House Substitute for SENATE BILL No. 341

By Committee on Local Government

3-16

AN ACT concerning governmental organization; relating to consolidation; amending K.S.A. 12-3901, 12-3902, 12-3903, 12-3904, 12-3909 and 19-205 and repealing the existing sections.

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

New Section 1. As used in sections 1 through 6, and amendments thereto:

- (a) "Board" means the board of county commissioners.
- (b) "City" means any city.
- (c) "Commission" means a consolidation study commission selected pursuant to section 2, and amendments thereto.
 - (d) "County" means any county.
- (e) "Political and taxing subdivision" means those subdivisions listed in K.S.A. 12-3902, and amendments thereto, which are located entirely within a county.
- New Sec. 2. (a) The board of county commissioners of a county and the governing body of any city or cities located within such county may adopt a joint resolution providing for the establishment of a consolidation study commission to prepare a plan for the consolidation of the county and such city or cities located in such county, or the consolidation of offices, functions, services and operations. If the governing body of a city within the county does not adopt such joint resolution, such city shall not be included within nor subject to the provisions of any consolidation plan in regard to the status of such city as a separate entity from the county.
- (b) As an alternative to subsection (a), the board of county commissioners of a county and the governing body of any city or cities located therein shall adopt a joint resolution providing for the establishment of a consolidation study commission to prepare a plan as provided in subsection (a) whenever the county election officer is presented with a petition signed by not less than 10% of the qualified electors of the county requesting a consolidation study commission be appointed. The governing body of any city shall be required to adopt the joint resolution whenever the petition presented to the county clerk contains signatures of not less than 10% of the qualified electors of the city. The petition shall contain the method to be used for the appointment and the number of members of the consolidation study commission.

- (c) Any resolution adopted pursuant to subsections (a) or (b) shall provide for the establishment of a consolidation study commission and shall provide for the method of appointment and the number of members of the commission. At least ½ of the membership of a consolidation study commission shall be residents of the unincorporated area of the county.
- New Sec. 3. (a) Within 30 days following appointment of members of the consolidation study commission, the chairperson of the board of county commissioners, acting as the temporary chairperson of the commission, shall call and hold an organizational meeting of the commission. The commission shall elect a chairperson, vice-chairperson and other officers deemed necessary. The commission may adopt rules governing the conduct of its meetings.
- (b) The commission shall be subject to the Kansas open meetings act and the Kansas open records act.
- (c) Members of the commission may be reimbursed for the actual and necessary expenses incurred in the performance of their official duties.
- (d) The commission may appoint an executive director of the commission. The executive director may receive compensation established by the commission. The executive director may employ other staff and may contract with consultants, as the executive director deems necessary to carry out the functions of the commission. Staff employed by the executive director may receive compensation established by the executive director and approved by the commission.
- (e) The commission shall prepare and adopt a budget for the operation and functions of the commission and commission activities. The commission shall submit such budget for approval to the board. If approved by the board, the board shall appropriate moneys as may be deemed necessary for such budget.
- New Sec. 4. (a) The commission shall prepare and adopt a plan addressing the consolidation of the city or cities and the county and other political or taxing subdivisions or consolidation of certain city, county and other political and taxing subdivision offices, functions, services and operations. The commission shall conduct such studies and investigations as it deems appropriate to complete its work. Such studies and investigations shall include, but not be limited to:
- (1) Studies of the efficiency and effectiveness of the administrative operations of the city or cities and the county and other political and taxing subdivisions.
- (2) Studies of the costs and benefits of consolidating the city or cities and the county and other political and taxing subdivisions or consolidating certain city or cities and county and other political and taxing subdivision offices, functions, services and operations.
 - (b) The commission shall hold public hearings for the purpose of

receiving information and materials which will aid in the drafting of the plan.

- (c) For the purposes of performing its studies and investigations, the commission or its executive director may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, agreements or other documents or records which the commission or executive director deems relevant or material to its studies and investigation.
- (d) The commission shall prepare and adopt a preliminary plan addressing the consolidation of the city or cities and the county and other political and taxing subdivisions or the consolidation of certain city and county and other political and taxing subdivision offices, functions, services and operations it deems advisable.

The preliminary plan, if it recommends the consolidation of the county with one or more cities, shall address the issue of the abolishment of other political and taxing subdivisions located entirely within the county and the transfer of the functions of the above political subdivisions to the reorganized city-county.

Copies of the preliminary plan shall be filed with the county election officer, city clerk of each city to be reorganized and each public library within the county and shall be available to members of the public for inspection upon request. The commission shall hold at least two public hearings to obtain citizen views concerning the preliminary plan. At least seven days shall elapse between the holding of the hearings. Notice of the hearings shall be published at least once in a newspaper of general circulation within the county. Following the public hearings on the preliminary plan, the commission may adopt, or modify and adopt, the preliminary plan as the final plan.

(e) The final plan shall include the full text and an explanation of the proposed plan, comments deemed desirable by the commission, a written opinion by an attorney admitted to practice law in the state of Kansas for such purpose that the proposed plan is not in conflict with the constitution or the laws of the state and any minority reports.

Copies of the final plan shall be filed with the county election officer, city clerk of each city to be reorganized and each public library within the county and shall be available to members of the public for inspection upon request. The commission shall continue in existence at least 90 days following the submission of the final plan for approval at an election as provided by subsection (f).

(f) The final plan shall be submitted to the qualified electors of the county at the next countywide election held at least 45 days following the adoption of the final plan by the commission. Such election shall be called

and held by the county election officer in the manner provided by the general bond law. A summary of the final plan shall be prepared by the commission and shall be published at least once each week for two consecutive weeks in a newspaper of general circulation within the county.

If the final plan calls for the consolidation of the county with one or more cities and the consolidation of other political and taxing subdivisions and the final plan calls for a countywide election, the ballot shall contain two questions worded substantially as follows:

- (1) Shall the county of ______ be consolidated with the city or cities of ?
- (2) If the consolidation is approved, shall the following political and taxing subdivisions located entirely within the county be abolished and the functions of these subdivisions transferred to the consolidated city-county:

If a majority of the qualified electors voting on the plan who reside within the corporate limits of the city and a majority of the qualified electors voting on the plan who reside outside of the corporate limits of the city vote in favor thereof, the consolidation plan shall be implemented in the manner provided by the plan. If a majority of the electors who reside within the corporate limits of the city or a majority of the qualified electors who reside outside of the corporate limits of the city vote against such plan, the proposed consolidation plan shall not be implemented.

If the commission submits a final plan which does not recommend the consolidation of the city or cities and the county and other political and taxing subdivisions or the consolidation of certain city, county and other political and taxing subdivision offices, functions, services and operations, the provisions of this subsection shall not apply.

New Sec. 5. (a) Any plan submitted by the commission shall provide for the exercise of powers of local legislation and administration not inconsistent with the constitution or other laws of this state.

- (b) If the commission submits a plan providing for the consolidation of certain city and county offices, functions, services and operations, the plan shall:
- (1) Include a description of the form, structure, functions, powers and officers and the duties of such officers recommended in the plan;
- (2) provide for the method of amendment or abandonment of the plan;
 - (3) authorize the election or appointment of officers;
 - (4) authorize the elimination of offices;
 - (5) specify the effective date of the consolidation;
- (6) in the case of multi-city consolidation with a county, the plan shall include provisions addressing the situation if the plan is approved by the electors of one city, but not all cities to be consolidated under the plan; and

- (7) include other provisions determined necessary by the commission.
- (c) If the plan provides for the consolidation of the city or cities and county, in addition to the requirements of subsection (b) the plan shall:
- (1) Fix the boundaries of the governing body's election districts, provide a method for changing the boundaries from time-to-time, provide any at-large positions on the governing body, fix the number, term and initial compensation of the governing body of the consolidated city-county and the method of election:
- (2) determine whether elections of the governing body of the reorganized city-county shall be partisan or nonpartisan elections and the time at which such elections shall be held:
- (3) determine the distribution of legislative and administrative duties of the consolidated city-county officials, provide for consolidation or expansion of services as necessary, authorize the appointment of a consolidated city-county administrator or a city-county manager, if deemed advisable, and prescribe the general structure of the consolidated city-county government;
 - (4) provide for the official name of the consolidated city-county;
- (5) provide for the transfer or other disposition of property and other rights, claims and assets of the county, the city or cities, and other political and taxing subdivisions; and
- (6) provide for the transfer of the functions of any political or taxing subdivisions approved by voters for consolidation.
- New Sec. 6. (a) If the voters approve a plan which provides for the consolidation of the city or cities and the county, such consolidated city-county shall be subject to the provisions of this section.
- (b) The consolidated city-county shall be subject to the cash-basis and budget laws of the state of Kansas.
- (c) Except as provided in subsection (d), and in any other statute which specifically exempts bonds from the statutory limitations on bonded indebtedness, the limitation on bonded indebtedness of a consolidated city-county under this act shall be determined by the commission in the plan, but shall not exceed 30% of the assessed value of all tangible taxable property within the county on the preceding August 25.
- (d) The following shall not be included in computing the total bonded indebtedness of the consolidated city-county for the purposes of determining the limitations on bonded indebtedness:
- (1) Bonds issued for the purpose of refunding outstanding debt, including outstanding bonds and matured coupons thereof, or judgments thereon;
- (2) bonds issued pursuant to the provisions of article 46 of chapter 19 of the Kansas Statutes Annotated, and amendments thereto;
 - (3) bonds issued for the purpose of financing the construction or

 remodeling of a courthouse, jail or law enforcement center facility, which bonds are payable from the proceeds of a retailer's sales tax;

- (4) bonds issued for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system;
- (5) bonds issued for the purpose of acquiring, enlarging, extending or improving any municipal utility; and
- (6) bonds issued to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property.
- (e) Any bonded indebtedness and interest thereon incurred by the city or cities or county prior to consolidation or refunded thereafter shall remain an obligation of the property subject to taxation for the payment thereof prior to such consolidation.
- (f) Upon the effective date of the consolidation of the city or cities and county, any retailers' sales tax levied by the city or cities or county in accordance with K.S.A. 12-187 *et seq.*, and amendments thereto, prior to such date shall remain in full force and effect, except that part of the rate attributable to the city or cities to be consolidated shall not apply to retail sales in the cities which are not consolidated with the county.
- (g) Upon the effective date of the consolidation of the city or cities and county, the territory of the consolidated city-county shall include:
- (1) All of the territory of the county for purposes of exercising the powers, duties and functions of a county; and
- (2) all of the territory of the county, except the territory of the cities which are not consolidated with the county and the unincorporated area of the county, for purposes of exercising the powers, duties and functions of a city.
- (h) For the purposes of section 1 of article 5 of the constitution of the state of Kansas, the "voting area" for the governing body of the consolidated city-county shall include all the territory within the county.
- (i) Unless otherwise provided by law, the consolidated city-county shall be eligible for the distribution of any funds from the state and federal government as if no consolidation had occurred. Except as provided in this subsection, the population and assessed valuation of the territory of the consolidated city-county shall be considered its population and assessed valuation for purposes of the distribution of moneys from the state or federal government.
- (j) The consolidated city-county shall be a county. The governing body of the consolidated city-county shall be considered county commissioners for the purposes of section 2 of article 4 of the constitution of the state of Kansas and shall have all the powers, functions and duties of a county and may exercise home rule powers in the manner and subject to the limitations provided by K.S.A. 19-101a, and amendments thereto, and

1 other laws of this state.

The governing body of the consolidated city-county shall be responsible for any duties or functions imposed by the constitution of the state of Kansas and other laws of this state upon any county office abolished by the consolidation plan. Such duties may be delegated by the governing body or as provided in the consolidation plan.

- (k) The consolidated city-county shall be a city of the class as determined by the commission in the plan. The governing body of the consolidated city-county shall have all the powers, functions and duties of a city of such class and may exercise home rule powers in the manner and subject to the limitations provided by article 12 of section 5 of the constitution of the state of Kansas and other laws of this state.
- (l) The governing body of the consolidated city-county may create special service districts within the city-county and may levy taxes for services provided in such districts.
- Sec. 7. K.S.A. 12-3901 is hereby amended to read as follows: 12-3901. This act is an alternative to all other laws which authorize the consolidation of political and taxing subdivisions of this state or the consolidation of the operations, procedures and functions of offices and agencies of such subdivisions. It is the purpose of this act to authorize and permit political and taxing subdivisions of this state to more efficiently and effectively serve the needs of their constituents by consolidating or cooperating in the consolidation of such subdivisions or the consolidation of the operations, procedures and functions of offices and agencies of such subdivisions which may be more efficiently and effectively exercised or provided by a single office or agency.
- Sec. 8. K.S.A. 12-3902 is hereby amended to read as follows: 12-3902. For the purposes of this act all references to "political and taxing subdivisions of this state" shall mean and include counties, townships, cities, school districts, library districts, park districts, road districts, drainage or levee districts, sewer districts, water districts, fire districts and taxing subdivisions created and established under the laws of the state of Kansas.

The terms "like subdivisions" or "like political and taxing subdivisions" shall mean subdivisions of the same type and function.

Sec. 9. K.S.A. 12-3903 is hereby amended to read as follows: 12-3903. (a) Whenever the governing body of any political or taxing subdivision of this state shall by resolution determine that duplication exists in the operations, procedures or functions of any of the offices or agencies of such subdivision or that the operations, procedures or functions of any of the offices or agencies thereof can be more efficiently and effectively exercised or provided as a consolidated activity performed by a single office or agency, or whenever the governing body of any two

or more political or taxing subdivisions of this state shall by the passage of identical resolutions determine that duplication exists in the operations, procedures or functions of offices or agencies of such subdivisions or that the operations, procedures or functions of any of the offices or agencies thereof can be more efficiently and effectively exercised or provided as a consolidated activity performed by a single intergovernmental office oragency or by a single office or agency of one of the participating political or taxing subdivisions desires to consolidate with like subdivisions or to consolidate the operations, procedures and functions of the offices and agencies of political and taxing subdivisions, such governing body or governing bodies are hereby authorized to consolidate with like subdivisions or consolidate any or all of the operations, procedures or functions performed or carried on by such offices or agencies of political and taxing subdivisions by the passage of a resolution or identical resolutions setting out the time, form and manner of consolidation and designating the surviving political or taxing subdivisions or the office or agency.

(b) The consolidation of like subdivisions or the elimination of an elective office by consolidation under the provisions of this act shall be subject to the approval of a majority of not be effective unless the question of such consolidation or elimination of office has been submitted to and approved by the electors of the political or taxing subdivision served by such office, voting in subdivisions proposed to be consolidated or served by the office proposed to be eliminated. Such question shall be submitted at the next regular general election of the county in which the office of governor is elected, and no elective office shall be eliminated prior to such election. held in November of an even-numbered year.

If the office is to be eliminated and the duties transferred to a nonelective office, the question of elimination of the elective office shall be submitted to the voters as a separate ballot question. Any such proposed consolidation which eliminates any such an elective office shall provide that the elimination of such office shall become effective upon the date of normal expiration of the term of such office.

Any such proposed consolidation which eliminates any such of like political or taxing subdivisions or any proposal which eliminates an elective office shall not be voted on by the governing body of the political or taxing subdivision until a special public hearing is held within the political or taxing subdivision. subdivisions affected by the proposal. Notice of such special hearing shall be published in a newspaper of general circulation in the political or taxing subdivisions subdivisions affected at least once each week for two consecutive weeks prior to the hearing. The first publication shall not be less than 21 days prior to such hearing. Any elected officer whose office would be eliminated in such

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42 43 consolidation and any other interested party shall be given an opportunity to appear and offer testimony at any of such hearings.

- (c) Whenever the statutorily mandated duties of any elected county official are proposed for elimination, by transfer or otherwise, the question of the elimination of any such duties shall be considered as an elimination of the elective office itself within the meaning of this section, and shall be subject to an election prior to such elimination as required by subsection (b). The provisions of this subsection shall not preclude the transfer of duties of an elected office with the consent of the affected elected official.
- Sec. 10. K.S.A. 12-3904 is hereby amended to read as follows: 12-3904. Whenever a petition, signed by not less than 10% of the qualified electors of any political or taxing subdivision of this state or any two or more political or taxing subdivisions of this state, shall be filed with the governing body of such subdivision or subdivisions requesting that a proposition for the consolidation of such like subdivisions or the consolidation of specified operations, procedures and functions of designated offices or agencies of any such subdivision or subdivisions be submitted to the electors thereof, such governing body or governing bodies shall submit such proposition at an election called and held for such purpose in the manner provided by the general bond law. The wording of such a petitioned-for proposition affecting the consolidation of two or more like subdivisions or the consolidation of the operations, procedures and functions of any two or more subdivisions shall be expressed in general terms. If the proposition is approved by a majority of the electors voting thereon, the governing body or governing bodies shall develop and implement a plan for the consolidation consistent with the intent of the proposition. If such proposition eliminates an elective office by consolidation, the governing body of such subdivision or subdivisions shall provide for the hearing *required* by K.S.A. 12-3903, and amendments thereto. The governing body shall submit, in accordance with K.S.A. 12-3903, and amendments thereto, such proposition at the next regular general election of the county in which the office of governor is elected in accordance with K.S.A. 12-3903, and amendments thereto. held in November of an even-numbered year.
- Sec. 11. K.S.A. 12-3909 is hereby amended to read as follows: 12-3909. Nothing in this act shall be construed as authorizing the consolidation of any political or taxing subdivision with any other political or taxing subdivision. Nothing in this act shall be construed to authorize the closing or the change of use of any school or attendance facility.
- Sec. 12. K.S.A. 19-205 is hereby amended to read as follows: 19-205. Except as provided by K.S.A. 12-344, 12-345, K.S.A. 2007–2011 Supp. 12-363 and 12-365, and amendments thereto, and under provisions of this act, and amendments thereto, no person holding any state, county,

 township or city office shall be eligible to the office of county commissioner in any county in this state.

Nothing in this section shall prohibit the appointment of any county commissioner to any state board, committee, council, commission or similar body which is established pursuant to statutory authority, so long as any county commissioner so appointed is not entitled to receive any pay, compensation, subsistence, mileage or expenses for serving on such body other than that which is provided by law to be paid in accordance with the provisions of K.S.A. 75-3223, and amendments thereto.

Sec. 13. K.S.A. 12-3901, 12-3902, 12-3903, 12-3904, 12-3909 and 19-205 are hereby repealed.

Sec. 14. This act shall take effect and be in force from and after its publication in the statute book.