

To: House Energy, Utilities and Telecommunications Committee

From: Erik Sartorius, Executive Director

Date: February 19, 2018

RE: Testimony in Support of Substitute for Senate Bill 323

The League of Kansas Municipalities appreciates the opportunity to appear before the committee and offer testimony in support of Substitute for Senate Bill 323. The legislation significantly changes many statutes governing the relationship between cities and electric cooperatives adjacent to them.

We believe some changes sought in both the original SB 323 and the substitute make sense, such as providing additional notice for an annexation. Additionally, requiring a city to produce a record of their deliberations and findings when considering an annexation that could affect service territory is reasonable, as well.

We did not find it is reasonable to have the Kansas Corporation Commission be the arbiter of service territory disputes, as the original SB 323 would have done. The League strongly defends the right of self-governance at the local level. Moreover, we felt this would have put cities' economic development efforts at risk. As many rural communities struggle to retain and attract businesses, we feel every chance to bring new jobs is important—no economic development opportunity can be risked.

After hearings in the Senate, all parties met to seek reasonable resolutions to the many policy issues. Several issues were resolved, and not always to both parties' liking. As the adage goes, a compromise where neither side is particularly happy is sometimes the best deal possible.

With that in mind, the League asks that you pass Substitute for Senate Bill 323 without further amendments.