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To: House Federal and State Affairs Committee From: Jason A. Gage, City Manager - City of Salina

Date: March 3, 2017

Re: HB 2201 Written Testimony – OPPOSING

Request

Thank you for the opportunity to provide testimony regarding HB 2201. As you know, this bill would apply contract control over every city and county in the state, in addition to state agencies. The City of Salina is very appreciative of your time to consider this written testimony and respectfully requests that you **oppose** the passage of HB 2201.

Reasons for Our Opposition

We believe this bill is <u>not good</u> for Salina and other Kansas communities for the following reasons.

- While the bill includes local governments in the definition of "agencies", this appears
 to be in error because the requirements of the bill appear to be tailored only to state
 agencies.
- The bill includes an excessive protectionist approach to agency employees by requiring a full cost analysis for <u>all</u> contractual arrangements, a 10% local margin to justify using the private sector for <u>any purpose</u>, and equivalent salary and benefit packages. This requirement is an excessive paperwork burden and will likely result in limited, incorrect or poor quality information being forwarded by Kansas cities to the Kansas Department of Administration (KDoA).
- Much of the bill's requirements are very vague, with particular emphasis on services. Nearly every function, operation or service (or task) of a local government could be performed by existing staff (e.g., traffic studies, engineering design, refuse removal, shredding, technical analysis and feasibility, etc.). The bill does not in any way respect the application of efficiencies, qualifications or competency for performing tasks.
- The bill is invasive to private sector companies by requiring certain information that would typically be considered "confidential" to now be open record simply due to a contractual relationship for what may be a very minor task.
- The bill stomps all over local cities home rule rights and the responsibilities placed on locally elected commissioners.

- Kansas includes hundreds of cities generating thousands of contracts annually. This bill would create a tremendous paperwork burden for each city. In addition, we have 0% confidence the KDoA would have adequate resources to process thousands of contracts per year, and thoroughly compare costs and conduct an impact analysis of each one before authorizing the execution of an agreement. We believe your fiscal note analysis of this workload and related costs to the State of Kansas are woefully short and are a fraction of the true cost of administration.
- The bill does not provide an exception for emergency situations, which is very shortsighted and potentially harmful to every community in Kansas.
- In short, this bill contains market protectionism, creates additional bureaucracy, is poorly drafted and is logistically unworkable.

Requested Action

We respectfully request that you oppose HB 2201.

Thank you for considering our legislative request!