

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Nancy Brown at 2:20 p.m. on March 10, 1994 in Room 521-S of the Capitol.

All members were present except: Representative Carl Holmes (excused)
Representative Ed McKechnie (excused)
Representative Russell Mills (excused)

Committee staff present: Michael Heim, Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Lois Hedrick, Committee Secretary

Conferees appearing before the committee: Senator Marian Reynolds
Karen Lowery, Kansas Association of School Boards
Chris McKenzie, League of Kansas Municipalities
Anne Smith, Kansas Association of Counties

Others attending: See Attachment 1.

The Chairman opened the hearing on **SB 457** (legislation and rules and regulations impacting cities, counties or school districts; fiscal notes and economic impact statements). Senator Marian Reynolds testified in support of the bill, stating that the bill will strengthen the law to require the Budget Director to (1) consult with the League of Municipalities, the Association of Counties, and the Kansas Association of School Boards when preparing fiscal notes and (2) also obtain an impact statement from a city, county or school district when the statement indicates an increase or decrease in revenues or expenditures for that unit of government. (See Senator Reynolds testimony, Attachment 2).

Karen Lowery, testifying in behalf of the Kansas Association of School Boards, supported enactment of **SB 457** (see Attachment 3). Anne Smith, testifying on behalf of the Kansas Association of Counties, stated that the bill will bring financial cost information to the legislature when passing laws (see Attachment 4).

Chris McKenzie, League of Kansas Municipalities, spoke in support of **SB 457**, explaining it is a companion bill to **SB 477** (concerning the tax lid) now in the House Judiciary Committee, and stating this bill is significant since it represents a state commitment to a dialogue with local units of government. Mr. McKenzie stressed the importance of the bill as it is a solution to the problems many local units encounter when, without their input, legislation is mandated with a high fiscal impact on local units. He explained that the bill requires a five-day response for information from cities and counties. Mr. McKenzie encouraged passage of the bill.

There being no others present to testify, the hearing on **SB 457** was closed.

Chairman Brown suggested that action could be taken on **SB 436** (counties; concerning the collection of certain delinquent property taxes; amending K.S.A. 79-2018 and repealing the existing section) which the

committee heard on February 2, 1994. After discussion, on motion of Representative Mays, seconded by Representative Packer, the committee passed **SB 436** favorably.

The committee reviewed **SB 690**, concerning Chase county; transfer of certain property from building commission; issuance of bonds to pay for jail. After discussion, on motion of Representative Packer, seconded by Representative Powers, the committee amended the bill by removing section 2(c) (which was the amendment put in by the Senate to restrict the use of revenue derived from the operation of the jail). On motion of Representative Packer, seconded by Representative Powers, the committee passed the bill, as amended.

On motion of Representative Packer, seconded by Representative Hayzlett, the committee minutes of March 9, 1994, were approved.

The meeting was adjourned at 2:52 p.m. The next meeting of the committee is scheduled for Monday, March 14, 1994, at 1:30 p.m. in Room 521-S State Capitol.

HOUSE OF REPRESENTATIVES
COMMITTEE ON LOCAL GOVERNMENT
CONFEREES AND VISITORS
MARCH 10, 1994

[illegible]

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SENATE CHAMBER

COMMITTEE ASSIGNMENTS

VICE-CHAIRMAN: LOCAL GOVERNMENT
MEMBER: COMMERCE
ASSESSMENT & TAXATION
GOVERNMENTAL ORGANIZATION
KANSAS SENTENCING COMMISSION

March 10, 1994

**Representative Nancy Brown, Chairman
House Local Government Committee
State Capitol
Topeka, KS 66612**

Dear Chairman Brown:

Thank you for allowing me the opportunity to testify before your committee today in support of SB 457. This proposed amendment would require the Budget Division to consult directly with the League of Municipalities, the Kansas Association of Counties, and the Kansas Association of School Boards when preparing fiscal notes. The new language in SB 457 states that the Director of the Budget shall consult with the League of Municipalities, the Kansas Association of Counties, and the Kansas Association of School Boards when preparing the economic impact statement of proposed legislation that would either increase or decrease revenue of cities, counties or school districts or impose functional responsibilities through rules and regulations on those cities, counties or school districts by increasing their expenditures or fiscal liabilities.

Prior to this change, it has always been required that a fiscal note be submitted along with the proposed legislation, but it was never required before that the actual parties that were going to be effected by the mandate were ever given any direct input into the process.

With the enactment of this legislation, it would be up then to those three groups...the League, the County and the School Board...to actually provide the Budget Division with information about the economic impact of any proposed legislation. Frankly what this bill does is put more teeth into the law and makes all parties more accountable to the Legislature so that we as legislators will be able to make more informed decisions when debating the merits of proposed changes.

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Rep. Nancy Brown, Chairman
House Local Government Committee
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It is clear that the federal government will not, out the goodness of their heart, cease their practice of imposing costly new obligations on state governments without providing the wherewithal to carry them out. We, on the otherhand, Madam Chairman find it is incumbent on us to involve the very people that will be affected by proposed mandates in the negotiations and deliberations of such proposals.

Madam Chairman, I appreciate the opportunity to appear before you today and hopefully Senate Bill 457 will be given the attention and the consideration that it so strongly deserves.

Respectfully submitted,



Marian Reynolds
Senator - 38th District

MR:am



Testimony on S.B. 457
before the
House Committee on Local Government

by

Patricia E. Baker
Associate Executive Director/General Counsel
Kansas Association of School Boards

March 10, 1994

Madam Chairman, Committee members, thank you for the opportunity to testify on behalf of Kansas school boards.

We appreciate the opportunities we have had to have input into decision making by the legislature and by state agencies. We would welcome additional opportunities in providing assistance.

In the past we have not believed that school boards have been "shut out" of this information exchange. We are particularly grateful to the Division of Fiscal Services and Quality Control of the State Department of Education for providing and receiving information.

Our larger concern has been and still is, the problem of mandates without funding. Our member districts hope that the passage of S.B. 457 will lead to a realization that requirements for school districts must be funded.

Thank you for your attention.

TO: House Local Government Committee
Representative Nancy Brown

FROM: Anne Smith
Director of Legislation

DATE: March 10, 1994

RE: SB 457

The Kansas Association of Counties supports SB 457. This bill requires local government officials be consulted when the fiscal notes are prepared on legislation which might have a fiscal impact on cities, counties, and school districts.

This system of consulting local governments has been attempted in the past but the results have been hit and miss. The KAC has already succeeded in finding county volunteers that will work directly with the state in preparing local information on fiscal notes. This information would then be generated to the state via computer linkup so that there is no time lost in the process.

KAC feels it is critical that all of you have good financial cost information available to you when passing laws. We think SB 457 will assist the state budget director in getting this information to you directly from those that will be most impacted by it.

Thank you for your consideration of this bill.