

February 14, 2011

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 2294 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2294 is respectfully submitted to your committee.

HB 2294 would amend existing law concerning land annexation. When land located outside a city is annexed, the homestead rights attached to the land before it was annexed would continue until the land was sold after annexation. The bill would require the governing body of a city proposing to annex land and to extend major municipal services to that land to send a copy of the plan for extension of services to the board of county commissioners by certified mail not less than ten days before the public hearing on the annexation. The bill would prohibit any unplatted tract of agricultural land of 21 acres or more from being annexed by a city without the written consent of the owner. In addition, within ten days following the rendering of a judgement by the board of county commissioners which grants all or part of an annexation, the city clerk must certify to the county election officer a legal description, a map of the area to be annexed, and the addresses of the real estate within the piece of property. Any qualified voters living in this area would be allowed to vote in a mail ballot election, and the city could annex the land only with the approval of the majority of those voters. The bill would amend existing election law to conform to these requirements.

Current law requires a board of county commissioners to hold a hearing to consider whether the city has provided the municipal services that were promised in an annexation plan five years following the annexation of the land. The bill would change that time period to three years. If the board finds that the city has not provided the promised services, the board would notify the city and the landowner that the property could be deannexed if the services were not provided within one and one half years rather than the two years contained in existing law. If the board does not hold the required hearing, the bill would allow the owner of the land to compel it to do so, and attorney fees and costs would be awarded to the landowner.

According to the League of Kansas Municipalities, passage of HB 2294 could cause additional expense to counties and cities by adding the requirement to pay landowners' litigation costs. The League states that cities may also encounter additional costs due to the accelerated timetables for service plans, potential litigation, the cost to conduct a mail ballot election, and costs incurred to prepare for and conduct additional hearings. The League also contends the

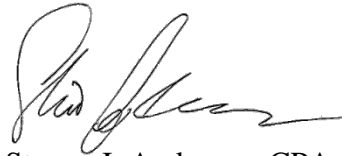
The Honorable Steve Huebert, Chairperson

February 14, 2011

Page 2—Fisc_Note_Hb2294

application of the election process to annexation would limit approvals of annexation, leading to reduced growth of cities, which will affect their ability to accommodate economic development and growth of the tax base.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Larry Baer, League of KS Municipalities