

January 29, 2014

The Honorable Julia Lynn, Chairperson
Senate Committee on Commerce
Statehouse, Room 445-S
Topeka, Kansas 66612

Dear Senator Lynn:

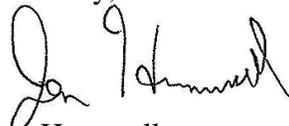
SUBJECT: Fiscal Note for SB 293 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 293 is respectfully submitted to your committee.

SB 293 would prohibit the governing body of any municipality from engaging in, selling or otherwise providing material management services to a private person, private entity or municipality outside of its incorporated limits. The bill would exempt a municipality from this prohibition if, following a public notice and hearing, it was determined that the service was not available from a non-governmental entity or if a resolution was adopted declaring the existence of a disaster or emergency. The provisions of the bill would not apply to a transfer station owned and operated by a municipality, a household hazardous waste facility, or a municipality with a population of less than 5,000.

According to the League of Kansas Municipalities, passage of SB 293 would affect some cities in Kansas. At this time, the League is unable to determine how many cities provide materials management services; how many of those cities are due for reconsideration or renewal of existing agreements or may be contemplating expansion; or how many cities provide no materials management of their own, but permit it by private haulers operating under franchise to the city. Therefore, the League is unable to estimate what the bill's potential fiscal effect would be. According to the Kansas Association of Counties, passage of SB 293 would have a significant fiscal effect on local governments. The Association indicates that the current system of waste management is largely regionalized. Passage of SB 293 would prevent local governments from contracting outside their incorporated limits; therefore, they would lose the cost savings from economies of scale.

Sincerely,



Jon Hummell,
Interim Director of the Budget

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