## SESSION OF 2024

## **SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2493**

## As Recommended by House Committee on Local Government

## Brief\*

HB 2493 would establish requirements for rural water districts to undergo a public letting process for contracts when certain requirements are met.

# **Public Letting Requirements**

The bill would require all rural water districts (districts) to utilize a public letting process when seeking to expend more than \$25,000 for construction, installation, or replacement of any facilities, water lines, pump stations, or buildings within the district. The bill would also require that the bid be awarded to the lowest and best bid received.

The bill would also exempt expenditures made by districts that meet the following criteria:

- Expenditures of district moneys for professional services;
- Purchases of insurance contracts; or
- Repairs or replacements made during a public health and safety emergency, as declared by the board of directors of the district.

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

# **Public Letting Process**

The bill would require the district to provide no less than 20 days notice in a newspaper of general circulation within the county before the district can award the contract. If no such newspaper exists, then the bill would allow the district to post notice in no less than three conspicuous places in the service area of the district.

The bill would require the notice to:

- Describe specifications of the planned improvement project, in reasonable detail;
- Provide the time and place the contract shall be awarded; and
- Invite sealed proposals for the project.

The bill would also allow districts to provide additional notice as the district's board of directors deems necessary or proper.

## **Background**

The bill was introduced by Representatives Johnson, Buehler, Neelly, and Proctor.

#### House Committee on Local Government

In the House Committee hearing, **proponent** testimony was provided by Representative Johnson, a representative of Leavenworth County, and a private citizen who self-identified as a rural water district board member. The proponents generally stated that the bill would help ensure public moneys are spent effectively by having a transparent process.

Written-only opponent testimony was provided by representatives of Butler County Rural Water District #5,

Harvey County Rural Water District #1, Jackson County Rural Water District #3, Kansas Rural Water Association, Leavenworth County Rural Water District #1, and Marion County Rural Water District #4.

No other testimony was provided.

## **Fiscal Information**

According to the fiscal note provided by the Division of the Budget, the Kansas Water Office indicates that the bill would have no fiscal impact. The Kansas Association of Counties also indicates that the bill would have no impact on county governments unless that county also operated a rural water district.

Any fiscal effect from the bill is not reflected in *The FY* 2025 Governor's Budget Report.

Local government, special use district, rural water district, contracts, public letting process, exemptions