Landon State Office Building 900 SW Jackson Street, Room 504 Topeka, KS 66612



Phone: (785) 296-2436 Fax: (785) 296-0231 shawn.sullivan@budget.ks.gov

Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 2, 2015

The Honorable Steve Huebert, Chairperson House Committee on Local Government Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2164 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2164 is respectfully submitted to your committee.

Current law requires contracts for construction of all or part of a sewer system be awarded on a public letting to the lowest responsible bidder if the project cost exceeds \$1,000. HB 2164 would increase that amount to \$15,000.

Because public letting on sewer projects costing less than \$15,000 would no longer be competitive, the Kansas Association of Counties indicates that passage of HB 2164 could result in counties paying more in construction costs than they are currently. However, the Association is unable to estimate what those increased costs might amount to. The League of Kansas Municipalities does not expect passage of HB 2164 to have a fiscal effect on Kansas cities.

Sincerely,

Shawn Sullivan, Director of the Budget

cc: Melissa Wangemann, KAC Larry Baer, LKM