Approved: 3-06-08
Date

# MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 10:30 a.m. on January 29, 2008 in Room 526-S of the Capitol.

All members were present except:

Senator Julia Lynn- excused

# Committee staff present:

Kathie Sparks, Kansas Legislative Research Department Dennis Hodgins, Kansas Legislative Research Department Theresa Kiernan, Revisor of Statutes Office Connie Burns, Committee Assistant

Conferees appearing before the committee:

Joan Wagnon, Secretary of Revenue Representative Tim Owens Allyn Lockner Randall Allen, Kansas Association of Counties Don Moler, League of Kansas Municipalities Terry Holdren, Kansas Farm Bureau

Others attending:

See attached list.

Senator Wysong requested a bill introduction regarding the termination or modification of franchise agreements between liquor suppliers and liquor distributors.

Senator Vratil moved that this request should be introduced as a committee bill. Senator Reitz seconded the motion. The motion carried.

# SB 454- Municipalities; consolidation and reorganization; political and taxing subdivision

Chairman Brungardt opened the hearing on SB 454.

Joan Wagnon, Chairperson of Kansas Advisory Council on Intergovernmental Relations (KACIR) and Secretary of Revenue, appeared in favor of the bill. (<u>Attachment 1</u>) This bill supports the need to allow local government to consolidate or reorganize in order to be more efficient and effective in serving its citizens.

Representative Tim Owens spoke in favor of the bill. (<u>Attachment 2</u>) The bill would allow for local units of government to have more latitude in considering and implementing at their discretion, how to make their governments more efficient whether that included consolidation internally or externally with other governments. Also proivded was the KACIR 2007 Annual Report.

Allyn Lockner appeared in favor of the bill. (<u>Attachment 3</u>) The bill allows residents in local regional communities throughout Kansas more freedom to choose whether to undertake consolidation and to choose the type of consolidation.

Randall Allen, Executive Director, Kansas Association of Counties, spoke in favor of the bill. (<u>Attachment 4</u>) The premise of the bill is affirmative because it gives local communities an opportunity to devise a system of local government which best meets their needs without seeking legislative approval, and allows to move forward to provide the most efficient and effective local government possible for their citizens. Mr. Allen did recommend to amend the bill in striking New Section 7, and this would not effect the bill and is unnecessary.

Don Moler, Executive Director, League of Kansas Municipalities, spoke in support of the bill. (<u>Attachment 5</u>) The bill would allow cities and counties, and their residents, to determine their own local government

### CONTINUATION SHEET

MINUTES OF THE Senate Federal and State Affairs Committee at 10:30 a.m. on January 29, 2008 in Room 526-S of the Capitol.

organizations and will allow them to maximize efficiencies in government as well as modernizing governmental structures in Kansas.

Jack Rowlett, Jr. provided written testimony in support of the bill. (Attachment 6)

Terry Holdren, representing Kansas Farm Bureau, appeared as a opponent on the bill. (<u>Attachment 7</u>) The bill presented would allow any unit of government with a larger population base to override another unit of government within a proposed consolidation limiting the smaller populations' right to effective representation in the decision making process, and remain opposed to these attempts. Kansas Farm Bureau requests that the bill be not forwarded in its current form, but asked the committee to consider the amendments provided.

Greg Dye spoke against the bill. (<u>Attachment 8</u>) Mr. Dye stated that the U.S. Constitution has not been amended to allow giving the cities the power to bypass statutes that do not blanket the states; this power is for state law makers.

Marvin E. Smith appeared as an opponent on the bill. (<u>Attachment 9</u>) Mr. Smith felt that the rural area of his county, are served by their townships with efficient services; and also provided suggested changes to percentages on the voting majority.

W. Paul Degener provided written testimony in opposition to the bill. (Attachment 10)

Nancy Weeks, Kansas County Officials Association, provided written testimony with concerns on the bill. (Attachment 11)

Chairman Brungardt closed the hearing on SB 454.

The meeting was adjourned at 11:45 am. The next scheduled meeting is January 30, 2008.

# SENATE FEDERAL AND STATE AFFAIRS COMMITTEE GUEST LIST

DATE 1-29-68

NAME	REPRESENTING		
Randall Allen	Kansas Association of Counties		
Ron Seeber	Her Law Firm		
ALLYNO, LOCKNER	MYSELF		
Richard Sommening	Kenny & 1550c		
Kari Presley	Klarney & Asac.		
Marvin E. Smith	myself		
TERRY HOLDRIN	KANSAS FARM BURGAU		
Marelen Nichols	Kansas Register of Deals assoc.		
SEAD MILLER	CAPITOL STRATEGIES		
7 August Decks	Haskell Co. Flaseron		
Hal learney	Kanson Co. Officials Class.		
KA Msale	CITTLE BOTT RELATIONS		
TOM KREGS	RASB		
KEN DAVIEL	KSSUMUBIZ. COM		
Ion Murray	Fed Cousilf		
Sacqueup Koehlen	Kernsas, Inc.		
Hoilan Nanmar	3917		
MARL HANDSHY	DOAA		
ROGER BASINGOR	Dag A		
Eller Paterson	Den Perek Schnitt		
DON NIOLEN	2KM		
Joa Wagno	KDOR		
Alpan Robinson	KDOR		
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# Joan Wagnon, Chairperson

Kathleen Sebelius, Governor

TO:

Senate Federal and State Affairs Committee

FROM:

Joan Wagnon, Chairperson of KACIR and Secretary of Revenue

DATE:

January 29, 2008

SUBJECT:

Senate Bill 454 – Concerning governmental consolidation and reorganization.

Take a hard look at Kansas. Like many of our neighboring states, IA, NE, we have a lot of local government but not so many people. And we like our governments.

- Population is not evenly spread throughout the state some areas are growing, but others are declining and have been for 100 or more years.
- Property taxes are rising or rather, creeping upward.
- We have lots of local governmental units. Perhaps more than all but 4 states. Every source has different numbers, but it is clear, we have a lot!
  - o 105 counties, 62 of which have populations under 10,000
  - o Approximately 1,406 townships (See Township Study in the attached materials)
  - o 305 School Districts
  - o Numerous cemetery, fire, park, transportation, sewer districts

Former Senator Dave Kerr tried to provide some help on the issue of consolidation during the legislative session of 2006 with SB 379. As it finally passed, counties could consolidate, but the larger issue of city-county consolidation was silent.

Legislators seem fearful of constituent backlash if the legislature "loosens the reins" on consolidation, but across the state, local groups are asking for such authority. Many of the people see consolidation as a way to lower their property taxes and lessen some of the burden of government. Others see it as an encroachment by larger governments on rural areas.

The underlying argument in most consolidation attempts is that a stagnant or shrinking tax base cannot serve an aging, static population, and those problems are exacerbated by redundant layers of government. If high property taxes retard growth, then how do you lower them and still serve the public?

The KACIR has tried to focus on this issue, as directed by the 2003 LPA and further work by its members. We have commissioned studies on tax base erosion. We held a Summit on Consolidation in November, 2006 in Salina attended by more than 100 people, including elected officials. In 2007, we undertook a study of townships in Kansas. Kansas townships had not been examined in thirty years. The study revealed factual data about the activity of townships (and the lack thereof); township population; revenues and expenditures; interlocal agreements, shared equipment and services; and election information that exposed the interest level within the townships.

We have concluded that we need to remove barriers to local consolidation and allow and encourage local governments to collaborate or consolidate – whichever best suits their needs. Dual majority is a huge barrier.

A state-imposed, top-down solution won't work.

The law allows consolidation of governmental function, but not the units. So – what about 2 special districts that wish to combine? This should be resolved, and it is in SB 454.

It's time for the Kansas Legislature to remove the remaining barriers to consolidation and cooperation, and let local governments organize in ways to adapt to changing demographics and to create greater efficiencies.

Steven Goldsmith, former Mayor in Indianapolis often quotes President George Bush in a campaign appearance saying, "...we need to change government, we need to modify government, but even those of us who believe in small government should also believe in efficient government." Goldsmith's point was that if government is going to deliver a public service, it should do it efficiently.

My point in quoting this is to say that our local governments cannot be efficient if we continue to tie them to a century and a half old idea about organizing local government services. The notion that the county seat should be no more than a day's ride by horseback is certainly outmoded.

Let's give government the tools they need to be efficient, effective and meet the needs of the people. They know best – not us in Topeka – what will work. Remove the barriers.

# STATE OF KANSAS HOUSE OF REPRESENTATIVES

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REPRESENTATIVE, 19TH DISTRICT
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Overland Park, Kansas 66212
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### COMMITTEE ASSIGNMENTS

Taxation, Judiciary
Transportation & Public Safety Budget
Chairman, Corrections & Juvenile Justice Oversight

BEFORE THE HONORABLE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS:

January 29, 2008

Mr. Chairman and Members of the Committee:

Thank you for allowing me and my colleagues from the Kansas Advisory Council on Intergovernmental Relations to address you on the pending legislation that you are considering today in SB 454 and SB 457.

I am Representative Tim Owens and I am appointed to the membership on the KACIR in the slot designated by the Speaker of the House. Before coming to the legislature I served 24 years on the city council in the city of Overland Park, KS and have long had an interest in government at all levels and more importantly in efficiency of government at all levels. You will have testimony from members of the KACIR representing a variety of levels of the government and if you look at the statutory membership of the KACIR, you will see that it is designed to address the issues of governmental structure and efficiency from every angle. Secretary Wagnon has served for the last two years as the chair of the committee and has done an excellent job of pointing the committee in the right direction per the Statutory Charge in K.S.A. 12-4001 – 4008.

You have been provided a copy of the KACIR 2007 annual report as well as a web-site comment from the Department of Revenue as to what the KACIR is. In the past Interim study, the committee took on the task of reviewing Townships and their efficiency and continued viability in the State. You have also been provided with a copy of that township study and report. Per the recommendations of the committee, SB 454 and SB 457 are presented with the committee's strong recommendation that the legislature consider both as methods of examining and improving the efficiency of this layer of government within our state.

SB 457 simply asks that we bring the Townships into the modern ways of reporting by allowing them to be electronically filed. The county clerk is most often the person who would be filing the Township reports for them and that is the method currently used by the counties. I would consider this to be a fairly innocuous request and one that will make the process easier not only for the Townships but also for the County and for the Secretary and her folks here in Topeka.

SB 454 is a bit more complicated but in a nutshell it would allow for local units of government to have more latitude in considering and implementing at their discretion, how to make their governments more efficient whether that included consolidation internally or externally with other governments. We need to depend on the local elected officials to make decisions for their jurisdictions that will best serve the people that we also serve in their communities. This bill will help facilitate that.

Thank you again for allowing me to make these few comments. I would urge your support for this effort which is recommended after numerous meetings and input from our local folks back home, by the KACIR and by the Secretary of Revenue. I will stand for questions Mr. Chairman at the appropriate time.



Kansas Advisory Council on Intergovernmental Relations

# 2 Annual Report

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http://www.ksrevenue.org/kacir.htm

# Statutory Charge and Membership

# Statutory Charge (K.S.A. 12-4001 - 4008)

The 2002 Kansas Legislature created the 15-member Kansas Advisory Council on Intergovernmental Relations (KACIR). The Council has the duty to engage in continuous study of the services provided by the various types and levels of government within the state, the division of responsibility for providing and financing governmental services, possibilities of improving the organizational structure and operational efficiency of the various governmental units serving the citizens of the state; and the state and local tax structure and the revenue requirements and fiscal policies of the state and its local units of government.

The KACIR is required to give particular attention to modernization of the structure of Kansas local government, the impact of urbanization on the organization and functions of local government, the impact of technology on the organization and functions of local government, and the relationships between state and local governments.

In addition, the KACIR is required to make an annual report in writing to the Governor and Legislature.

# **Membership**

The Governor appoints 11 of the 15 members:

- Two members shall be elected county officials of which, one shall be a member of a board of county commissioners
- Two members shall be elected city officials
- One member shall be an elected township official
- One member shall be an elected school board member
- Two members shall be executive branch officials
- Three members shall be private citizens

### The remaining 4 members are as follows:

Two members of the Council shall be members of the Kansas Senate – one shall be appointed by the President of the Senate and one by the Senate Minority Leader.

Two members of the Council shall be members of the Kansas House of Representatives – one shall be appointed by the Speaker of the House and one shall be appointed by the House Minority Leader.

Members shall serve without compensation but may be reimbursed for expenses. No more than seven members may be from the same political party.

# **KACIR Roster**

KACIR Position	Term End	Last Name	First Name	<u>Title</u>
Exec Branch Official	June 30, 2011	Anderson	Jeremy	Director Governmental Affairs and
(1 of 2)				Policy
Private Citizen (1 of 3)	June 30, 2011	Arnold	John	Pres John E Arnold Company
Township Official	June 30, 2008	Finney	Tom	Zeandale Township Officer
House Min Ldr Apptee	Jan 2005	Gatewood	Doug	Representative District 1
City Official (1 of 2)	June 30, 2011	Heck	Willis	Mayor of Newton
Private Citizen (1 of 3)	June 30, 2010	Hixson	Warren	Retired
Private Citizen (1 of 3)	June 30, 2010	Vacant	Vacant	Vacant
School Board Member	June 30, 2011	Lair	Judy	KASB Board of Directors member
County Official (1 of 2)	June 30, 2008	Norton	Tim	Sedgwick Co Commissioner
House Maj Ldr Apptee	Jan 2005	Owens	Tim	Representative District 19
Sen President Apptee	January, 2009	Reitz	Roger	Senator District 22
City Official (1 of 2)	June 30, 2011	Rowlett	Jack	Paola City Councilmember
Senate Min Ldr Apptee	Jan 2005	Steineger	Chris	Senator District 6
County Official (1 of 2)	June 30, 2010	Traster	Matt	Grant County Commissioner
Exec Branch Official	June 30, 2010	Wagnon	Joan	Secretary of Revenue
(1 of 2)	**************************************			

Meetings staffed by Lynn Robinson, Kansas Department of Revenue

The following people also served as members of the KACIR in Calendar Year 2007:

Richard Jackson, Mayor, Ottawa Sandi Kinser, Private Citizen (1 of 3) Patrick Lawless, Jr., Mayor, Osage City Joe Pisciotte, Private Citizen (1 of 3)

# Report of Meetings

The KACIR is required to convene at least once every two (2) years in each Congressional District (K.S.A. 12-4004).

In Calendar Year 2007, the Council convened five (5) times. The venues for these meetings were Topeka (Congressional District 2); Overland Park (Congressional District 3); and Hays (Congressional District 1).

# January 12, 2007 - Topeka, KS - Congressional District 2

Council members present: Tom Finney, Doug Gatewood, Richard Jackson, Sandi Kinser, Patrick Lawless, Jr., Chris Steineger, Matt Traster, and Joan Wagnon.

Other interested parties in attendance: Mark Beck - Property Valuation Division, Rep. Mike Burgess, Martha Dorsey - Legislative Research, Roger Hamm - Property Valuation Division, Mike Heim - Revisors Office, Lana McPherson - city clerk of DeSoto, and Kimberly Winn - League of Kansas Municipalities.

The Council discussed draft legislation to remove the remaining barriers to consolidation, particularly city-county consolidation and to provide incentives. The members worked the bill draft with the Revisors Office and the League of Kansas Municipalities. The Council then agreed to have this bill introduced. Senator Steineger and Representative Burgess expressed interest in having the bill introduced in their respective houses/committees. The bill became House Bill 2130.

The members discussed the value of undertaking a township study. Property Valuation Division distributed tax levy information to the Council.

Elections for the KACIR Chair and Vice-Chair were held per K.S.A. 12-4001(d). Chair Joan Wagnon and Vice-Chair Richard Jackson were re-elected.

# March 21, 2007 - Topeka, KS - Congressional District 2

Council members present: Tom Finney, Warren Hixson, Richard Jackson, Tim Norton, and Joan Wagnon.

Other interested parties in attendance: Allyn Lockner – interested citizen and Don Moler – League of Kansas Municipalities.

Mr. Lockner prepared a paper on local government consolidation issues that he gave at the consolidation bill hearing following the KACIR meeting.

The Council discussed township project/interim studies. The Council agreed that a township study will be a valuable tool in proceeding with local government consolidation efforts. The township budget reports were identified as primary resource in obtaining data.

The members discussed House Bill 2130, the local government consolidation bill. Despite the efforts to get this legislation passed, the bill was not worked during the 2007 legislative session. However, the House Elections and Governmental Organization Committee agreed to have a briefing/hearing of the bill before legislative adjournment (the hearing followed this KACIR meeting).

Other related bills were discussed including House Bill 2331 – Electronic filing of township reports and House Bill 2434 and Senate Bill 378. Both House Bill 2434 and

# Report of Meetings (cont)

Senate Bill 378 authorizes certain interlocal agreements which allow the sharing of revenue based on growth in assessed valuation and real and personal property.

Council members Warren Hixson, Richard Jackson, Tim Norton, and Joan Wagnon attended the House Bill 2130 local government consolidation bill briefing/hearing at the Capitol. Chairperson Joan Wagnon and Tim Norton gave testimony and Chairperson Wagnon asked for the bill to be put on interim studies.

Other attendees/speakers at the hearing were Allyn Lockner and Tom Wright. Mr. Lockner gave a theoretical approach to local government consolidation. Mr. Wright, a Topeka attorney, discussed the Shawnee County/Topeka consolidation and the issues revolving that failed endeavor.

# June 15, 2007 - Overland Park, KS - Congressional District 3

Council members present: John Arnold, Judy Lair, Tom Finney, Willis Heck, Tim Owens, Jack Rowlett, Chris Steineger and Joan Wagnon.

Other interested parties in attendance: Professor John Leatherman - the Office of Local Government at Kansas State University and Roger Basinger - an accountant for Accounts and Reports in Division of Administration, State of Kansas.

Professor Leatherman explained the statistical reporting and databases his office creates and maintains for county government. Mr. Basinger discussed the work his office does involving the local government budget reports, including their actual visits to various local units of government to provide informational training on their budget reporting procedures.

The Council discussed the status of the various local government pieces of legislation from the 2007 legislative session. The discussion included House Bill 2044, Councilmember Matt Traster's bill, regarding interlocal agreement changes, House Bill 2130 which deals with local government consolidation and reorganization and House Bill 2331, the electronic filing of township budget reports.

It should be noted that House Bill 2044 did pass, while House Bills 2130 and 2331 were left in committee.

The Council listened to Professor Leatherman and Roger Basinger as they talked about how their jobs are involved in local government data. Lynn Robinson submitted the scope statement for the township study and the Council reviewed and discussion followed.

The members identified five tasks that need to be completed before the next meeting regarding the township study. The township study committee (Lynn Robinson, Roger Basinger, and Lisa LaBlanc-Willis) will give a report at the next meeting.

# Report of Meetings (cont)

## September 7, 2007 - Hays, KS - Congressional District 1

Council members present: Jeremy Anderson, John Arnold, Tom Finney, Willis Heck, Warren Hixson, Judy Lair, Tim Owens, Matt Traster, and Joan Wagnon.

Other interested parties in attendance: Roger Basinger – from Accounts and Reports, Wayne Billinger - facilitator for the Northwest Kansas Mayoral Association (NKMA), Sandy Jacquot – League of Kansas Municipalities, Rep. Dan Johnson – represents the north half of Ellis County, Rep. Eber Phelps – represents the city of Hays and the south part of Ellis County, Kim Thomas – Mayor of Stockton, and Professor John Leatherman – Kansas State University.

Ms. Thomas opened up the presentation from the NKMA by discussing the issues of northwest Kansas – the declining population and the fact that the area's greatest export to other cities and states is its children. Mr. Billinger continued the discussion of declining population and the loss of the area's youth. He talked about the upcoming NKMA Summit on the Plains that will provide the opportunity to begin brainstorming on ways to stop the population leakage in the area.

The Council listened to members from the Township Study Committee as they talked about their fact findings from their work on the Township Study. Roger and Lynn provided the data that answered the scope statement questions. Professor John Leatherman presented his statistical analysis regarding townships on the county-unit road system vs the townships on the township road system. He concluded that there was no statistical difference in cost between the township road system and the county-unit road system. The quality of roads, also a factor, could not be evaluated based on existing information.

The Chair and Council discussed several points and avenues for action including the need to create mechanisms to eliminate the barriers for dissolving townships. The questions arose of whether the state is enabling the townships to stay in business by allowing them to contract with the city or county to take care of their fire and other services and also, are we creating financial disincentives for the townships to stay in business?

Finally, the members discussed the benefit of holding workshops around the state regarding the property and sales tax base erosion. The workshops would provide the venue for local government officials and the local citizenry to review the tax studies completed by Wichita State University and to hopefully instigate discussion among the group to gather recommendations as to how to resolve the problems of tax base erosion.

# November 26, 2007 - Topeka, KS - Congressional District 2

Council members present: Tom Finney, Willis Heck, Warren Hixson, Tim Norton, Tim Owens, Jack Rowlett, Chris Steineger and Joan Wagnon.

Other interested parties in attendance: Randall Allen – Kansas Association of Counties, Richard Cram – Ks Dept Revenue Policy and Research, Allyn Lockner – interested citizen, Don Moler – League of Kansas Municipalities.

The Council spent most of the meeting discussing township legislation for 2008. Chairperson Joan Wagnon reviewed the statutes applicable to township disorganization.

# Report of Meetings (cont)

The Council discussed amendments to streamline the process for township abolishment or consolidation. These amendments will be included in the KACIR 2008 legislative package.

The legislative package for 2008 will include prior legislation that was not passed in 2007, HB 2130 and HB 2331, and new legislation regarding townships. The new township legislation sets criteria for a township to stay in existence, in addition to simplifying statutory requirements for abolishment or consolidation of townships. The proposed legislation includes a broad clean-up of the township statutes. Joan Wagnon, Richard Cram, and Lynn Robinson will meet with Mike Heim from the Revisors Office to draft the legislation for circulation to KACIR members and interested parties. Final approval of the legislative package by the members of KACIR will take place prior to the 2008 session via teleconference.

The members discussed briefly the draft copy of the KACIR Annual Report to the Governor and will approve the final report via teleconference prior to distribution to the legislature.

# Reports of the KACIR

# THE KANSAS ADVISORY COUNCIL ON INTERGOVERNMENTAL RELATIONS TOWNSHIP STUDY FACT FINDING PHASE I AND II

The recommendations of the Legislative Post Audit conducted in 2003 (LPA 03-20, September 03) states that the Governor should rejuvenate the KACIR and direct it to study, among other things, the elimination of township, cemetery and drainage district forms of government. At the March 2007 KACIR meeting in Topeka, the Council agreed that a township study would be a valuable tool in proceeding with this charge.

Much of the factual data regarding townships had not been updated since the 1970's study of township government in Kansas (Kansas Township Government in the 1970s, Dr. Glenn W. Fisher and Lynne Daggett West). Therefore, in order to understand the profile of today's Kansas townships, the initial phases of this study were constructed to be fact-finding endeavors.

### SCOPE STATEMENT JUNE 2007

The Kansas Advisory Council on Intergovernmental Relations (KACIR) studies ways for improving our laws, in order to facilitate increasing the effectiveness and efficiency in how various levels of government provide services within the state. The Council is charged with giving particular attention to studying how those laws relate to the local government structure and the relationship between state and local governments. According to KSA 12-4002, the KACIR shall determine the manner in which the existing laws of the state relating to the subject of its study may be simplified, modified, rearranged, consolidated, and revised to insure greater effectiveness in the governmental practices of the state.

This township study is prompted by one of the recommendations of a Legislative Post Audit report completed in September 2003 (Local Government Reorganization: Assessing the Potential for Improving Cooperation and Reducing Duplication (03-20)), specifically: to study and report back to the Governor and Legislature whether the township form of government should be retained or eliminated, and to consider the merits of having the current township services provided by larger local units of government (cities and counties) already providing similar services.

In this study, we plan to address a number of questions about the current operation of townships in Kansas, with the objective of identifying whether functions fulfilled at the township level can be more efficiently performed by larger local units of government, thereby spreading the costs for those services over a larger tax base.

In its conclusion, the LPA report identified several general concerns of local government officials regarding the issue of collaboration or consolidation within local government levels: loss of local control and accountability, fear that service levels will deteriorate, lack of political will to make a change, distrust or competition among government entities, their desire to make purchases from local vendors, and fear that costs or benefits might not be equally shared. The goal of this study is to be mindful of those concerns, but also spark interest in local officials and legislators in removing legal impediments that discourage local government consolidation efforts.

Data sources for this study will include the annual township budget reports filed with the county clerks for the 2006 Budget; data from Kansas Department of Revenue's Property Valuation Division; and the LPA Report 03-20.

Our goal is to have a report ready to submit to the Governor and the Legislature by the end of this year (possibility of breaking this up into stages—first stage being data analysis of township budget information).

# TOWNSHIP STUDY SCOPE STATEMENT QUESTIONS/ANSWERS SEPTEMBER 7, 2007

- 1) Number of townships in Kansas? 1,406
- 2) How many are active? Inactive? There are 1,242 active townships and 164 townships not functioning.
- 3) How many townships are on the county unit road system? Of the 1,242 active townships, 557 townships are on the county unit road system, while 685 townships are on the township system. (According to the County Engineer's Report from KDOT, there are 68 counties on the county-unit system and 37 counties on the township system.)
- 4) What is the total population of townships and compare that to total state population? Township population as a percentage of State Total: 18.3% --Total population of Kansas 2,763,775; total population in KS townships 505,735.
- 5) What are the townships' major sources of revenue? Based on the US Govt 2006 census sample of 82 townships, Ad Valorem Tax is the major source of revenue 71% of revenue came from Ad Valorem taxes. Next, Motor Vehicle Taxes at 10% and then Special Gas Tax 4% (from the county) It should be noted that the Local Ad Valorem Tax Reduction Fund (LAVTR distributed proportionately among all counties) will be reinstated July 2009 (2007 HB 2368). Federal Revenue Sharing stopped in the mid 1980s; however local units of governments started sharing the motor vehicle tax monies starting in 1979-1980 timeframe. (KSA 79-5109)
- 6) What are the townships' major expenditures?
  - a) Census Sample of 82 Townships The top three expenditures were for roads (57.4%), general fund (17.13%), and fire (11.58%)
  - b) In-depth review of 6 Counties Using Township Road System The top three expenditures were for road (68.06%), general fund (13.20%), and fire (11.22%)
  - c) Review of the Townships in the 68 Counties using the County Road Unit System The top three expenditures were for fire (34.40%), general fund (24.37%), and cemetery (11.96%).
- 7) What other services do the townships provide? Based on all three reviews discussed in question 6 (above), townships make expenditures for equipment, employee benefits, ambulance, libraries, noxious weed control, street lights, buildings, debt service, parks, and prairie dog/wildlife control.
- 8) What is the average township tax rate? (Comparing counties having the county unit road system vs the township system.) Per a report ran September 2007 by PVD: County-unit counties: 1.875; township system counties: 12.227 or 6.5 times as much as counties on the county-unit system.
- 9) What type of interlocal agreements are used? (Phase II) The majority of county clerks responded that they were not aware of any interlocal agreements. However, a review of the township budgets indicates some contracting with the county for services and/or sharing arrangements with other townships, cities, and/or counties these arrangements include cemetery services, equipment, fire and ambulance services, road maintenance, mowing and weed services. The most common areas for this appear to be fire/ambulance protection and road maintenance.
- 10) What do the statutes require the townships to do? Townships are required to maintain/construct roads, control noxious weeds and care for abandoned cemeteries; issue bonds and/or levy taxes in support of weed and cemetery work, and to pay for sidewalk construction. Township officers are required to be elected, live in their township, in most cases receive compensation, and designate depositories for public moneys. All township vehicles must be permanently registered. Townships must also comply with numerous mandatory administrative/financial procedures and reporting requirements
- 11) What do the statutes <u>authorize/allow</u> the townships to do? Townships are authorized to perform many governmental and municipal functions such as: issuance of bonds and levying of taxes; acquisition/construction/maintenance of: cemeteries/cemetery districts & parks, drainage & levees, emergency medical services/ambulance, fire protection/fire districts, law enforcement, libraries, sewage districts, sidewalks, township halls. They may also: invest idle funds, form interlocal agreements, hire outside auditors (some restrictions), license certain businesses, engage in prairie dog eradication, provide refuse collection services, and consolidate/reorganize/disorganize.

# KACIR 2008 Legislation

For the 2008 Kansas Legislative Session, the Council plans to introduce a legislative package including prior year legislation that did not pass, in addition to new legislation focused on townships.

### **Prior Year Legislation**

House Bill 2130, Local Government Consolidation and Reorganization. The Council met in January and worked with the Revisors Office to draft this bill. It was then introduced in the House Committee on Elections and Governmental Organization. HB 2130 would allow the board of county commissioners and the governing body of a city to create a consolidation study commission. The consolidation study commission would prepare and adopt a plan addressing the reorganization of the city and the county. This bill would also allow the board of county commissioners to levy a tax on all taxable tangible property of the county for the purpose of financing the costs incurred by the consolidation study commission. Although the bill was not worked during the 2007 session, the committee held a briefing/hearing on the bill in March, 2007 at the council's request. In addition, KACIR requested the bill for interim study, but it was not approved.

House Bill 2331, Electronic Filing of Township Reports. This bill was also introduced in the House Committee on Elections and Governmental Organization but was not worked. This bill requires that beginning in 2008, all budget and tax levy forms of municipalities and taxing subdivisions shall be in an electronic format to facilitate filing such forms electronically.

# KACIR Policy Recommendations

- 1. KACIR should request introduction in the Senate of legislation in 2008 to remove the remaining barriers to consolidation, particularly city-county consolidation and provide incentives to consolidate.
- 2. KACIR should introduce new legislation to encourage elimination of unnecessary townships as well as voluntary consolidation of townships. Service districts will be created to ensure services for township residents. Changes in the existing statutes will streamline the procedures for voluntarily consolidating and for disorganizing townships. Finally, this legislation will eliminate repetition and duplication in the existing township statutes and will simplify existing language within the statutes.
- 3. KACIR will request legislation to require the township reports to be filed electronically, whether it's via the township or the county clerk.
- 4. KACIR should undertake a study during 2008 to construct a model which can be used by local governments to determine the efficacy of consolidation. These issues include:
  - How to Budget, consider general budgeting needs or needs specific to one or more entities that merge.
  - How to apply and distribute levies.
  - How to handle some of the questions that arise when two jurisdictions are discussing combining: for example, what happens to the elected officials? What is reasonable to expect in staff reductions or salary issues?
  - A model statute to allow for the consolidation of city-county law enforcement and provide a customized model for how it should be done. The only consolidated city-county law enforcement now is Riley County. Other jurisdictions may have utilized interlocal agreements to affect a similar result, but the only true consolidation is Riley County.
  - Proven, successful consolidation models from other states/localities for Kansas local governments.
- 5. Continue statewide discussion of effects of tax base erosion on local state governments.

# ESTIMONY OF ALLYN O. LOCKNER ON SENATE BILL 454 BEFORE THE SENATE FEDERAL AND ST. AFFAIRS COMMITTEE OF THE KANSAS LEGISLATURE AT 10:30 AM ON JANUARY 29, 2008, IN ROOM 526-S, STATE CAPITOL BUILDING

The Honorable Pete Brungardt and other members of the committee: My name is Allyn O. Lockner. I reside in Topeka, Kansas. My e-mail address is alockner@cox.net. Thank you for the opportunity to testify.

I am a retired economist and certified public manager. I testify only for myself. My testimony is based on my research on local government consolidation and alternatives in Kansas and the United States. It is also based on my observations of and participation in the attempt to consolidate Topeka and Shawnee County governments in 2005.

For clarity and convenience purposes in my testimony, "services consolidation" includes "the consolidation of the operations, procedures and functions of offices and agencies" of "political and taxing subdivisions" or local governments. "Structures consolidation" includes "the consolidation of political and taxing subdivisions" or local governments.

I support SB 454 because it increases the consolidation choices available to Kansans in at least two ways. It authorizes for the first time general city-county structures consolidations. It also provides an alternative for all other consolidations by authorizing structures consolidations of "like political and taxing subdivisions," that is "subdivisions of the same type and function." In these ways, SB 454 increases the opportunities for Kansans to make choices about how they are governed in their local regional communities. It expands their choices about whether to undertake structures consolidation of their local governments while at the same time retaining their choices about whether to undertake services consolidations among these governments.

The span and exercise of choices are important because no two local regional communities and their local governments are the same in Kansas. They have different visions of their futures. They also have different contexts --- different concerns, issues, circumstances, preferences, etc. SB 454 acknowledges these differences. These differences produce different choices.

Voters in some Kansas communities will choose no consolidation. Their existing local governments do or can and will resolve the issues confronting their communities. The current structures and services of these governments enable local officials to resolve community issues. Voters in these communities will choose not use SB 454.

Voters in other communities will choose from a wide range of possible consolidations. Their existing local governments do not or cannot and/or will not resolve the issues confronting their communities. The current structures and services of these governments do not enable local officials to resolve community issues. Voters in these communities will choose to use SB 454.

In summary, SB 454 allows residents in local regional communities throughout Kansas more freedom to <u>choose</u> whether to undertake consolidation and, if so, to <u>choose</u> the type of consolidation. For many reasons, Kansas state government has a stake in expanding these choices.

Let's see how the bill works in practice in Kansas communities. If problems are encountered, the Legislature can make needed improvements at a later date. These improvements might include removing disincentives and/or adding incentives to consolidations. [Note: The committee might want to add a severability section to SB 454.]

On a matter related to SB 454, the committee might want to be aware that I have written a document entitled <u>A Guide to Choosing Consolidations and Alternatives in Kansas – Adapting Local Governments to Local Regional Communities</u>. The <u>Guide provides Kansans with a step-by-step process which aims to do two things</u>. First, it aims to aid Kansans in choosing whether to undertake services consolidation, structures consolidation, service contracts, joint cooperative agreements or other consolidation alternatives in their local regional community. Second, if Kansans in a community choose to undertake a consolidation or an alternative, the <u>Guide</u> also aims to aid them in choosing how to achieve a consolidation or an alternative. The <u>Guide</u> contains information on making these choices through coalition, collaboration, consensus, compromise, negotiation, and, if necessary, mediation. The <u>Guide</u> is intended solely to aid Kansans in making these choices. They may choose to use all, some or none of the <u>Guide</u>. I have e-mailed the <u>Guide</u> to the Chairperson of the Kansas Advisory Council on Intergovernmental Relations and she has e-mailed it to the other members. Enactment of SB 454 would require revision of the <u>Guide</u> and facilitate its use by Kansans.

This concludes my testimony. I will respond to questions.



### **TESTIMONY**

concerning Senate Bill No. 454

# **GOVERNMENTAL REORGANIZATION AND CONSOLIDATION**

Presented by Randall Allen, Executive Director Kansas Association of Counties January 29, 2008

Chairman Brungardt and members of the committee, my name is Randall Allen, Executive Director of the Kansas Association of Counties. I am here to express support for SB 454, which removes obstacles and impediments to cities and counties in their quest to provide the most efficient and effective local government possible for their citizens. With the statutory changes in SB 454, cities and counties and other units of "like" local governments, and more importantly, the citizens therein, can move forward in studying and pursuing consolidation of governmental units without first seeking legislative approval on a case by case basis. The Kansas Association of Counties neither supports nor opposes consolidation of city and county governments in Kansas per se. Our current legislative policy statement concerning consolidation, adopted by our membership, is as follows:

"The Kansas Association of Counties opposes mandatory consolidation of local government units and/or services. Counties presently share provision of numerous services with cities and other counties, but they should not be forced to do so. The KAC supports legislative changes that remove statutory limitations to consolidation of functions and services."

The premise of SB 454 is affirmative because it gives local communities an opportunity to devise a system of local government which best meets their needs without seeking legislative approval. This is the essence of home rule and local control which the Association has supported forever. No one can say whether the enactment of SB 454 would result in widespread consolidation of cities and counties, or a widespread consolidation of "like" local governments such as fire districts or water districts across Kansas. However, it removes the obstacles for the persons who live in our communities to assume total control of their destiny by authorizing local persons to study the feasibility of reorganizing and restructuring local government, and then offer the best plan possible to voters for their approval. We urge the committee to recommend SB 454 favorably for passage.

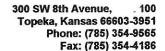
The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randall Allen or Judy Moler by calling (785) 272-2585.

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Sen Fed & State

Attachment

1 - 29 - 08





League of Kansas Municipalities

To:

Senate Federal & State Affairs Committee

From:

Don Moler, Executive Director

Re:

Support for SB 454

Date:

January 29, 2008

First I would like to thank the Committee for allowing the League, a strong advocate of local control, to testify today in strong support of SB 454. Our organizational policies typically focus on the ability of cities to make their own way and to determine their own fate. SB 454 would allow cities and counties, and their residents, to determine their own local government organizations and will allow them to maximize efficiencies in government as well as modernizing governmental structures in Kansas.

The League has for a number of years supported permissive statutory language to allow local reorganization. We have further held the belief that the issue of reorganization is inherently a local one and that the voters should be allowed to determine whether reorganization with another unit of government should occur. As a result we are fully supportive of SB 454 and the provisions that require the proposal for reorganization to be placed before the voters of the local governmental units involved in the proposed reorganization. Any unit whose electors vote against the reorganization would not be included in such reorganization.

In these hard economic times, it brings into sharp focus the need for governments, at all levels, to look to maximizing public resources and to minimizing public expenses. We believe that SB 454 a mechanism which will allow the people of Kansas, in cities and counties across the state, to make choices about the structure and organization of their governments. As a result we strongly support SB 454 and would urge the Committee's favorable recommendation of the bill to the full Senate. I will be happy to answer any questions the Committee may have on the League's position on SB 454.

Joan Wagnon, Chairperson

Kathleen Sebelius, Governor

Tuesday, January 29, 2008

To: Senate Federal/State Affairs Committee

From: Jack Rowlett Jr.: Member of the Kansas Advisory Council on Intergovernmental

Relations

Re: SB 454

Chairman Brungardt and committee members, you have before you SB 454, an act concerning governmental consolidation and reorganization. The Kansas Advisory Council on Intergovernmental Relations (KACIR) supports this bill.

At our last meeting in January of this year, the KACIR once again reaffirmed its support of the need to allow local government to consolidate or reorganize in order to be more efficient and effective in serving its citizens. We believe SB 454 will accomplish that objective and we also believe that it is a necessary step in creating a governmental structure that will allow for and promote growth and sustainability for the future of Kansas communities and Kansas rural population. This bill would allow reduction in the cost of government, simplification in its administration and more efficient use of the citizen's resources.

The KACIR determined that there are significant barriers in the current statutes, which inhibit growth and sustainability. Chief among those impediments is the inability of local governments to merge on their own volition. The Kansas Constitution leaves the issue of local government boundaries entirely in the hands of the Kansas Legislature. Even if citizens in a particular area wanted different governments to consolidate, there is no statutory process for that to occur with local initiative and referendum. SB 454 certainly is a step forward in removing those barriers.

We urge your support on this bill.

Thank You,

Jack Rowlett Jr

Member of the Kansas Advisory Council on Intergovernmental Relations

2627 KFB Plaza, Manhattan, Kansas 66503-8508 • 785-587-6000 • Fax 785-587-6914 • www.kfb.org 800 SW Jackson St., Suite 1300, Topeka, Kansas 66612-1219 • 785-234-4535 • Fax 785-234-0278

# PUBLIC POLICY STATEMENT

# SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

Re: SB 454 concerning governmental consolidation and reorganization.

January 29, 2008 Topeka, Kansas

Testimony Provided by: Terry D. Holdren KFB Governmental Relations

Chairman Brungardt and members of the Senate Committee on Federal and State Affairs, thank you for the opportunity to share our thoughts on SB 454 which would theoretically remove currently perceived barriers to government partnerships.

My name is Terry Holdren and I serve as the National Director for Government Relations at Kansas Farm Bureau. As you know KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations. Our members are actively involved in their local communities as tax payers, city council and county commission members, small business owners, and residents of both cities and unincorporated areas.

As you know consolidation is a topic which is not new to the statehouse or to this committee. Neither is the opposition of Kansas Farm Bureau to may of the concepts that have been brought forward thus far. SB 454 is no different than many of the other bills presented to you over the last several years. It would allow any unit of government with a larger population base to override another unit of government within a proposed consolidation limiting the smaller populations right to effective representation in the decision making process. We remain opposed to these attempts and ask that you not forward the bill in its current form.

Much research has been done with respect to the consolidation of units of government in recent years. In many states consolidations have been attempted—few have succeeded and among those which have, only a few have been viewed as having

improved the situation from a governance or a tax perspective. I've attached to my testimony today a summary of selected writings and research on the successes and failures of consolidation to achieve the promised economies of scale. It's insightful and I would encourage you to take a look at some of the research before you move forward.

Many of the articles focus on the better approach in allowing units of government to form alliances or partnerships through inter-local agreements as the most proven mechanism to achieve true savings and even encourage competition among governmental entities to provide the same service at the lowest cost to taxpayers. You have our strong support today for the inter-local agreement.

However, we understand that many feel that consolidation may be the best and only way to achieve savings or to grow the tax base of isolated units of government. Given that, we would respectfully ask that you consider several amendments to the bill that we believe will provide protection to rural residents and potentially allow consolidation attempts to move forward.

Please note that we have not included a request that you consider a dual-majority or similar provision. While our policy continues to strongly support that as a requirement for consolidation, we realize that it is viewed by many in the Senate as an un-workable requirement.

We do ask that you give serious consideration to the following amendments to SB 454:

- 1. Delete New Section 2 (a) and increase the petition percentages in New Section 2 (b) to 20% of qualified electors in both the city and the county. This change would allow consolidation efforts to proceed only on the initiation of the voters in each of the jurisdictions affected. If the notion that we must remove barriers to consolidation is true then this requirement will ensure that significant numbers of residents in each jurisdiction are willing to consider consolidation prior to the appointment of a study commission.
- 2. Require that at least  $\frac{1}{2}$  of the membership of a consolidation study commission be residents of the unincorporated area of the county in New Section 2 (c). This amendment will further insure that rural residents are afforded adequate input into the development of the consolidated government.
- 3. Amend New Section 5 to include a provision prohibiting the consolidation commission or a consolidated government from transferring debt from the taxpayers of one jurisdiction to all of the taxpayers in a consolidated government thereby protecting residents who were not represented when spending and bonding decisions were made prior to consolidation.
- 4. Strongly consider re-inserting the stricken language in Section 11 (a) which provides support of the formation of inter-local agreements. Perhaps the section

could be amended to facilitate support for both consolidation and the use of inter-local agreements.

Thank you for your willingness to consider additional protections for rural residents should you choose to move forward with this legislation. KFB stands ready to seek solutions that promote fairness in the process and allow progress to be made where residents from all impacted jurisdictions can agree on a course of action.

Thank you.

Kansas Farm Bureau represents grass roots agriculture. Established in 1919, this non-profit advocacy organization supports farm families who earn their living in a changing industry.

# City-County Consolidation and Diseconomies of Scale Summary of Selected Literature By Chris Pineda, Government Innovators Network

### Overview: Can City-County Consolidations Cause Diseconomies of Scale

When local officials consider how best to maximize efficiency in local government, one oftendiscussed proposal is the consolidation of city and county services. In theory, consolidation should produce economies of scale which allows cost savings to be achieved – average costs are reduced when spread out over a wider set of users. The reality is that this may not always occur—but why? Why do city-county consolidations not always produce cost savings and, in some case, actually lead to higher costs? To help local and state officials grappling with this issue, we have summarized recent literature on the causes of diseconomies of scale in citycounty consolidations and listed useful online resources.

# What Causes Diseconomies of Scale in a City-County Consolidation?

- Labor intensive services. Consolidated city services that are labor intensive and require replication from one neighborhood to the next cannot always achieve economies of scale and may in fact result in diseconomies of scale. Labor intensive services can include: police, general fire protection, public works, and parks and recreation services. 1, 2
- Bureaucracy growth. According to some economists, diseconomies of scale in consolidated local governments occur because bureaucrats and politicians become removed from day-to-day contact with residents. When these officials are "out-of-touch" with citizen concerns, there may be no incentive to cut costs, or to stop increased spending.<sup>3</sup>
- Merging personnel-related costs. In city-county consolidations, personnel-related costs may actually rise as two pre-existing personnel systems and benefits packages merge. One explanation is that the wages and benefits of employees are equalized to the highest level of comparable employees. Similarly, existing employees may have job security as part of the merge agreement.<sup>4</sup>
- Merging service quality costs. When pre-existing delivery systems are merged in a city-county consolidation, an "averaging up" effect may occur with service levels and standards for equipment and facilities. These increased service quality costs then become ongoing expenditures.<sup>1</sup>
- One-time transition costs. Consolidating city services may require one-time operating and capital expenses that can quickly add up. One-time transition costs can include: merging and upgrading computer systems and consulting fees to resolve conflicting rules and regulations.<sup>4</sup>

### **Relevant Quotes**

"[M]any of the case studies on consolidations in both the U.S. and Canada over the last 20 years have failed to find significant economies of scale for most municipal services. The findings from

these and other studies have shown that costs for many services actually go up following large municipal consolidations" (p. 3) 1

"There is general agreement that consolidation has not reduced costs (as predicted by some reform advocates) and in fact, may have even increased total local expenditures...Gustely found that expenditures rose after the Dade county consolidation. Benton and Gamble came to the same conclusions in their study of Jacksonville. Erie and colleagues reviewed a range of consolidation efforts and concluded that "the net effect of restructuring is a per capita increase in service costs," which they attribute to an increase in average service levels." (p. 106)<sup>5</sup>

"In recent years, economists have endorsed the fragmented, decentralized model. They have concluded that competition between numerous adjoining jurisdictions keeps total expenditures down in metropolitan areas. The multiplicity of local governments allows for contracting among jurisdictions for services when local elected officials determine buying from a neighbor is less costly than producing the service in-house. The end result is a "local public economy" — a quiltwork of service deliveries determined by decentralized elected officials who are responsive to their voters."

"A review of 25 research studies conducted over the past two decades on "fragmentation" versus centralization in U.S. local governments suggests "local government systems which are fragmented and de-concentrated are generally associated with lower spending and greater efficiency." The power of bureaucracies grows the larger the centralized government becomes. This is evident in the difficulty locally elected officials have in privatizing municipal services in large cities. They are hemmed in by empire-building bureaucracies and government employee unions, which are stronger in the larger... municipalities."

## Selected Bibliography of Online Resources

"A Primer on Unification," Gainesville.com, 12 October 2003.

Robert L. Bish, "Local Government Amalgamations: Discredited Nineteenth-Century Ideals Alive in the Twenty-First," C.D. Howe Institute, No. 150, March 2001.

Stephen Goldsmith, "Smaller Government Prescriptions for Big City Problems," The Fraser Institute, September 1998.

Bruce Katz, "Pittsburgh: The Road to Reform," Pittsburgh Post-Gazette, 18 January 2004.

Pat Hardy, "<u>The Consolidation of City and County Governments: A Look At the History and Outcome-Based Research of These Efforts</u>," Metropolitan Technical Advisory Service, The University of Tennessee, 2005.

"In Athens, Ga., the drive for 'one community' came in a revolutionary fashion," Gainsville.com, 12 October 2003.

Vicky Murray, "Competition or Consolidation? The School District Consolidation Debate Revisited," Goldwater Institute Policy Report 189, 12 January 2004.

Brendan O'Shaughnessy, "Louisville offers lesson in mergers," The Indianapolis Star, 14 August 2005.

### **Endnotes**

<sup>&</sup>lt;sup>1</sup> "<u>Is Municipal Consolidation the Answer? Is Bigger Always Better?</u>," Municipal Research and Services Center of Washington, Summer 2003, pp. 1-5.

<sup>&</sup>lt;sup>2</sup> "<u>Cooperation Not Consolidation: The Answer For Milwaukee Governance</u>," Wisconsin Policy Research Institute Report, Vol. 15, No. 8, November 2002.

<sup>&</sup>lt;sup>3</sup> Sam Staley, "<u>Bigger Is Not Better: The Virtues of Decentralized Local Government</u>," Cato Policy Analysis 166, 21 January 1992.

<sup>&</sup>lt;sup>4</sup> "<u>Does City-County Consolidation Save Money?</u>" Carl Vinson Institute of Government, University of Georgia, Public Policy Research Series Vol. 1, No. 2, March 2000.

<sup>&</sup>lt;sup>5</sup> Altshuler, Morrill, Wolman, and Mitchell, eds, "Governance and Opportunity in Metropolitan America," *The Committee on Improving the Future of U.S. Cities, Governance, and Opportunity in Metropolitan America*, National Academy Press: Washington, D.C, 1999.

<sup>&</sup>lt;sup>6</sup> Eva C. Galambos, "Sandy Springs: A Case Study on Centralization of Local Government," Georgia Public Policy Foundation, 3 November 1999.

# Federal State Affairs Senate Bill 454

Thank you chair for allowing me to testify on this bill 454. To begin with I'd like to point out two items in the bill that needs to be removed.

# Home rule power

On page 7 line 9 of rule power was added to the State Constitution. "Powers and authority granted to the cities pursuant to this section shall be liberally construed for the purpose of giving the largest measure of self government" This amendment in the Kansas State Constitution is not consistent with the U.S. Constitution. "New states may be admitted by the congress into the union; but no new states shall be formed or erected within the jurisdiction of any other state" Article 4 Section 3.

State Within a State

The U.S. Constitution has not been amended to allow giving the cities the power to bypass statutes that do not blanket the states, this power is for state law makers.

The Elimination of the Elected office holders-Statute 12-3903.b

The preamble to the U.S. Constitution says article 15 section 1 "The right of the citizens to vote shall not be denied" The appointees are not voted on by the people, rather removing government further from the people- the elected representation is a fundamental right. Quoting Webster's Dictionary, "The oath of office is a legal, moral obligation" It is a duty to uphold the U.S. Constitution.

The U.S. Supreme Court has ruled, "Where rights secured by the Constitution are involved, there can be no rule making or legislation which abrogate them...(Miranda vs. Arizona), and law repugnant to the Constitution is void...(Maybury vs. Madison)". Because there are Constitutional issues, it should be enough reason for Bill 454 to NOT be passed.

Thank you for your time. Greg Dye, Concerned Citizen

Greg Dye

Sen Fed & State

1/29/00 Kho Senate 454 TO: Senate Tederal and State affairs Committee me chairman and members of the Committee Thank you for the apportunity to hear concerns about Consolidation of unincorporated area of a county. I submit to you for consideration 1. Page one (1) lines 37 and 41 amended from 10% and 25%. 2. Page two (2) line 4 amended from 13 to 1/2 3. Page four (4) line 12 If a majority of the incorporated and a majority of the voters in the unincorporated vote in favor, the reorganization plan shall be implemented. 4. Page (4) line 20 If a majority of electors of the unincorporated vate against Such plan, the proposed Consolidation plan shall not be implemented o Many of us in rural areas of our County believe Townships serve us with efficient services o Maroin E, Smith - Tapeka Kansas

W. Paul Degener 518 NW 56th St. Topeka, KS 66617 785-246-0215 w.degener@sbcglobal.net

January 24, 2008

**SUBJECT:** SB-454; Municipalities; consolidation and reorganization; political and taxing Subdivision.

Mr. Chairman, members of the committee, I want to thank you for allowing me to appear before this body.

My name is Paul Degener, I am a resident of rural Shawnee County, I am an independent lobbyist for the Citizens for Immigration Reform, and I appear here in opposition to this legislation.

New Section 2. (a). Makes provisions for a city within a county the option of not adopting a consolidation resolution. I did not see a provision for the residents of the unincorporated portion of the county to tell the county commissioners that we did not want to participate in a consolidation resolution. Apparently the citizens of the unincorporated portion of the county are a non-entity.

- (b) Provides that a petition signed by not less than 10% of city electors would be sufficient to force the city governing body to adopt a joint consolidation resolution. In the case of Shawnee County, 12,000 electors from Topeka could force 70,000 residents of unincorporated Shawnee County to participate in a joint consolidation resolution. Our founding fathers never did envision inequities such as this. Our founding fathers gave us a republic that protects less populated areas. Not a democracy (mobocracy), where the majority rules, such as we see here.
- (c) This sub-paragraph provides that at least 1/3 of the membership of the study commission be residents of the unincorporated portion of the county. This is just another measure to insure this is controlled by urbanites. Why not at least 1/2 of the membership? Oh, I seemed to have forgotten, the majority gets the prize.
- **New Section 4.** (d) Provides for the abolishment of other political and taxing subdivisions within the county. I interpret this to mean that our townships can be abolished. If this is even hinted, no doubt it will happen.
- (f) When voting, this bill provides only that a majority of the electors of the county vote for or against the consolidation plan.

There are no provisions for a dual majority vote. Again, this plan places the citizens of the unincorporated portion of county at the mercy of the urban citizens as they have the majority

of the population. No consideration for the citizens in the outlaying county. Democracy at it's best. The majority shall rule.

City dwellers continually complain that they pay 70% of the county taxes and receive nothing in return.

- (1) In the case of Shawnee County, the city of Topeka has 70% of the county population, it does seem logical that they would pay 70% of the county tax.
- (2) City dwellers complain they pay for a sheriff's department, but they never respond to calls from city residents. They have a city police department, and I would suspect that the city police would prefer to take care of their own business. I do know for a fact that the sheriff will respond if requested by the city law enforcement.
- (3) The county provides for a **county** health service. The only health facilities are located within the city limits. I would guess that it is mostly city residents who use these facilities.
- (4) The county provides Shawnee Lake and other recreational facilities which are open to every citizen of the county.

New Section 5. (a) (4) "Authorizes the elimination of offices". This could be interpreted to the elimination of elected officials, as in previous bills. How can this continue to be a representative republic if the citizens are no longer afforded the opportunity to elect their government officials?

New Section 7. Allows the county commissioners to levy a 1 mill tax increase on all tangible property to finance the operations of the study commission. This is supposed to save money, yet we are taxing the citizens to finance the study commission. I guess this is a sign of things to come.

In summary I would like to say, that this legislation will benefit only the elitist power grabbers in the state of Kansas. This legislation provides that 1/3 of the study commission will be citizens of the unincorporated portion of the county. This is the only consideration given to citizens outside of the city limits. Those outside the city limits are treated as serfs to obey the commands of their masters, those chosen few in high places. What a travesty.

The last item I am to present to you is not intended to accuse anyone of anything, but rather to inform. I am sure there are many around the state who have not even read the Constitution of the United States, let alone the document I am about to reference. So please take it as intended and not as an accusation.

There is a quote I want to leave with you. "Nevertheless, in most advanced countries, the following will be pretty generally applicable."...

9. "... gradual abolition of all the distinction between town and country by a more equable distribution of the populace over the country.

I believe this to be an excellent definition of city/county consolidation. This quote is taken from the 9th plank of the Communist Manifesto. At enclosure 1, you will find a complete list of the 10 planks to the Communist Manifesto. Take a moment and read each plank. You will find that over the years our federal government has implemented at least 5 planks into our system of government.

Please do not let the state of Kansas be responsible for implementing a sixth plank to the list.

I thank you for your time.

Enclosure

as

Nevertheless, in most advanced countries, the following will be pretty generally applicable.

- 1. Abolition of property in land and application of all rents of land to public purposes.
- 2. A heavy progressive or graduated income tax.
- 3. Abolition of all rights of inheritance.
- 4. Confiscation of the property of all emigrants and rebels.
- 5. Centralization of credit in the banks of the state, by means of a national bank with state capital and an exclusive monopoly.
- 6. Centralization of the means of communication and transport in he hands of the state.
- 7. Extension of factories and instruments of production owned by the state; the bringing into cultivation of waste lands, and the improvement of the soil generally in accordance with a common plan.
- 8. Equal obligation of all to work. Establishment of industrial armies, especially for agriculture.
- 9. Combination of agriculture with manufacturing industries; gradual abolition of all the distinction between town and country by a more equable distribution of the populace over the country.
- 10. Free education for all children in public schools. Abolition of children's factory labor in its present form. Combination of education with industrial production, etc.

Enclosure 1

# Kansas County Officials Association

1200 SW 10th Avenue Topeka, Kansas 66604 Phone: (785) 234-5859 Fax: (785) 234-2433

Web: www.kscountyofficials.org

To: Senate Committee on Federal and State Affairs From: The Kansas County Officials Association

Re: Senate Bill 454 Date: January 29, 2008

Chairman Brungardt and Committee Members.

We thank you for the opportunity to present our thoughts on Senate Bill 454. This testimony is submitted on behalf of the Kansas County Officials Association.

Our membership of Kansas Treasurers, Kansas Clerks and Elections Officers and Kansas Registers of Deeds do not oppose the theory of consolidation and recognize the fact that this is a local issue and should be decided by citizens at a local level. We do support the fact that citizens should have all options of consolidation made available to them with accurate facts given to them to make an informed decision.

We believe that the citizens of a county should have the right to vote to eliminate their elected officials. The decision to eliminate elected officials should not be left to an appointed consolidation committee. We believe strongly and support language that would require a separate vote to eliminate elected officials that includes a separate ballot question for each elective office.

Our Association would ask that the committee look closely at how the publication dates, hearing dates and related areas are addressed. It is important that the public has sufficient time and notice to respond to any public hearings that are being held. We also feel strongly that the notifications should be published in the paper of *largest* circulation in the county not just general circulation. General circulation publications are often times obscure legal publications or small town papers in the county used by government to hold down costs. An issue of this magnitude is too important to not make every effort to reach the maximum amount of voters. Citizens in the county have the right to a greater exposure to facts and the ability to ask questions concerning consolidation.

Our Association also supports the position of a higher percentage vote or some form of a dual majority. We believe that a simple majority vote is inappropriate for the consolidation of government that effects both rural and urban citizens.

In conclusion, the KCOA believes that to make consolidation successful you must listen to voters concerns and give them a voice in the process. We recognize that some of

Kansas County Clerks and Election Officials Association Kansas County Treasurer's Association Kansas Register of Deeds Association

Sen Fed & State

Attachment 11

our overarching concerns are addressed in Senate Bill 454, but wish to reserve judgment based on our guiding principles if this matter makes its way through the process. The right to eliminate local elected officials should rest with voters of the county. We ask you to support any amendment to Senate Bill 454 consistent with this testimony. Thank you for taking our concerns into consideration.