

February 23, 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 2296 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2296 is respectfully submitted to your committee.

Current law requires revenue bonds issued by public building commissions for cities with a population of more than 175,000 and not more than 200,000 residents to be approved by a majority of electors of the city. The only exception to this requirement is for bonds issued for the purpose of refunding outstanding bonds. HB 2296 would remove the population restriction and require revenue bonds issued by public building commissions for both cities and counties to be approved by a majority of electors in the cities and counties. With regard to current law concerning revenue bonds issued by public building commissions for counties, the bill would remove the protest period and prohibit any construction contract from being let or approved by the commission until the electorate has approved the issuance of the bonds.

According to the League of Kansas Municipalities, passage of HB 2296 would cause additional costs for Kansas cities with public building commissions that need to issue bonds by exposing those cities to the expense of conducting special elections to determine if the bonds should be issued. Because the League cannot determine how many cities would be affected or how many special elections would need to be held, it cannot estimate what the fiscal effect might be.

The Kansas Association of Counties did not provide information as to the fiscal effect passage of HB 2296 might have on Kansas counties.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Larry Baer, League of Municipalities
Melissa Wangemann, Association of Counties