SESSION OF 2012

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2084

As Amended by House Committee on Local Government

Brief*

HB 2084, as amended, would establish a permissive process, applicable statewide, for a county to consolidate with one or more of the cities within its boundaries. Details of the bill follow.

Study Commission; Establishment, Makeup and Duties (Sections 2 and 3) — The bill would allow for a consolidation study or require it under certain circumstances, as follows:

- Authorize or require the board of county commissioners and the governing body of any city or cities within the county's boundaries to adopt a joint resolution establishing a consolidation study commission. The board of county commissioners must do so if the county election office is presented with a petition signed by at least 10 percent of the county's qualified voters. Likewise, the city's governing body must do so if the county clerk receives a petition containing signatures of at least 10 percent of the city's qualified voters.
- Require that any such resolution provide for the appointment method and number of commission members. At least one-third of the members must be residents of the incorporated county.
- Establish a process for appointing commission officers and adopting rules governing its meetings,

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^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

by way of an organizational meeting which must occur withing 30 days following appointment of the members. All commission meetings must be subject to the Kansas Open Meetings Act.

- Authorize the commission members to be reimbursed for actual and necessary expenses, and to appoint an executive director who may receive compensation, employ other staff, and contract with consultants.
- Require the commission to adopt a budget and submit it for approval to the board of county commissioners. The board of county commissioners must fund the budget as it deems necessary.

Consolidation Plan: Preliminary and Final Plan,
Contents and Required Election (Section 4 unless otherwise
noted) — The bill would provide a process for developing,
refining and vetting the plan, set content requirements, and
mandate an election requiring a dual majority vote, as follows:

- Require the study commission to prepare and adopt a plan for consolidation of the city or cities and the county, as well as other political or taxing subdivisions, or consolidation of any offices, functions, services and operations of any of the aforementioned entities. In doing so the study commission must conduct needed studies and investigations, with examples given in the bill. The study commission or its executive director may administer oaths and affirmations, subpoena witnesses, and perform other, listed duties to gather its information.
- Require the study commission to hold public hearings to receive information and materials which will aid in drafting the plan.

- Require a process whereby the <u>preliminary plan</u> is vetted. The preliminary plan must be filed with the county election officer, city clerk of each city to be reorganized, and each public library within the county; and be made available to the public upon request. The study commission must hold at least two public hearings to obtain citizen input, with public notice requirements for the hearings and at least seven days between the two hearings.
- Authorize the study commission to adopt, modified or unmodified, the preliminary plan as the <u>final plan</u> after the hearings are held.
- Require the final plan contain the full text and an explanation of the proposed plan; comments deemed desirable by the study commission; a written opinion by a Kansas licensed attorney, retained by the executive director, that the proposed plan is not in conflict with Kansas laws or its constitution; and any minority reports. Copies of the final plan must be filed with the county election officer, city clerk of each city to be reorganized, and each public library within the county, and be made available to the public upon request.
- Require the final plan be submitted to the voters at the next countywide election that is held at least 45 days after the final plan is adopted by the study commission. The election must be held by the county election officer in the manner provided by the general bond law. (Note: General bond law is contained in KSA 10-120 et seq.) The bill would specify the ballot language, consisting of two questions. If a final plan is submitted that does not recommend a consolidation of entities or of offices, functions, services and operations, an election would not be held.

- Require, in order for the consolidation plan to pass, that both a majority of those voting who are qualified and reside within the city limits and a majority of the qualified voters who reside outside the city limits vote in favor of the plan. If a majority of either of the groups votes against the plan, the plan will not be implemented.
- Require the study commission remain in existence for at least 90 days following the election.
- Set the contents of the plan (Section 5). Among a number of other requirements, the plan must include provisions addressing the situation if, in the case of multi-city consolidation within a county, the plan is approved by the voters of one city but not all cities contained in the plan.

Requirements Applicable to an Approved Plan for City-County Consolidation (Section 6) — The bill would specify a number of requirements regarding any approved plan that provides for city-county consolidation. Some of these are described below:

- The consolidated city-county must be subject to the cash-basis and budget laws of Kansas.
- With certain prescribed exceptions, the bond debt limit of a consolidated city-county may not exceed 30 percent of the assessed value of all tangible taxable property within the county on the preceding August 25.
- Any bond debt and related interest incurred by a city or cities or the county prior to consolidation or refunded after consolidation must remain an obligation of the property subject to taxation prior to the consolidation.

- Any retailers' sales tax levied prior to consolidation by the city or cities or county must remain in force, except the part attributable to a city or cities must not apply to sales in the cities which are not consolidated with the county.
- Areas are established, for the purposes of exercising the powers, duties and functions of a county and a city, and for the purposes of voting. The consolidated city-county must be both a county and a city of the class as determined by the study commission in the plan. The governing body of the consolidated city-county may create special service districts and levy taxes for these purposes.

Changes to Existing Law Regarding the Consolidation of Like Political Subdivisions (Sections 7-12) — The bill would make a number of clarifying and conforming changes.

Background

Under current law, a specific law must be passed in order for a city and county to consolidate. Three specific laws have been passed — for Wyandotte County/Kansas City, Kansas, Greeley County/Tribune, and Shawnee County/Topeka; however, only the first two in that list resulted in successful consolidation efforts. For the past several years, efforts have been made to adopt a general set of statutes that would authorize city-county consolidations anywhere in the state. HB 2084 is the most recent such effort.

The bill received a hearing in 2011 in the House Committee on Local Government. Proponents included representatives of the Kansas County Officials Association and the Kansas Association of Counties (with some concern about the dual majority vote provision and a suggestion for a technical amendment), and a Topeka citizen. Opponents included a representative of the League of Kansas Municipalities (LKM) and several Kansas citizens. The LKM

representative indicated the League was opposed to the dual majority vote mandate in the bill.

The House Committee on Local Government amended the bill to require the election be held at the next countywide, instead of general, election, and to make a technical correction.

The fiscal note on the original bill indicated consolidations resulting from the bill's passage could result in a more efficient local government, depending on the size and population of the area involved. Passage of this bill would have no effect on the state budget.