

SENATE BILL No. 185

By Committee on Commerce

2-10

1 AN ACT concerning economic development; relating to redevelopment
2 districts encompassing federal enclaves; authorization of franchises for
3 the provision of utilities.

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

6 Section 1. (a) The board of county commissioners of any county that
7 has established a redevelopment district that includes property located
8 within a federal enclave in the county pursuant to K.S.A. 19-4901 et seq.,
9 and amendments thereto, hereafter referred to as the redevelopment
10 district, may, by resolution, authorize any person, firm or corporation to
11 install, maintain and operate utilities serving the redevelopment district,
12 including, but not limited to, the following:

13 (1) The construction, operation and maintenance of water lines and
14 water treatment facilities;

15 (2) the construction, operation and maintenance of sewer and
16 wastewater lines and treatment facilities;

17 (3) the construction, operation and maintenance of electrical lines and
18 distribution facilities;

19 (4) the construction, operation and maintenance of gas lines and
20 storage and transmission facilities;

21 (5) the construction, operation and maintenance of
22 telecommunications services;

23 (6) the construction, operation and maintenance of rail lines, sidings
24 and rail switching services; and

25 (7) use of roads within the confines of the redevelopment district, so
26 long as such use is not prohibited by law.

27 (b) If the board of county commissioners of the county has, by
28 resolution, established a redevelopment authority as a body corporate and
29 politic to oversee economic development in the redevelopment district, the
30 board of county commissioners may, by resolution, delegate the powers
31 granted in subsection (a) to the board of directors of such redevelopment
32 authority.

33 (c) If the board of county commissioners of the county or the board of
34 directors of the redevelopment authority authorizes any activity specified
35 in subsection (a), the grant of authority to engage in any such activity shall
36 be subject to the following:

1 (1) All contracts granting or giving any such original franchise, right
2 or privilege, or extending or renewing or amending any existing grant,
3 franchise, right or privilege to engage in such an activity shall be made by
4 a resolution duly adopted by the board of county commissioners of the
5 county, or by a resolution duly adopted by the board of directors of the
6 development authority and approved by a resolution duly adopted by the
7 board of county commissioners;

8 (2) no contract, grant, franchise, right or privilege to engage in such
9 an activity shall be extended for any longer period of time than 20 years
10 from the date of such grant or extension;

11 (3) no person, firm or corporation shall be granted any exclusive
12 franchise, right or privilege whatsoever;

13 (4) no such grant, franchise, right or privilege shall be made to any
14 person, firm, corporation or association, unless it provides for adequate
15 compensation or consideration therefor to be paid to the county or to the
16 redevelopment authority, as the case may be, and, regardless of whether or
17 not other or additional compensation is provided for, such grantee shall
18 pay such fixed charge as may be prescribed in the franchise agreement;

19 (5) no such grant, franchise, right or privilege shall be effective until
20 the resolution of the board of county commissioners approving the same
21 has been adopted as provided by law with all expenses of publishing any
22 resolution adopted pursuant to this section being paid by the proposed
23 grantee; and

24 (6) all contracts, grants, franchises, rights or privileges for the use of
25 the roads of the redevelopment district, not herein mentioned, shall be
26 governed by all the provisions of this act.

27 (d) No franchise fee shall exceed 6% of the utility customer's gross
28 charges for the utility service.

29 (e) Any franchise fees collected from any utility with respect to the
30 provision of utilities within the redevelopment district shall be paid to the
31 county treasurer. The county treasurer shall deposit franchise fees and
32 other revenues received pursuant to subsection (a) to the credit of the
33 redevelopment authority for use by the redevelopment authority as
34 provided in this section. Any such franchise fees shall be specifically
35 restricted for the payment of direct and indirect costs of installation,
36 maintenance and operation of utilities serving the redevelopment district,
37 including, but not limited to, the construction, operation and maintenance
38 of water lines and treatment facilities, sewer and wastewater lines and
39 treatment facilities, electrical lines and distribution facilities, gas lines and
40 storage and transmission facilities, roads and bridges, railway
41 improvements, the demolition of existing obsolete or otherwise unusable
42 structures, the disposal of construction and demolition waste on-site and
43 otherwise, the construction of capital improvements within the

1 redevelopment district; the costs of developing, improving, managing and
2 marketing properties within the redevelopment district; and the payment of
3 bonds issued with respect to any of the foregoing.

4 (f) This section shall be a part of and supplemental to the provisions
5 of article 1 of chapter 19 of the Kansas Statutes Annotated, and
6 amendments thereto.

7 Sec. 2. This act shall take effect and be in force from and after its
8 publication in the Kansas register.