

SESSION OF 2017

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2080

As Amended by Senate Committee on
Agriculture and Natural Resources

Brief*

HB 2080 would require boards of rural water districts to reinstate any benefit unit that has been forfeited due to delinquent payments upon payment of:

- All unpaid fees and charges due to the district in addition to any fees and charges that would have accrued since the date of forfeiture; and
- Any benefit unit reinstatement fee in an amount the bill would limit to no more than 20 percent of the water district's current fee to establish a new benefit unit.

The bill also would clarify language regarding who could serve as a director on the board of a rural water district. Any individual, firm, partnership, association, or corporation that is a participating member of the rural water district would be eligible to hold office as a director.

Background

The bill was introduced by the House Committee on Water and Environment. In the House Committee hearing, a representative of the Kansas Rural Water Association provided testimony in favor of the bill, explaining the right to receive water service provided by a rural water district is called a "benefit unit," which is a property right attached to the

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

land where service is provided. The representative stated the vast majority of benefit units are never subject to forfeiture, but problems can occur when property is abandoned or an owner does not pay water bills. When the property is sold in the future, the buyer may discover the benefit unit has been forfeited, and the property is without water service until a replacement benefit unit is purchased. No other testimony was offered.

In the Senate Committee on Agriculture and Natural Resources hearing, representatives of the Kansas Rural Water Association provided testimony in favor of the bill. No other testimony was offered.

The Senate Committee adopted one amendment to clarify language regarding who could serve as a director on the board of a rural water district. The amendment struck statutory language stating any individual who does not become a participating member of the water district within 30 days is ineligible to hold office as a director. The amendment also added language that any individual, firm, partnership, association, or corporation that is a participating member of the rural water district would be eligible to hold office as a director.

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the Kansas Water Office and Kansas Department of Agriculture state the bill would have no fiscal effect on the agencies' budgets.