

MINUTES OF THE HOUSE LOCAL GOVERNMENT COMMITTEE

The meeting was called to order by Vice Chairman Mitch Holmes at 3:30 p.m. on March 11, 2010, in Room 144-S of the Capitol.

All members were present except:

Representative Sharon Schwartz, Excused
Representative Mario Goico, Excused
Representative Michael Peterson, Absent
Representative Mike Slattery, Excused

Committee staff present:

Mike Heim, Office of the Revisor of Statutes
Kristen Kellems, Office of the Revisor of Statutes
Martha Dorsey, Kansas Legislative Research Department
Jill Shelley, Kansas Legislative Research Department
Carol Bertram, Committee Assistant

Conferees appearing before the Committee:

Representative Lance Kinzer, 14th District
Sandy Jacquot, General Counsel, League of Kansas Municipalities
Marvin Nisly, Nisly Brothers, Inc.
Larry W. Smith, President, L. & K. Services, Inc.
Gary Black, District Manager, Waste Management, Wichita

Others attending:

See attached list

Vice Chairman Holmes opened the hearing on **HB 2675 - City annexation; fire district territory; double taxation; refund of taxes.**

Representative Lance Kinzer, 14th District, appeared before the Committee as a proponent to **HB 2675 (Attachment #1)**. He said this bill addresses an issue of simple fairness. It provides a property tax refund to a landowner for any year that the property remained in a fire district after the property had been annexed by a city that provides fire service.

Representative Kinzer went on to refer to the written-only testimony of Arlyn Briggs (**Attachment #2**) who supports **HB 2675**. Mr. Briggs states the gist of the problem is when two entities tax residents for the same service and only one entity provides the service. To avoid this problem, Mr. Briggs encourages the Committee to pass **HB 2675**. Questions and answers followed.

Sandy Jacquot, Director of Law/General Counsel, appeared before the Committee in opposition to **HB 2675 (Attachment #3)**. She stated that the League of Kansas Municipalities believes this is a situation that will differ from location to location and simply having one mandated solution does not really address the issue. Therefore, the League encourages this Committee to let the solution be worked out at the local level and to not limit the ability of cities and their citizens to do so. She stated the real issue may be how to compel detachment. Questions and answers followed.

Vice Chairman Holmes closed the hearing on **HB 2675**.

Vice Chairman Holmes opened the hearing on **HB 2701**.

Mike Heim, Office of the Revisor of Statutes, explained **HB 2701**, stating this bill creates the Organized Solid Waste Collection Service Act which would determine how municipalities could establish solid waste collection services. Also, municipalities would be required to pay the fair market value of any private solid waste collection services displaced by the municipalities or cities establishing their own services. Questions and answers followed.

J. Marvin Nisley, President of Nisly Brothers, Inc., appeared before the Committee as a proponent for **HB**

CONTINUATION SHEET

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2701 (Attachment #4). He urged the Committee to pass this bill as it helps municipalities think carefully about the perceived advantages and disadvantages of organized solid waste collection and how such a change affects all involved parties. He said the process in the bill allows affected parties to plan for changes. Questions and answers followed.

Larry W. Smith, President, L. & K. Services, Inc., appeared before the Committee as a proponent for **HB 2701 (Attachment #5)**. He presented testimony giving the expenditures individual haulers experience in their business: the cost of the equipment, the hiring of additional employees, the costs of using landfills, the price of fuel, and additional costs for miscellaneous expenditures. Questions and answers followed.

Gary Black, District Manager for Waste Management for the City of Wichita, appeared as a proponent for **HB 2701 (Attachment #6)**. He stated this bill sets up a process that requires public input and input from waste hauling businesses that are affected by a city's decision to franchise, and that this process would allow waste hauling businesses to operate in a free and open market. Questions and answers followed.

David Lies, Lies Trucking Service in Wichita, appeared before the Committee as a proponent for **HB 2701**. There was no written testimony provided; he indicated he would submit written testimony at a later date. He requested protection from cities putting waste collection companies out of business.

Sandy Jacquot, Director of Law/General Counsel, League of Kansas Municipalities, presented testimony in opposition to **HB 2701 (Attachment #7)**. She stated that the most onerous provision in the bill is to require cities to use eminent domain proceedings and pay the solid waste companies that are displaced by implementing an organized solid waste collection service, the fair market value of the business taken. Because of the enormous cost, this would end municipalities' ability to regulate solid waste collection services for the benefit of the public health, safety and welfare of their citizens. Questions and answers followed.

Vice Chairman Holmes recognized Marvin Nisley who addressed the issue of franchising. He informed the Committee of how franchising fees are used in the city of Hutchinson as a tool for fairness.

Vice Chairman Holmes referred the Committee to three written-only testimonies which were in opposition to **HB 2701** and had been distributed earlier from (1) Kathleen B. Sexton, City Manager, City of Derby (Attachment #8); (2) Dale Goter, Government Relations Manager, City of Wichita (Attachment #9); and (3) Melissa A. Wangemann, Kansas Association of Counties (Attachment #10).

There being no one else to testify Vice Chairman Holmes closed the hearing on **HB 2701**.

The next meeting of the House Local Government Committee is scheduled for March 16, 2010.

The meeting was adjourned at 4:40 p.m.

Representative Mitch Holmes, Vice Chairman