

MINUTES OF THE HOUSE LOCAL GOVERNMENT COMMITTEE

The meeting was called to order by Chairman Steve Huebert at 2:30 p.m. on February 21, 2011, in Room 346-S of the Capitol.

All members were present except Representative Hineman who was excused.

Committee staff present:

Martha Dorsey, Kansas Legislative Research Department
Eunice Peters, Office of Revisor of Statutes
Florence Deeter, Committee Assistant

Conferees appearing before the Committee:

Kathy Sachs, Deputy Assistant Secretary of State
John Peterson, Service Corporation International
Kathy Olsen, Kansas Bankers Association

Others attending:

See attached list.

Hearing On: HB 2195 – Municipalities; organized solid waste and recycling collection service act.

The Chairman called the meeting to order for consideration of an amendment to **HB 2195**. Representative Seiwert moved to accept the amendment. Seconded by Representative Billinger.

Following discussion and questions, Staff Eunice Peters explained the new law represents a compromise in the time period of the adoption of an ordinance or resolution set forth in establishing collection services in the municipality (Attachment 1). The motion passed.

Representative Seiwert moved to recommend the bill as favorable for passage as amended. Seconded by Representative Lane, the motion passed.

Hearing on HB 2240 - Cemetery corporations; trust funds; secretary of state, attorney general enforcement powers.

Staff Eunice Peters provided a memorandum containing language to clarify the nuances of cemetery merchandise trust funds and permanent maintenance funds (Attachment 2). She noted that the trustee of merchandise trust funds must submit a quarterly report to the Secretary of State's office, and is subject to audits. Ms. Peters said the bill expressly states the purpose of the maintenance trust fund is to "maintain the corpus of the fund."

Kathy Sachs, Deputy Assistant Secretary of State, spoke as a proponent of **HB 2240**. She indicated that Kansas law requires certain cemeteries to maintain two types of trust funds for protection of purchases. (Attachment 3). Ms. Sachs stated that the role of the Secretary of State is to ensure those funds are available when needed. She commented on the key elements of the bill and provided a list of the compromises agreed upon by all involved.

John Peterson, speaking for Mark McGilley, Director, Service Corporation International, said the changes in the bill comprise a rewrite of the cemetery merchandise and perpetual care statutes (Attachment 4). Mr. McGilley submitted a balloon amendment for consideration (Attachment 5). He noted that consensus with the Secretary of State's office has been obtained. Mr. McGilley acknowledged that a capped fee of \$25 per contract or burial space is adequate for providing administrative fees to audit cemetery records.

Kathy Olsen, speaking on behalf of the Kansas Bankers Association and the Kansas Bankers Association Trust Division, said that the language of **HB 2240** states clearly the requirements for holding cemetery trust funds (Attachment 6). She recommends the committee consider the bill favorable for passage.

The Chairman closed the hearing of **HB 2240**.

The Chairman requested the committee consider the balloon amendment to **HB 2240**. Representative Seiwert moved to accept the amendment. Representative Otto seconded the motion. The motion passed.

CONTINUATION SHEET

Minutes of the House Elections Committee at 2:30 p.m. on February 21, 2011, in Room 346-S of the Capitol.

Representative Seiwert moved to pass the bill as amended. Representative Otto seconded the motion. The motion passed.

The meeting was adjourned at 3:10. The next meeting is scheduled for March 3, 2011.