

February 15, 2019

The Honorable Kent Thompson, Chairperson
House Committee on Local Government
Statehouse, Room 187-N
Topeka, Kansas 66612

Dear Representative Thompson:

SUBJECT: Fiscal Note for HB 2188 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2188 is respectfully submitted to your committee.

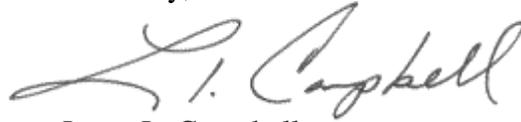
HB 2188 would allow the City of Atchison to assume the responsibility for the maintenance and repair of all watershed lakes, dams, and other projects of the White Clay Watershed District No. 26 located within Atchison County on January 1, 2020. On that date, the White Clay Watershed District No. 26 would be dissolved, and all property, records, powers, duties, functions, leases, and agreements would be transferred to the City of Atchison.

Under current law, if a city or county passes a budget that requires additional property taxes compared to the previous year, with certain exceptions, then the budget must be approved by voters. The bill would allow the governing body of any city or county to increase property taxes, without voter approval, as a result of the city or county assuming all powers, responsibilities, duties, and liabilities of another taxing entity that has been dissolved. The bill would also require that the levy increase does not exceed the levy of the dissolving taxing entity.

According to the League of Kansas Municipalities and the Kansas Association of Counties, transferring the responsibility of the White Clay Watershed District No. 26 to the City of Atchison would have no fiscal effect. They also indicate that cities and counties would no longer be required to hold special elections to approve increases in property taxes when those increases would pay for the duties and responsibilities that have been transferred to the city or county from a taxing entity that has been dissolved. It is not possible to estimate how many fewer elections would be held and how much those elections would cost; therefore, the fiscal effect cannot be estimated.

The Department of Revenue, Kansas Water Office, and the Department of Agriculture indicate the bill would have no fiscal effect on state revenues or expenditures.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Chardae Caine, League of Municipalities
Jay Hall, Association of Counties
Cara Hendricks, Water Office
Kellen Liebsch, Agriculture