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



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

Laura Kelly, Governor

Adam C. Proffitt, Director

January 24, 2024

The Honorable Emil Bergquist, Chairperson House Committee on Local Government 300 SW 10th Avenue, Room 281-N Topeka, Kansas 66612

Dear Representative Bergquist:

SUBJECT: Fiscal Note for HB 2537 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2537 is respectfully submitted to your committee.

HB 2537 would require the provisions of Department of Administration Form DA-146a to be included in all contracts entered into by city or county governments after July 1, 2024. Form DA-146a contains mandatory contract provisions that are included in all contracts entered into by the State of Kansas. The Form includes provisions such as a disclaimer of liability, anti-discrimination clause, and an acknowledgement of responsibility for federal, state, and local taxes. Local governments would be allowed to omit provisions of Form DA-146a upon a majority vote by the governing body.

The bill would also require local government contracts to provide that city and county governments are solely responsible for their actions or failure to act under the contract. The bill would prohibit city and county governments from entering into contracts that waive another party's liability for damages, injury, or death. The bill would require that all city and county government contracts be governed by and interpreted in accordance with Kansas law.

The Department of Administration indicates that enactment of the bill would have no fiscal effect on its operations. The League of Kansas Municipalities and the Kansas Association of Counties indicate that the bill would have no fiscal effect on local governments.

Sincerely,

Adam C. Proffitt Director of the Budget

cc: Jay Hall, Kansas Association of Counties Wendi Stark, League of Kansas Municipalities Tamara Emery, Department of Administration