Session of 2005

## SENATE BILL No. 262

By Committee on Federal and State Affairs

2-14

AN ACT [concerning certain municipalities; relating to form of government;] enacting the efficiency in local government act; amending K.S.A. [12-520 and] 2004 Supp. 19-205 and repealing the existing section [sections].

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

16 New Section 1. As used in this act:

- (a) "Board" means the board of county commissioners.
- (b) "City" means any city.
- (c) "Commission" means a reorganization study commission selected
  pursuant to section 2, and amendments thereto.
  - (d) "County" means any 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 reorganization study commission to prepare a plan for the reorganization of the county and such city or cities located in such county. 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 reorganization plan in regard to the status of such city as a separate entity from the county.

Such resolution shall not be effective until the question has been submitted to and approved by a majority of the qualified electors of the county voting at an election thereon. Such election [shall be held at the time of a primary or general election and] shall be called and held in the manner provided by the general bond law.

(b) Any resolution adopted pursuant to subsection (a) shall provide for the establishment of a reorganization study commission and shall provide either that the members be appointed or that the members be elected by the qualified electors of the county on a nonpartisan basis. If the commission is to be elected, the [The] procedure for holding such election shall be determined by such resolution. [Such resolution shall include a statement that a tax not to exceed one mill may be levied to finance the costs of the reorganization study commission.] The

laws applicable to the procedure, manner and method provided for the election of county officers shall apply to the election of members of the commission except that such election shall be called in the manner provided by the general bond law.

- (c) If a majority of the qualified electors of the county voting on a resolution submitted pursuant to subsection (a) vote in favor thereof, the commission shall be elected or appointed as provided by the resolution. The number of members on a reorganization study commission shall be determined by the resolution. At least  $\frac{1}{3}$  of the membership of a reorganization study commission shall be residents of the unincorporated area of the county.
- New Sec. 3. (a) Within 30 days following the certification of the results of the election or appointment of members of the reorganization 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 open meetings law and the open records law.
- (c) Members of the commission shall 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.
- (e) The commission shall prepare and adopt a budget for the operation and functions of the commission and commission activities.
- New Sec. 4. (a) The commission shall prepare and adopt a plan addressing the reorganization of the city or cities and county or certain city and county 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 county.
- (2) Studies of the costs and benefits of reorganizing the city or cities and county or certain city or cities and county 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.
- 42 (c) For the purposes of performing its studies and investigations, the commission or its executive director may administer oaths and affirma-

tions, 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.

 $\frac{d}{d}[(c)]$  The commission shall prepare and adopt a preliminary plan addressing the reorganization of the city or cities and county or certain city and county offices, functions, services and operations it deems advisable. 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 [three] public hearings to obtain citizen views concerning the preliminary plan. At least seven [14] days shall elapse between the holding of such hearings. Notice of such hearings shall be published at least once in a newspaper of general [three times in the newspaper having the largest] circulation within the county. [In the notice of such hearings, there shall be included a statement that a tax not to exceed one mill may be levied to finance the costs of the reorganization study commission.] Following the public hearings on the preliminary plan, the commission may adopt, or modify and adopt, the preliminary plan as the final plan.

(e) I(d) The final plan shall include the full text and an explanation of the proposed plan, and comments deemed desirable by the commission, a written opinion by an attorney admitted to practice law in the state of Kansas and retained by the executive director 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) [(e)] The final plan shall be submitted to the qualified electors of the county at the next general election of the county 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 election law. A summary of the final plan shall be prepared by the commission and shall be published at least once each week for two [three] consecutive weeks in a newspaper of general [the newspaper having the largest] circulation within the county.

If a majority of the qualified electors of the county voting on the plan vote in favor thereof, the reorganization plan shall be implemented in the manner provided by the plan except that no city shall be reorganized with the county and no offices, functions, services or operations of a city shall

be reorganized with the county unless such reorganization plan is approved by a majority of the qualified electors of such city voting at the election held on such plan.

[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.]

There shall be printed on the ballots at any election called to approve the final plan [a clear statement of the effect, if any, that the proposed consolidation would have on city and county tax levies. There shall also be printed on such ballots] the following statement:

"If the majority of the qualified electors of a county and the majority of the qualified electors [who reside outside the corporate limits of any city and a majority of the electors who reside within the corporate limits] of a city voting at the election to approve the final plan vote in favor of such plan, such city shall be included within and subject to the provisions of such plan.

If the majority of the qualified electors of a city voting at the election to approve the final plan, do not vote in favor of such plan, such city shall not be included within nor subject to the provisions of such plan in regard to the status of such city as a separate entity from the county."

If such a majority of the electors vote against such plan, the proposed reorganization plan shall not be implemented.

If the commission submits a final plan which does not recommend the reorganization of the city or cities and county or certain city and county 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 reorganization 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.

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- Authorize the elimination of offices.
- Specify the effective date of the reorganization.
- In the case of multi-city reorganization with a county, the plan shall include provisions addressing the situation if the plan is approved by the electors of one, but not all cities to be reorganized under the plan.
- 6 Include other provisions determined necessary by the commission.
  - If the plan provides for the reorganization 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, any atlarge positions on the governing body, fix the number, term and initial compensation of the governing body of the reorganized 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 reorganized city-county officials, provide for reorganization or expansion of services as necessary, authorize the appointment of a reorganized city-county administrator or a city-county manager, if deemed advisable, and prescribe the general structure of the reorganized city-county government.
    - Provide for the official name of the reorganized city-county. (4)
  - Provide for the transfer or other disposition of property and other rights, claims and assets of the county and city.
  - New Sec. 6. (a) If the voters approve a plan which provides for the reorganization of the city or cities and county, such reorganized citycounty shall be subject to the provisions of this section.
  - (b) The reorganized city-county shall be subject to the cash-basis and budget laws of the state of Kansas.
  - 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 reorganized 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 such county on the preceding August 25.
  - (d) The following shall not be included in computing the total bonded indebtedness of the reorganized 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 43 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.
- (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 reorganization or refunded thereafter shall remain an obligation of the property subject to taxation for the payment thereof prior to such reorganization.
- (f) Upon the effective date of the reorganization 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 reorganized shall not apply to retail sales in the cities which are not reorganized with the county. For the purposes of K.S.A. 12-188, and amendments thereto, the reorganized city-county shall be a class A, B, C or D city as determined by the commission in the plan.
- (g) Upon the effective date of the reorganization of the city or cities and county, the territory of the reorganized city-county shall include:
- (1) All of the territory of the county for purposes of exercising the powers, duties and functions of a county.
- (2) All of the territory of the county, except the territory of the cities which are not reorganized 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 reorganized city-county shall include all the territory within the county.
- (i) Except for the reorganized city-county and unless otherwise provided by law, other political subdivisions of the county shall not be affected by reorganization of the city or cities and county. Such other political subdivisions shall continue in existence and operation.
- (j) Unless otherwise provided by law, the reorganized city-county shall be eligible for the distribution of any funds from the state and federal government as if no reorganization had occurred. Except as provided in

this subsection, the population and assessed valuation of the territory of the reorganized city-county shall be considered its population and assessed valuation for purposes of the distribution of moneys from the state or federal government.

(k) The reorganized city-county shall be a county. The governing body of the reorganized 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 other laws of this state.

The governing body of the reorganized 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 reorganization plan. Such duties may be delegated by the governing body or as provided in the reorganization plan.

- (l) The reorganized city-county shall be a city of the first, second or third class as determined by the commission in the plan. The governing body of the reorganized 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.
- (m) The governing body of the reorganized city-county may create special service districts within the city-county and may levy taxes for services provided in such districts.
- (n) Changes in the form of government approved by the voters in accordance with the reorganization plan are hereby declared to be legislative matters and subject to initiative and referendum in accordance with K.S.A. 12-3013 *et seq.*, and amendments thereto.
- New Sec. 7. The board of county commissioners may levy a tax not to exceed one mill on all taxable tangible property of the county for the purpose of financing the costs incurred by the reorganization study commission while executing the powers, duties and functions of such commission. After the payment of such costs incurred by the commission any remaining moneys derived from such tax levy shall be transferred to the county general fund in the manner provided by K.S.A. 79-2958, and amendments thereto.
- Sec. 8. K.S.A. 2004 Supp. 19-205 is hereby amended to read as follows: 19-205. Except as provided by K.S.A. 12-344 and, 12-345, sections 5 and 6, 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.

New Sec. 9. Sections 1 through 7, and amendments thereto, shall be known and may be cited as the efficiency in local government act.

[Sec. 10. K.S.A. 12-520 is hereby amended to read as follows: 12-520. (a) Except as hereinafter provided, the governing body of any city, by ordinance, may annex land to such city if any one or more of the following conditions exist:

- [(1) The land is platted, and some part of the land adjoins the city.
- [(2) The land is owned by or held in trust for the city or any agency thereof.
- [(3) The land adjoins the city and is owned by or held in trust for any governmental unit other than another city, except that no city may annex land owned by a county which has primary use as a county-owned and operated airport, or other aviation related activity or which has primary use as a county owned and operated zoological facility, recreation park or exhibition and sports facility without the express permission of the board of county commissioners of the county.
- [(4) The land lies within or mainly within the city and has a common perimeter with the city boundary line of more than 50%.
- [(5) The land if annexed will make the city boundary line straight or harmonious and some part thereof adjoins the city, except no land in excess of 21 acres shall be annexed for this purpose.
- [(6) The tract is so situated that  $\frac{2}{3}$  of any boundary line adjoins the city, except no tract in excess of 21 acres shall be annexed under this condition.
- [(7) The land adjoins the city and a written petition for or consent to annexation is filed with the city by the owner.
- [(b) No portion of any unplatted tract of land devoted to agricultural use of 21 acres or more shall be annexed by any city under the authority of this section without the written consent of the owner thereof.
- [(c) No city may annex, pursuant to this section, any improvement district incorporated and organized pursuant to K.S.A 19-2753 et seq., and amendments thereto, or any land within such improvement district. The provisions of this subsection shall apply to such improvement districts for which the petition for incorporation

and organization was presented on or before January 1, 1987.

- [(d) Subject to the provisions of this section and subsection (e) of K.S.A. 12-520a, and amendments thereto, a city may annex, pursuant to this section, any fire district or any land within such fire district.
- [(e) Whenever any city annexes any land under the authority of paragraph 2 of subsection (a) which does not adjoin the city, tracts of land adjoining the land so annexed shall not be deemed to be adjoining the city for the purpose of annexation under the authority of this section until the adjoining land or the land so annexed adjoins the remainder of the city by reason of the annexation of the intervening territory.
- [(f) No city may annex the right-of-way of any highway under the authority of this section unless at the time of the annexation the abutting property upon one or both sides thereof is already within the city or is annexed to the city in the same proceeding. The board of county commissioners may notify the city of the existence of any highway which has not become part of the city by annexation and which has a common boundary with the city. The notification shall include a legal description and a map identifying the location of the highway. The governing body of the city shall certify by ordinance that the certification is correct and declare the highway, or portion of the highway extending to the center line where another city boundary line abuts the opposing side of the highway, annexed to the city as of the date of the publication of the ordinance.
- [(g) The governing body of any city by one ordinance may annex one or more separate tracts or lands each of which conforms to any one or more of the foregoing conditions. The invalidity of the annexation of any tract or land in one ordinance shall not affect the validity of the remaining tracts or lands which are annexed by the ordinance and which conform to any one or more of the foregoing conditions.
- [(h) Any owner of land annexed by a city under the authority of this section, within 30 days next following the publication of the ordinance annexing the land, may maintain an action in the district court of the county in which the land is located challenging the authority of the city to annex the land and the regularity of the proceedings had in connection therewith.]
- Sec. <del>10</del> [11]. K.S.A. 2004 Supp. 19-205 is hereby repealed.
- Sec. 11 [12]. This act shall take effect and be in force from and after its publication in the statute book.