

SESSION OF 2017

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2080**

As Agreed to April 4, 2017

Brief*

HB 2080 would add water district vehicles to the list of vehicles that can be permanently registered in the state. Current law provides for permanent registration of city, county, township, school district, community college, and technical college vehicles. Current law also states vehicles used for utility purposes are to be registered for a five-year period.

The bill 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.

In addition, the bill 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.

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/kldr>

Conference Committee Action

The Conference Committee agreed to insert the contents of HB 2079, as amended by the House Committee on Water and Environment, (water district vehicle registration) into HB 2080, as amended by the Senate Committee on Agriculture and Natural Resources (rural water districts, reinstatement of forfeited benefit units).

Background

The bill contains the contents of HB 2079, as amended by the House Committee, and HB 2080, as amended by the Senate Committee. The background for each bill is detailed below.

HB 2079

HB 2079 was introduced by the House Committee on Water and Environment. At the House Committee hearing, a representative of the Kansas Rural Water Association provided testimony in favor of the bill. No other testimony was provided.

The House Committee amended the bill to clarify that if water districts use vehicles for utility purposes, the vehicles would be subject to the five-year licensing requirement in current law. [The Conference Committee retained this amendment.]

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

The Senate Committee of the Whole amended the bill to change the effective date from publication in the statute book

to publication in the *Kansas Register*. [The Conference Committee did not retain this amendment.]

According to the fiscal note prepared by the Division of the Budget, the Kansas Department of Revenue estimates enactment of the bill, as introduced, would cause additional administrative expenses for the agency in the amount of \$3,675, all from the State General Fund. The agency indicated new decals would be required to identify water district vehicles. There are 250 decals per roll at a cost of \$0.14 per decal and a roll would be provided to each county (250 decals X \$0.14 per decal = \$35 X 105 counties = \$3,675). Any fiscal effect associated with the bill is not reflected in *The FY 2018 Governor's Budget Report*.

HB 2080

HB 2080 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 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. [The Conference Committee retained this amendment.]

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.

benefit units; motor vehicles; rural water districts; water district vehicle registration

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