

On motion of Representative Grant, seconded by Representative Hayzlett, the Committee voted to report **HB 2149**, concerning counties and sale or disposition of county property, adversely.

The committee briefly discussed **HB 2248** (concerning transfer of certain land owned by counties), and decided to leave it in committee.

On motion of Representative Bryant, seconded by Representative Welshimer, the Committee voted to report **HB 2318**, concerning sale of county property valued at less than \$1,000, adversely.

The committee discussed House Bills 2105, 2109, 2206, 2221, 2248, 2264, 2265, 2295, 2312, 2319, 2349, 2379, 2434, and 2467. It was decided to leave the bills in committee.

Representative Pettey moved, seconded by Representative Ballard, that **House Bills 2333, 2334, 2337, and 2339** be adversely reported. The motion was withdrawn. Thereupon the Committee decided to leave the bills in Committee.

Considerable discussion was held on the merits of **HB 2468** (annexation; limiting cities' ability to annex land subject to previous annexation attempt). Representative Wootton moved, and Representative Macy seconded, that **HB 2468** be adversely reported. After futher discussion, the motion was withdrawn. Then, on motion of Representative Wootton, seconded by Representative Macy, the committee tabled **HB 2468**.

Some discussion was held on **HCR 5018** (a Constitutional amendment requiring state funding of mandates imposed on cities and counties). Reservations were expressed as to the difficulties in gaining legislative support this year. The Committee decided to leave the resolution in committee.

The meeting was adjourned at 3:22 p.m. The next meeting is scheduled at 1:30 p.m., March 8, 1993, in Room 521-S of the State Capitol.

GUEST LIST

DATE: February V20, 1993

		25,
NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
JOK REARDON	Laurence	IMERN
Jim Kauf	Topella	Cilmone & Bell
Barbara Butts	Topoloa	Dest of Chrisis
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		ATTACHMENT
	`	2-25-93

GILMORE & BELL

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
ONE MAIN PLACE
SUITE BOD

OVERLAND PARK OFFICE FINANCIAL PLAZA II. SUITZ 180 9900 COLLEGE BOULEVARD OVERLAND PARK, KE, 98211-1833 BI3-261-0001 FAC\$IMILE: 913-861-9003

KANSAS CITY OFFICE

TOPEKA OPPICE TOO JACKEON STREET JAVHAWK TOWER BUILDING ROOF GARDEN BUITE TOPEKA, KB, GBEG3 PI 3-233-5223 FACBIMILE: 913-233-0078

CHRISTOPHER D. AHRENG LYND K. MISCHE CLARK R. IREY D. DOROTHEA K. RILEY ALVIN D. WILKEN E. SID DOUGLAS D. NANCY N. C. LEAR RICHARD M. WRIGHT, JR. KAY E. SCOTER CORI E. GADDIS MARK D. GRIMM

WEBE R. GILMORE

JERRY T. POWELL

ROSERT P. BALLBRUD

KIM B. WELLE

LAMES W. WINN

 ST. LÓUIS OFFICE
1100 LABALLE SUILDING
50% OLIVE STREET
ST. LOUIS, MO. 63101-2333
314-436-1000
FACSIMILE: 314-436-1166

TALBO ADMITTED IN HISSOURI

JOE L. NORTON

DAVID W. QUEEN"

PHILIP C. LACKY

MARY F. CARSON

NANEAS BAR

SYRON BRAINERD

WAMES M. KAUP

DONALO A. SELL

1925-1995

OF COUNSEL

GARY A. ANDERSON®

DEBORAH K. DENNINGTON"

MIBBOURI BAR OF COUNSEL RICHARD E. PETRIE

ULYBEES M. CLAYSORN

February 23, 1993

Rep. Nancy J. Brown, Chair House Committee on Local Government State Capitol Topeka, KS 66612

VIA FACSIMILE (913) 296-1154

Ra: House Bill No. 2506

Dear Rep. Brown:

you for the opportunity to submit information concerning House Bill No. 2506, a bill that proposes to amend two sections of the Kansas statutes that relate to the issuance of municipal bonds. It is my understanding that you have scheduled a hearing on House Bill 2506 for Thursday, February 25, 1993 at 1:30 p.m. Due to prior commitments out-of-state, I will be unable to attend the hearing. However, Mr. James M. Kaup of our firm will be present and available to answer any technical from the questions Committee. Ιt is understanding that Ms. Rebecca E. Floyd ٥f the Attorney General's office will be available for the same purpose.

of House Bill No. 2506 proposes to amend K.S.A. 10-106 relating to the public sale of municipal bonds. statute requires a public sale, at sealed bid, issuances of general obligation bonds bУ Kansas municipalities. The proposed amendments do not modify or provide any additional exemptions to the public Under the existing statute, bonds sold at public requirements. sale are required to be sold at not less than par and accrued The proposed amendment (page 2, lines 1 and 2) will allow the municipalities to establish the purchase price for bonds sold at public sale. The proposed amendment would not require municipalities to sell bonds at discount but would allow municipalities the flexibility to structure the bond sales in such manner if it is in the municipality's best The proposed changes would allow municipalities to interest. accept a "discount bid", a bid of less than the par value of

Rep. Nancy J. Brown February 23, 1993 Page Two

the bonds. Under existing law, in almost all public sales, the bidders bid interest rates which are higher than current market conditions so that the purchaser may resell the bonds to individual customers at market prices, thus establishing a "premium" to be derived for that company's or institution's compensation for resale of the bonds. This artificially inflates the rates that municipalities must pay on bond issues. By allowing a discount bid, a municipality may receive current market interest rates on the bonds. The difference between par and the price actually bid by the purchaser, i.e. the discount, serves as compensation to the purchaser. If this Bill passes, although municipalities will receive lower interest rates for bonds, they will also receive an amount less than par, thus requiring planning in establishing the par amount of the bonds so that the net amount received by the municipality will equal costs to be paid for projects financed by the bonds. Bid documents on bonds that are currently allowed to be sold at discount (revenue bonds or refunding bonds) usually establish the maximum discount which is acceptable by the municipality.

Attached hereto is the cover page of the Official Statement for the City of Manhattan. Kansas. relating to two series of bonds that were sold during the summer of 1992. The Series 189 Bonds financed various capital improvements and were sold at par plus accrued interest. The Series 190 Bonds, being refunding bonds, were allowed to be sold at a discount. A comparison of the two issues indicates that interest rates, as well as yield, were higher on the Series 189 Bonds than the Series 190 Bonds. This example illustrates one instance where a municipality could save in interest costs by selling bonds at discount.

The additional proposed modification contained in House Bill No. 2506 (page 2, line 5) conforms to the requirements of a certified or "cashier's" check to language contained in the existing statute (page 1, line 30).

Section 2 of House Bill No. 2506 proposes to amend K.S.A. 10-1009 relating to maximum interest rates that may be placed on municipal bonds. The current statute references treasury bonds published in the weekly "MuniWeek". "MuniWeek" has ceased publication and has been replaced by "The Bond Buyer". Accordingly, proposed changes are contained on page 3, lines 10 and 18 of the Bill. In addition, for clarification purposes, lines 9 and 17 of the Bill indicate a "thirty-year" reference to treasury bonds to establish the index.

Rep. Nancy J. Brown February 23, 1993 Page Three

Should you have questions concerning this correspondence or if I can be of additional service to you or the Committee, please feel free to contact the undersigned.

Very truly yours

JLN: jlw

Enclosure

cc Hon. Robert H. Miller Rebecca E. Floyd, Attorney General's Office Theresa Kiernan, Revisor of Statutes Office Mike Heim, Legislative Research Curt Wood, City of Manhattan James M. Kaup, Gilmore & Bell, P.C.

OFFICIAL STATEMENT

NEW ISSUE

Rating: Moody's - Aa

In the opinion of Gilmore & Bell, Wichita, Kansas, Wichita, Kansas, Bond Counsel, under existing law and assuming continued compliance with cenain requirements of "ternal Revenue Gode of 1986, as amended (the "Code"), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is sed from gross income for federal income sax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is excluded from computation of Kansas adjusted gross income, and is exempt from the tax imposed by Kansas counties, cities or townships upon the gross earnings derived from money, notes and other evidence of debt. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "LEGAL MATTERS - Opinion of Bond Counsel" herein.

CITY OF MANHATTAN, KANSAS

\$2,943,000 GENERAL OBLIGATION BONDS SERIES 189

\$6,765,000 GENERAL OBLIGATION REFUNDING BONDS SERIES 190

Dated: June 1, 1992

Due: November 1, as shown below

The Series 189 Bonds and the Series 190 Bonds (jointly the "Bonds") will be issued as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. Principal on the Series 189 Bonds will be payable annually on November 1, beginning on November 1, 1993. Principal on the Series 190 Bonds will be payable annually on November 1, beginning on November 1, 1992. Semiannual interest on the Bonds will be payable on May 1 and November 1, beginning on November 1, 1992. Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as bond registrar and paying agent (the "Paying Agent" and "Bond Registrar"). Interest will be payable by check or draft of the Paying Agent mailed to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date.

Bonds maturing November 1, 1992 to November 1, 2001, inclusive, shall become due without option of prior payment. The Bonds maturing on November 1, 2002, and thereafter will be subject to redemption prior to maturity at the option of the City on November 1, 2001, or on any interest payment date thereafter as described herein. See "THE BONDS - Redemption Provisions" herein.

The Bonds constitute general obligations of the City and are payable in part from special assessments levied upon the property benefitted by the construction of said improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

MATURITY SCHEDULE

	Series	189 Bonds			Corden 1	90 Bonds	
Maturity	Principal	Interest		Maturity	Principal	Interest	
<u>Date</u>	Amount	Rate	Yield	<u>Date</u> 1992	Amount*	Rate	Yield
1993	\$158,000	8.00%	3.50%	. 1993	\$ 50,000 45,000	3.00%	PAR
1994	165,000	8.00%	4.25%	1994	50,000	3.50% 4.00%	PAR
1995	175,000	5.875%	4.75%	1995	50,000	4.50%	PAR PAR
1996	190,000	4.90%	PAR	1996	55,000	4.75%	PAR
1997	210,000	5.00%	PAR	1997	55,000	4.90%	PAR
1998 1999	220,000	5.20%	PAR	1998	90,000	5.00%	PAR
2000	235,000 250,000	5.40% 5 <u>.55%</u>	PAR	1999	395,000	5.15%	PAR
2001	260,000	5.70%	PAR PAR	2000	485,000	5.30%	PAR
2002	275,000	5.85%	PAR	2001 2002	<i>5</i> 75,000	5.45%	PAR
2003	60,000	6.00%	PAR	2003	610,000 635,000	5.60%	PAR
2004	65,000	6.10%	PAR	2004	685,000	5.75% 5.90%	PAR PAR
2005	70,000	6.125%	PAR	2005	720,000	6.00%	PAR
2006	75,000	6.10%	6.15%	2006	765,000	6.00%	PAR
2007 2008	75,000	6.20%	PAR	2007	655,000	6.05%	PAR
2009	80,000 85,000	6.25% 6.30%	PAR	2008	<i>5</i> 6 <i>5</i> ,000	6.10%	PAR
2010	90,000	6.30%	PAR PAR	2009	170,000	6.15%	PAR
2011	100,000	6.30%	6.35%	2010	110,000	6.20%	PAR
2012	105,000	6.30%	6.35%				

(All plus accrued interest, if any)

The Bonds are offered for delivery when, as, and if issued subject to the approval of legality by Gilmore & Bell, Wichita, Kansas, Bond Counsel. It is expected that the Bonds will be available for delivery on or before June 17, 1992. ATTACHMENT 2-4

OFFICIAL STATEMENT DATED MAY 11, 1992

2-25-93

₩ Edward D. Jones & Co.

BOBIN E. YESSEN

INVESTMENT

REPRESENTATIVE

Rep. Nancy Brown, Chair House Committee on Local Government State Capitol - Room 183W Topeka, KS 66612

Re: House Bill 2506

Dear Rep. Brown:

As a result of our conversations and others with members of my firm's municipal bond underwriting group, I would like to submit some additional information concerning House Bill 2506.

Enclosed with this letter is a summary of another municipal bond issue where the existing law, K.S.A. 10-106, had a negative affect not only on the average yield of the issue, but also on the average coupon.

As we discussed, it is this coupon the issuer, and ultimately, the taxpayer are stuck with for the life of the issue.

I hope this information will provide useful to you and the members of the committee.

sinderaly

Robin 3. Yessen

Investment Representative

ATTACHMENT 3-1 2-25-93

PAGE.003 PAGE.001/E

PUBLIC BUILDING COMMISSION OF JOHNSON COUNTY, KANSAS Lease Purchase Revenue Bonds

Sale Date: 2/18/93

Rating: Al

	<u>Series 1993A</u>		Series 1993B
Bid Specs:	Not less	than par	Not less than 98.5%
MATURITY	COUPON	YIELD	COUPON YIELD
1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010	5.00 5.00 5.00 5.00 5.00 5.00 5.10 5.20 5.45 5.45 5.65	4.00 4.15 4.30 4.50 4.70 4.80 4.90 5.00 5.10 5.20 5.30 5.40 5.50 5.60 5.70	4.00 4.00 4.10 4.10 4.25 4.25 4.40 4.40 4.60 4.60 4.70 4.70 4.80 4.80 4.90 5.00 5.00 5.10 5.10 5.20 5.20 5.30 5.30 5.40 5.40 5.50 5.40 5.60
Avg Coupon:	5-176		4.81
Avg Yield:		4.94	4.85



The Little Apple



February 23, 1993

Rep. Nancy J. Brown, Chair House Committee on Local Government State Capitol - Rm. 183W Topeka, Kansas 66612

Dear Rep. Brown:

On behalf of the City of Manhattan I would like to support HB 2506, authorizing cities to sell bonds at less than par (at a discount).

HB 2506 is in the best interest of the City of Manhattan and the taxpayers. The proposed changes to the present bond law would allow municipalities the opportunity to offer general obligation bonds at discount. Currently, cities can only offer bonds to underwriters at par.

If the City were allowed to offer bonds for sale at discount, the marketability of the bonds would be improved. Prospective bondholders generally prefer to buy bonds from underwriters at par. If HB 2506 became law, more underwriters would be willing to submit bids, and the increased competition in the bidding process could lower the interest costs paid by the City and taxpayers.

Honorable Chair and Committee members, the City of Manhattan urges you to vote for HB 2506 to give cities more options in selling bonds and to make the bidding process more competitive. Your positive vote will be greatly appreciated.

Sincerely,

Curt Wood

Director of Finance City of Manhattan

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CITY COMMISSION Richard W Seidler, Mayor F. A Klingler, MD Helen G Cooper Roger E Maughmer Edith L Stunkel CITY MANAGER: James R Pearson 1101 Payriz Manhatian, Kansas 66502-5460 Telephone (913) 537-0056

HOUSE BILL No. 2470

By Committee on Local Government

2-16

AN ACT concerning historic preservation; concerning certain government projects; amending K.S.A. 75-2724 and repealing the existing section.

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

Section 1. K.S.A. 75-2724 is hereby amended to read as follows: 75-2724. (a) The state or any political subdivision of the state, or any instrumentality thereof, shall not undertake any project which will encroach upon, damage or destroy any historic property included in the national register of historic places or the state register of historic places or the environs of such property until the state historic preservation officer has been given notice, as provided herein, and an opportunity to investigate and comment upon the proposed project. Notice to the state historic preservation officer shall be given by the state or any political subdivision of the state when the proposed project, or any portion thereof, is located within 500 200 feet of the boundaries of a historic property located within the corporate limits of a city, or within 1,000 feet of the boundaries of a historic property located in the unincorporated portion of a county. Notwithstanding the notice herein required, nothing in this section shall be interpreted as limiting the authority of the state historic preservation officer to investigate, comment and make the determinations otherwise permitted by this section regardless of the proximity of any proposed project to the boundaries of a historic property. The state historic preservation officer may solicit the advice and recommendations of the historic sites board of review with respect to such project and may direct that a public hearing or hearings be held thereon. If the state historic preservation officer determines, with or without having been given notice of the proposed project, that such proposed project will encroach upon, damage or destroy any historic property included in the national register of historic places or the state register of historic places or the environs of such property, such project shall not proceed until: (a) (1) The governor, in the case of a project of the state or an instrumentality thereof, or the governing body of the political subdivision, in the case of a project of a political subdivision or an instrumentality thereof, has

> balloon 2-25-93 ATTACHMENT 5-1

made a determination, based on a consideration of all relevant factors, that there is no feasible and prudent alternative to the proposal and that the program includes all possible planning to minimize harm to such historic property resulting from such use and (b) (2) five days' notice of such determination has been given, by certified mail, to the state historic preservation officer.

- (b) Any person aggrieved by the determination of the governor pursuant to this section may seek review of such determination in accordance with the act for judicial review and civil enforcement of agency actions. Any person aggrieved by the determination of a governing body pursuant to this section may seek review of such determination in accordance with K.S.A. 60-2101 and amendments thereto.
- (c) The failure of the state historic preservation officer to initiate an investigation of any proposed project within 30 days from the date of receipt of notice thereof shall constitute such officer's approval of such project.
- (d) Failure of any person or entity to apply for and obtain the proper or required building or demolition permit before undertaking a project that will encroach upon, damage or destroy any historic property included in the national register of historic places or the state register of historic places, or the environs of such property, shall be subject to a civil penalty not to exceed \$25,000 for each violation. The attorney general may seek such penalties and other relief through actions filed in district court.
- (e) The state historic preservation officer may enter into an agreement delegating to a city or county any or all responsibilities of the state historic preservation officer under subsections (a), (b) and (c) if the state historic preservation officer determines that the city or county is espable of corrying out such responsibilities.

Sec. 2. K.S.A. 75-2724 is hereby repealed.

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

has enacted a comprehensive local historic preservation ordinance, established a local historic preservation board or commission and is actively engaged in a local historic preservation program. The agreement shall specify the authority delegated to the city or county by the state historic preservation officer, the manner which the city or county shall report decisions to the state historic preservation officer, the conditions under which the city county can or request assistance from the state historic preservation officer in performing certain project reviews, the length of time the agreement is to be valid and provisions for termination of the agreement. The state historic preservation officer shall adopt rules regulations necessary to and implement the provisions of this subsection



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Proposed Amendment to HB No. 2470

On page 2, following line 30 by inserting a new paragraph:

A delegation of authority pursuant to this subsection shall not be construed as limiting the authority of the state historic preservation officer to investigate, comment and make determinations otherwise permitted by this section.";

HOUSE BILL No. 2433

By Committee on Local Government

2-12

AN ACT concerning cities; relating to the general assessment and improvement law; amending K.S.A. 12-6a19 and repealing the existing section.

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

Section 1. K.S.A. 12-6a19 is hereby amended to read as follows: 12-6a19. Whenever the construction of any water or sanitary sewer improvement is initiated by petition pursuant to subsection (2) of K.S.A. 12-6a04, and amendments thereto, the governing body of the city may require the owners of property, which receive benefits from such improvement but which was not included within the original improvement district, to pay a benefit fee at the time the owners of such property request to be served by such improvement.

The amount of such benefit fee shall not exceed the amount of the assessment, including principal and interest, which would have been levied against the property had it been included in the original improvement district, reduced in the proportion which each month or part of a month that has passed from the date the assessment for the improvement was levied to the date such property begins being served by the improvement bears to the total number of months of assessments against property ineluded within the original improvement district. Unless otherwise provided by the city, such benefit fee shall be due and payable at the time the property begins being served by the improvement, and shall be assessed, collected and paid in the same manner, and subject to the same interest, as assessments against property originally included in the improvement district for such improvement. Any benefit fees paid hereunder shall be applied: (a) To the remaining principal and outstanding interest on the bonds issued to finance the improvement, with a resulting pro rata reduction of the assessments against property originally included in the improvement district for such improvement; or (b) the city general bond and interest fund if any of the cost of the improvement was paid by the city at large.

The provisions of this act shall be supplemental to any legal authority cities may exercise in imposing hook-up hookup or connec-

by petition,

The benefit fee shall be assessed only against the property described in the petition requesting service by the improvement.

A# 7

ATTACHMENT 7-1 2-25-93 tion fees or other user or regulatory charges for water or sanitary sewer service.

Sec. 2. K.S.A. 12-6a19 is hereby repealed.

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

The amount of any hookup or connection fee imposed pursuant to this section shall not exceed the actual cost of connecting the property to the water or sanitary sewer.

original plus interest

Section 1. Agencies of the state of Kansas are authorized to pay amounts requested by townships for the maintenance or improvement of roads located on or adjacent to property owned by the state of Kansas when, as determined by the head of the agency occupying such property, the agency is receiving a direct benefit of the township road, the amount requested is reasonable, and adequate funding has been budgeted and appropriated for payment of such costs.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

RLB:tw 6408L

> ATTACHMENT 8 2-25-93