

SESSION OF 2015

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2165

As Amended by Senate Committee on Local
Government

Brief*

HB 2165 would amend law relating to different types of local governments. The bill would do the following.

- Regarding appointments to vacancies in the office of a director of an improvement district, the bill would create specific provisions for the Peck Improvement District located in Sumner and Sedgwick Counties. The bill would require, when a vacancy occurs in the office of a director of the Peck Improvement District, the Sumner County Commission would appoint a resident of Sumner County or Sedgwick County to hold the office until the next election. If the Sedgwick County Commission does not reject the appointment within 30 days, the appointment would be considered approved. If the appointment is rejected, the appointment process would be repeated until a director is selected.

Continuing law, which would apply to all other improvement districts, specifies when a vacancy occurs in the office of director of an improvement district, the remaining directors appoint a person to fill the vacancy until the next election.

- The bill would expand the definition of “municipality” in KSA 12-2908, which allows contracts between municipalities, to include a

*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>

school district, library district, road district, water district, drainage district, sewer district, or fire district. Currently, the applicable definition of “municipality” includes only “a city, county, or township.”

- The bill would increase the threshold at which sewer districts contracting for construction of all or part of a sewer system must seek competitive bids. The threshold would increase from \$1,000 to \$2,500.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill, as it left the House, dealt only with the Peck Improvement District. The Senate Committee on Local Government amended the bill to add the contents of HB 2163, as amended by the House Committee on Local Government, regarding municipal contracts, and add the contents of HB 2164, as amended by the same House Committee, regarding sewer district contracting.

HB 2165

In the House Committee on Local Government, Representative Trimmer testified in support of the bill, explaining the change would affect only one improvement district, and is needed because the directors of the district have either resigned or are unwilling to serve. The Assistant County Counselor for Sumner County also testified in support of the bill and provided the following explanation. He said the Peck Improvement District was created in 2003 to provide sewer services to its members. At the most recent election, three candidates were elected – two candidates were on the ballot and one was a write-in candidate. The directors named on the ballot submitted resignations and the write-in

candidate has not agreed, as of the time of the Committee's hearing, to sign an oath of office. However, the needs of the district to continue basic operation of the sewer system remain, notwithstanding the lack of a Board. The two counties have provided informal assistance but are legally prohibited from, and have no interest in, assuming control of the improvement district. A representative of Sedgwick County testified the County supports the bill but proposes an amendment to more clearly define the County's right to approve or disapprove Sumner County's appointment of a director.

The House Committee amended the bill to include provisions that further specify the appointment process.

Proponents in the Senate Committee included representatives of Sumner and Sedgwick counties. No neutral or opposing testimony was received.

The fiscal note prepared by the Division of the Budget on the introduced version of the bill indicates the Kansas Association of Counties (KAC) does not expect enactment of the bill to have a fiscal effect on any Kansas county.

HB 2163

The bill was introduced by the House Committee on Local Government. Proponents testifying in the House Committee included representatives of the Johnson County Board of County Commissioners, the Kansas Association of School Boards, and the League of Kansas Municipalities (LKM). Proponents said expanding the definition of municipality in this statute would create more opportunities for cooperative efforts by local governmental entities, thereby enhancing efficiencies, expertise, and cost savings. Contracting was described as a more streamlined method for municipalities to coordinate than *via* interlocal agreements. There was no neutral or opponent testimony.

The House Committee on Local Government amended the bill to include water districts in the definition of municipalities in KSA 12-2908.

A representative of the Kansas Association of School Boards testified favorably to the Senate Committee, and written proponent testimony was received from a Johnson County assistant counselor representing the Johnson County Board of County Commissioners.

The fiscal note prepared by the Division of the Budget on HB 2163, as introduced, indicates the KAC believes passage of the bill would have no fiscal effect on counties. According to the LKM, passage of the bill could result in some yet-unknown cost savings for districts that enter into interlocal agreements because it would permit those districts to enter into contracts for services with other public entities.

HB 2164

The bill was introduced by the House Committee on Local Government. Testimony in support of the bill in the House Committee was presented by representatives of Riley County: the Director of Public Works, the County Counselor, and a County Commissioner. A representative of the KAC also testified in support of the bill. Proponents said the \$1,000 threshold impeded timely response to breakdowns in sewer systems, and they noted the \$25,000 threshold would be consistent with state law requiring competitive bids for repairs to county buildings. No neutral or opponent testimony was presented.

The House Committee amended the bill to raise the threshold for competitive bids for sewer district construction from \$15,000, as proposed in the introduced version of the bill, to \$25,000.

Conferees in the Senate Committee included two proponents: a representative of the KAC and the Director of

Public Works of Riley County. Written proponent testimony was received from the Board of Riley County Commissioners. There was no neutral or opponent testimony.

The Senate Committee amended the bill to reduce the threshold for competitive bids for sewer district construction from \$25,000, as proposed in the House Committee version of the bill, to \$2,500.

The fiscal note prepared by the Division of the Budget on HB 2164, as introduced, indicates the KAC estimated the bill could result in counties paying more in construction costs, while the LKM did not expect passage of the bill to have a fiscal effect on Kansas cities.