Division of the Budget Landon State Office Building 900 SW Jackson Street, Room 504 Topcka, KS 66612



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

Adam C. Proffitt, Director

January 19, 2024

The Honorable Jim Minnix, Chairperson House Committee on Water 300 SW 10th Avenue, Room 218-N Topeka, Kansas 66612

Dear Representative Minnix:

SUBJECT: Fiscal Note for HB 2493 by Representative Johnson, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2493 is respectfully submitted to your committee.

HB 2493 would create a public letting process for rural water districts' contracts in excess of \$25,000. The bill would exempt professional services expenditures, insurance contracts, and emergency repair or replacements expenditures when an emergency is declared by the district board.

The Kansas Water Office indicates that HB 2493 would not have a fiscal effect. The Kansas Association of Counties indicates that the bill would not have any fiscal effect on counties unless those counties also operate a rural water district. Any fiscal effect associated with the bill is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt

Director of the Budget

cc: Debra Jones, Kansas Water Office Jay Hall, Kansas Association of Counties LEGISLATURE of THE STATE of KANSAS

Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE - SUITE 24-E - TOPEKA, KS 66612 - (785) 296-2321

MEMORANDUM

To:

Chairperson Bergquist

Members of the House Committee on Local Government

From:

The Office of Revisor of Statutes

Date:

February 14, 2024

Subject:

HB 2493 - Requiring rural water districts to use a public bid process to

award contracts for work on district facilities.

House Bill No. 2493 (HB 2493) would create a new statute requiring the board of directors of a rural water district to use a public bid process to award contracts for the construction, installation, or replacement of district facilities, water lines, pump stations or buildings. Notice seeking bids for such work must be provided at least 20 days prior to awarding the contract by publication in a newspaper of general circulation in the county where the district is located. The board must award the contract to the lowest and best bid.

HB 2493 clarifies that the public bid process does not apply to contracts for professional services, the purchase of insurance, or for any work that is necessary due to an emergency based on public health and safety.

If enacted, HB 2493 would become effective on July 1, 2024.