

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Senator Nancey Harrington at 10:30 a.m. on February 20, 2002 in Room 245-N of the Capitol.

All members were present.

Committee staff present: Russell Mills, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Theresa Kiernan, Office of the Revisor
Nikki Kraus, Committee Secretary

Conferees appearing before the committee:

Representative Dan Thimesch
Joe Lawhon, Legislative Post Audit
Larry Eller, Director of Community Development, Parsons, Kansas
Becca Vaughn, Kansas Disability Rights Action Coalition for Housing
Bob Mikesic, Independence, Inc.
Tony Zimbelman, Kansas Building Industry Association
Sharon Huffman, Kansas Commission on Disability Concerns
Robin Tropper, Kansas DRACH
Jim Snyder, Pres. for KS Seniors, KS Council of Silverhaired Legislators
Alan Bowes, Executive Director of Tenants to Homeowners, Inc.

Others attending: Please see attached

Jerri Reed, Executive Director of Kansas Dental Hygienists Association, asked the committee to introduce a technical amendment to update some language.

Senator Brungardt made a motion to introduce the bill. Senator Lyon seconded the motion. The bill was introduced.

Chairperson Harrington opened the public hearing on:

HB 2020—Handicapped accessibility standards; certain dwellings

Representative Dan Thimesch presented testimony in favor of the bill. **(Attachment 1)**

Senator O'Connor asked Representative Thimesch what his average cost on a family of four would be, based on his 30 years of building experience. Representative Thimesch replied that this bill affected public assistance housing only. He stated that in regard to that type of housing, opponents would say that they are concerned with elevated housing and the expense of ramping. He stated that as a builder himself, he could see other options such as lowering the homes so that there would be less feet going into the home. He stated that it was an option he would look into because there would be less concrete going into the foundations, and you would excavate, so the cost would even out. He also stated that putting ramps into the lower homes would be cheaper, so overall, it would be cheaper. He stated that a change in this building practice would have a direct impact on the cost. Following further discussion, Representative Thimesch stated that there are several inspections during building of a home.

Senator Gilstrap asked what the vote in the House was concerning this bill, and Representative Thimesch stated it was close, and that was after the remodeling part was taken out by amendment because it had been controversial.

Becca Vaughn, Kansas Disability Rights Action Coalition for Housing, stated that the vote in the House had been 69 yeas and 56 nays.

In response to a question from Senator Gilstrap, Representative Thimesch stated that the bill was not retroactive for structures which had already been built.

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Chairperson Harrington stated that before the hearing continued, Russell Mills, Legislative Research, would like to make a quick comment on how state liquor taxes and fees are being distributed and update the committee. Chairperson Harrington instructed the committee to note an update letter from Joe Lawhon, Legislative Division of Post Audit, concerning more recent statistics about his presentation the previous day on the "Uses of Alcoholic Liquor Fund Monies." **(Attachment 2)**

Mr. Mills presented a table entitled, "How are Liquor Taxes and Fees Distributed?" **(Attachment 3)**

Larry Eller, Director of Community Development, Parsons, Kansas, presented testimony in opposition to **HB 2020. (Attachment 4)**

In response to questions from Senator O'Connor, Mr. Eller confirmed that he had presented a possibility for creating a deeper hole under the foundation of a home, but that hole might collect water, so the better option would be to bring in fill dirt up to the foundation. He stated that, unfortunately, there was a cost associated with that, and it has been documented and estimated at approximately \$2,450.

Mr. Eller stated that he was trying to comply with the law, and that when building a one to twelve slope, there is a great deal of dirt needed to achieve it.

Senator Gooch stated that in the past few days, there had been a bill that dealt with the possibility not to allow manufactured housing to be placed in locations within the city. He stated that he wondered if this was not manufactured housing, if that would that help. Mr. Eller stated that if you look at the price differential between a manufactured home at \$56,000 and a stick-built home at \$90,000, the house payments increase dramatically. He stated that eliminating manufactured housing would eliminate forty percent of the housing stock the past few years. He stated that it is a cheaper alternative, but unfortunately, this bill just creates special problems for manufactured housing. He stated that it is possible to make these changes, but there is an additional cost to doing that, and it is necessary to be aware of that.

In response to a question from Senator Barnett, Mr. Eller stated that there is no federal requirement or mandate for accessibility for single-family, owner-occupied homes, which is what he deals with and that is why it affects him.

In response to a question from Senator O'Connor, Mr. Eller stated that he would be able to support the requirements on stick-built homes with no problem, but manufactured homes creates a problem because he has to go to a general floor plan at a higher cost. Senator O'Connor stated if they took the ramp requirement out of the bill, would Mr. Eller be able to accept the rest of the bill; and Mr. Eller stated that he would not be able to accept it because in order to meet the doorway and hallway requirements, he would have to move to a different floor plan, and that is \$3,750 more. He stated that if the bill is passed, the cost of manufactured housing automatically goes up \$6,000 for a house in his jurisdiction. Senator O'Connor asked about eliminating the ramp requirement, and Mr. Eller stated that it would then be \$3,750 more.

Chairperson Harrington stated that he has provided information in his written testimony which might answer Senator O'Connor's questions. In response to another question from Senator O'Connor, Mr. Eller stated that the manufactured home company that he works with is not going to stop their assembly line to put in blocks in the wall or change their floor plan to include door, so they will move to another manufacturer who has a floor plan that will meet the standards, and that is why there would be extra expense.

Becca Vaughn, Kansas Disability Rights Action Coalition for Housing, presented testimony in favor of the bill. **(Attachment 5)** Ms. Vaughn also presented an article entitled, "Illinois, Arizona communities order new homes be more accessible to people in wheelchairs." **(Attachment 6)**

Senator Vratil stated that as he read the proposed statute, if there was a violation of this, it would make the violator ineligible to receive public funding forever. He asked if Ms. Vaughn would have any objection to limit that ineligibility to two or three years. Ms. Vaughn stated that she that there had been similar discussion in the past, and she did not believe that there would be any objection to that. Senator Vratil stated that he thought the forever penalty was pretty severe, and he would hope that they would recognize the error of their ways and not repeat the violation in the future. Ms. Vaughn stated that she would think that would be addressed in the rules and regs process.

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Senator Barnett asked a question in regard to a waiver which might be granted by the Secretary of Commerce and Housing, and Ms. Vaughn stated that two of the provisions are already building standards including the thirty-six inch entranceway and hallway. Theresa Kiernan stated that the waiver only applies to the provisions of subsection A, which includes ramp and entranceway.

Senator Gooch stated that looking at this bill and listening to the discussion, there are a certain number of accessible buildings, there are only a certain number of units which are accessible, but when the bill applied to housing, each one is affected. He stated that as he looked at this comparison between the one out of five accessible requirement for buildings versus every individual house would be affected, not that he would not prefer that everything comply, but he was looking at the way it was being applied. He stated that this is based on the fact that you don't necessarily have to have someone living in there to have it be accessible. He stated that in apartment buildings, if the requirement was one in five to fulfill, what would happen if someone who did not require the standards had them and another person needed them. He stated that the in the comparison, it seemed like there was something wrong about it.

Ms. Vaughn stated that, to clarify, under the Federal Fair Housing Act and the Kansas act against discrimination, multi family housing of four or more units have to have seven features of basic accessibility on all ground floor units and all units served by an elevator. She stated that those requirements affect both private and publically funded residences. She stated that the ratio is a minimum standard which applies to buildings built with federal dollars only. She stated that there is a problem with that Federal law and that this was a gap measure to bring Kansas into the future of welcoming all of our residents equally into anything we fund.

Bob Mikesic, Independence, Inc., presented testimony in favor of the bill. **(Attachment 7)** He also presented the written testimony in favor of the bill from Jennifer and Jessica Schwartz. **(Attachment 8)**

Tony Zimbelman, Kansas Building Industry Association, presented testimony in opposition to the bill. **(Attachment 9)** Mr. Zimbalman stated that his concern, in addition to raising the cost of the homes, would be that this legislation would be a violation of private property rights because these owners sign mortgages and become property owners just like he is. He stated that he thought that it was unfair. He stated that he did not want to sound like he was against the handicapped because he is not, but he is for affordable housing. He stated that if a buyer stated that they needed to make their home handicapped accessible, he would work with them in every way that he could, but this particular program and others like it would make it so that he was not sure that he and other builders like him may not be able to exist.

Senator Gooch stated that being well acquainted with this issue, it seemed to him that Mr. Zimbalman was talking about going beyond what the bill was requesting because he was talking about single-family homes. Senator Gooch stated that he believed that it does not cover the entire house, but only requires that the entrance and a bathroom be accessible, but that Mr. Zimbalman was discussing making an entirely accessible home. Senator Gooch stated that he wondered if there is still the possibility to have a nice home which could still be accessible for visitors.

Mr. Zimbalman stated that at least one of his affordable housing floor plans would be unusable because of the plan of the house, entering onto a landing which then required a person to go up or down stairs to get to a floor of the home. He stated that he would not be able to make this accessible without installing a wheelchair lift or an elevator. He stated that on the ranch plan, the entrance would not be a problem, but expanding the bathroom doorway would force him to expand the entire house because otherwise it would no longer be a functional house.

Senator Gooch stated that he would hope that the contractors would be able to try and work with this in some way and still continue what they are doing.

Chairperson Harington stated that there were a few more people who wanted to testify; she stated that she would like to know if the homeowner secured the loan, or if he got the funding and then in turn sold the home to the person who is purchasing it. Mr. Zimbalman stated that the homeowner gets the loan. Chairperson Harington asked if the homeowner would get the loan from any bank, and Mr. Zimbalman confirmed.

Ms. Kiernan stated that she needed a clarification on bank. Mr. Zimbalman stated that the process starts when homeowner is recommended to go to a bank. Ms. Kiernan asked at what point the public financial assistance

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come into the process. Mr. Zimbalman stated that he is not involved in that, but that he assumes it comes in on the closing date, when the buyer actually goes in to sign the documents for their house; he assumed that the city then pays the bank the difference between the amount of the loan they promised and what the customer is paying, but he was guessing that. Ms. Kiernan stated that, assuming that, this bill imposes the condition to accepting whoever is getting that money that they will either build or have their home built meeting these requirements. She stated that it is just a condition and if they do not want to meet these, then they get conventional financing. Mr. Zimbalman stated that then they would lose their subsidy from the program and would not be able to afford the house, like a catch 22. Ms. Kiernan asked if he had any idea how much money was saved through the life of the loan through public financing as opposed to a conventional loan. Mr. Zimbalman stated that most of these houses are FHA, so if he took his normal price of \$80,000, about 97% of that would be the loan, somewhere around \$78,000. He stated that his houses were around \$67,500, so 98% of that would be \$65,000, so they are saving \$13,000 up front. He stated that anyone who has gotten their mortgage papers knows that by the end of the loan, whatever they borrow, they end up paying about three times that. He stated that about \$40,000 is what they are saving over the long term.

Senator Teichman stated that anyone who goes to the bank for a loan can be helped with funding. Mr. Zimbalman stated that if they go through an initial approval for assistance, then they can continue, but if they do not pass the qualification process, then they are done, but if they do, then they are sent on to a loan proofer and have to provide a bunch of documentation.

Sharon Huffman, Kansas Commission on Disability Concerns, presented testimony in favor of the bill. **(Attachment 10)**

Robin Tropper, Kansas DRACH, presented testimony in favor of the bill. **(Attachment 11)**

Senator Gooch stated that Mr. Trooper asked for the bill to be passed without any amendments, and the Senator would like to know if he would be against the amendment the committee had discussed. Mr. Trooper stated that he was concerned that any small change would mean that the bill would have to pass through the house again.

Ms. Kiernan stated that the provisions of the act say that it does exclude privately owned homes. She stated that the requirement was on the developer, not the home owner, when public financing is obtained by the developer.

Jim Snyder, President for Kansas Seniors, Kansas Council of Silverhaired Legislators, presented testimony in favor of the bill. **(Attachment 12)**

Alan Bowes, Executive Director of Tenants to Homeowners, Inc., presented testimony in favor of the bill. **(Attachment 13)**

Amy Ritter, El Dorado, Kansas, presented written testimony in favor of the bill. **(Attachment 14)**

Cecil E. Walker, El Dorado, Kansas, presented written testimony in favor of the bill. **(Attachment 15)**

Gina McDonald, KS Assoc. of Centers for Independent Living, presented written testimony in favor of the bill. **(Attachment 16)**

Jeanne Abraham-Lunz and Kathy Lobb, Legislative Liaison, Self-Advocate Coalition of Kansas, presented written testimony in favor of the bill. **(Attachment 17)**

Ernest Kutzley, Associate State Director/Advocacy, AARP Kansas, presented written testimony in favor of the bill. **(Attachment 18)**

Senator Lana Oleen, presented written testimony in favor of the bill. **(Attachment 19)**

Josie Torrez Resident, Topeka, presented written testimony in favor of the bill. **(Attachment 20)**

Gary Howard, Western Kansas Association on Concerns of the Disabled, presented written testimony in favor

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of the bill. **(Attachment 21)**

Shannon Jones, Statewide Independent Living Council of Kansas (SLICK), presented written testimony in favor of the bill. **(Attachment 22)**

Troy A. Horton, Center for Independent Living in Southwest Kansas, presented written testimony in favor of the bill. **(Attachment 23)**

Brian Atwell, Living Independently in Northwest Kansas (LINK), presented written testimony in favor of the bill. **(Attachment 24)**

Steve Hinds, Consumer Advocate, Independent Living Resource Center, presented written testimony in favor of the bill. **(Attachment 25)**

Naomi Passman, Resident of Wichita, presented written testimony in favor of the bill. **(Attachment 26)**

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for 10:30 a.m. on February 21, 2002 in Room 245-N.