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**Division of the Budget** 

Sam Brownback, Governor

March 21, 2014

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 2765 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2765 is respectfully submitted to your committee.

Current law allows annexation of land by the governing body of a city under the following circumstances:

- 1. The land is platted and some part of the land adjoins the city;
- 2. The land lies within or mainly within the city and shares a common city boundary line of more than 50.0 percent;
- 3. The land will make the city boundary line straight or harmonious where some part adjoins the city and the parcel is less than 21 acres; or
- 4. The parcel of land is less than 21 acres and is situated so that two-thirds of any boundary line adjoins the city.

HB 2765 would prohibit annexation in these cases unless the county commission determines by resolution, within 30 days of a hearing conducted by the city, that the proposed annexation would not have an adverse effect on the county. If the county commission determines that the proposed annexation would have an adverse effect on the county, the city would not be allowed to attempt annexation of the land for at least one year.

According to the Kansas Association of Counties, passage of HB 2765 would result in additional costs associated with the requirement for a resolution to determine the effect of the annexation; however, the costs are not expected to have noticeable fiscal effect on the counties.

The Honorable Scott Schwab, Chairperson March 21, 2014 Page 2—HB 2765

The League of Kansas Municipalities indicates that passage of the bill would have increase costs for cities because it requires an additional review procedure, but the League is unable to estimate the amount of the additional costs.

Sincerely,

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Jon Hummell, Interim Director of the Budget

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