

SESSION OF 2017

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2094

As Amended by Senate Committee on Ethics,
Elections and Local Government

Brief*

HB 2094, as amended, would make two changes addressing interlocal cooperation among local governmental entities. The bill would expand the definition of “municipality” in the statute allowing contracts between municipalities to include a school district, library district, road district, water district, drainage district, sewer district, fire district, park and recreation district, recreation commission, any other political or taxing subdivision, or any other authority, commission, agency, or quasi-municipal corporation created by state law. Currently, only a city, county, or township is included in the definition.

The bill also would exempt from review by the Attorney General interlocal cooperation agreements entered into for joint or cooperative action that is subject to the oversight and regulation of a Kansas regulatory agency.

Background

The bill was introduced by the House Committee on Local Government. In the House Committee hearing, representatives of the Johnson County Board of County Commissioners (JCBC), Kansas Association of School Boards (KASB), and League of Kansas Municipalities (LKM) testified in favor of the bill. The proponents stated expanding the definition of “municipality” would allow additional levels of government to work together and would create more opportunities for cooperative efforts between local governmental entities, potentially leading to efficiencies.

*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>

Written-only proponent testimony was received from the Kansas Association of Counties (KAC).

No neutral or opponent testimony was provided.

Discussion among proponents and committee members indicated the bill's original subject matter (expanding the group of governmental entities that may contract) had been considered in prior years. During the 2015 Session, HB 2163 was introduced with contents similar to those of 2017 HB 2094. The House Committee on Local Government amended the 2015 bill to include water districts. The Senate Committee on Local Government amended the bill to remove all districts the bill would have added to the definition of "municipality" in KSA 12-2908 except school districts. The contents of 2015 HB 2163 were removed in Conference Committee, and the contents of 2016 SB 47 (regarding fire district audits) were inserted.

Proponents providing testimony to the Senate Committee on Ethics, Elections and Local Government included representatives of the KAC, the KASB, the Kansas Public Health Association, the JCBCC, the LKM, and the Sedgwick County Board of County Commissioners.

Neutral testimony was provided by a representative of the Kansas County Association Multiline Pool (KCAMP), who requested an amendment to exempt from review by the Attorney General interlocal cooperation agreements entered into for joint or cooperative action that is subject to the oversight and regulation of a Kansas regulatory agency. No opponent testimony was provided.

The Senate Committee amended the bill to expand the definition of "municipality" and to adopt the amendment requested by the KCAMP representative regarding the exemption of certain interlocal cooperation agreements from review by the Attorney General.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, KAC indicates Kansas counties may be able to raise revenues and reduce expenditures as a result of entering into contracts with other municipalities as defined by the bill. Additionally, LKM states Kansas cities may be able to reduce costs if the bill is enacted because cities would be able to enter into more contracts with other municipalities. Finally, both organizations state the number of potential new contracts is unknown; therefore, the amount of cost savings also is unknown. A fiscal note on the bill, as amended by the Senate Committee, was not available at the time of Committee action. Any fiscal effect associated with the enactment of the bill is not reflected in *The FY 2018 Governor's Budget Report*.