

## MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Vice-Chairperson Julia Lynn at 8:30 a.m. on February 4, 2009, in Room 545-N of the Capitol.

All members were present except:

Senator David Wysong- excused

Committee staff present:

Ms. Margaret Cianciarulo, Committee Assistant

Mr. Norm Furse, Office of the Revisor of Statutes

Mr. Ken Wilke, Office of the Revisor of Statutes

Mr. Reed Holwegner, Kansas Legislative Research Department

Conferees appearing before the Committee:

Ms. Dotty Riley, Bond Counsel to the City of Lenexa

Mr. Don Moler, Executive Director of League of Kansas Municipalities

Others attending:

Please see attached list.

### **Hearing on SB78 - An act concerning transportation development districts**

Upon calling the meeting Vice-Chairperson Lynn called upon Ms. Dotty Riley, Bond Council to the City of Lenexa and with the law firm of KUTAK Rock LLP, Kansas City, Missouri. She stated that the bill:

- permits the transportation development district sales tax ("TDD Sales Tax,") to be used to offset assessments against property in a transportation development district

- permits the use of TDD Sales Tax to pay for the cost of projects authorised under the transportation development district act without the necessity of issuing bonds.

- contains revisions to the TDD Act drafted by the Revisor's Office to improve the form and clarity of the legislation..

She included a substantive change of the bill which would allow assessments to be reduced for TDD Sales Tax and adding, the bill would be another means of financing by permitting project funding without bonds

A copy of her testimony is ([Attachment 1](#)) attached hereto and incorporated into the Minutes as referenced.

Vice-Chairperson Lynn thanked Ms. Riley and asked for questions or comments from the Committee which came from Senators Reitz, Holland and Mr. Norm Furse including her comment that the people will still have to pay in regular increments and there was a difference in your

program you are talking about that allows you to use assessments or supports taxes to make it happen

but the payments would still be on an a rhythmical quarterly basis is that not correct? The language in the bill talks about the pre-payment of assessment, how does that work currently? Regarding the second part of the bill, are there any risk issues there regarding the municipalities perspective? When you now have the relationship between the developer and the city, is there any additional risk therefor an example being, if the revenue funds were to dry up, what exposures are there?

As there was no further discussion, the Vice-Chairperson called on Mr. Don Moler, Executive Director of League of Kansas Municipalities (LKM), who feels this legislation to be very positive in that it allows for additional flexibility in the TDD law while at the same time allowing cities to reduce the tax levy within the TDD and to also end the TDD sales tax early if sufficient transportation development sales taxes have been received to pay for the project.

A copy of his testimony is ([Attachment 2](#)) attached and incorporated into the Minutes as referenced.

## CONTINUATION SHEET

Minutes of the Senate Commerce Committee at 8:30 a.m. on February 4, 2009, in Room 545-N of the Capitol.

Vice-Chairperson Lynn thanked Mr. Moler and as there were no questions or comments from the Committee, she referred them to written testimony before them including:

- Mr. Gary Anderson, attorney for Gilmore & Bell from Kansas City, Missouri
- Mr. Mike Taylor, Public Relations Director, Unified Government Public Relations
- Ms. Ashley Sherard, Vice President, Lenexa Chamber of Commerce
- Mr. Eric Sartorius, Assistant City Manager, City of Overland Park

Copies of the above proponent written testimonies are (Attachment 3) attached hereto and incorporated into the Minutes as referenced.

### **Action on the bill**

The Vice-Chair then asked Committee is there was discussion. A motion was made by Senator Kelsey and seconded by Senator Schodorf to work the bill and pass favorably. The motion carried.

### **Adjournment**

As there was no further business, Vice-Chair Lynn adjourned the meeting. The time was 8:55 a.m.

The next meeting is scheduled for Thursday, February 5, 2009.