

SESSION OF 2018

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2628

As Amended by House Committee on Local
Government

Brief*

HB 2628 would allow the City of Pratt (City) to dissolve, *via* adoption of an appropriate ordinance, any airport authority (authority) created and established by the City. If such an airport authority is dissolved, the City would acquire the property of the authority subject to any leases or agreements made by the authority.

Ordinance Requirements

The bill would require the ordinance adopted by the City dissolving an authority to provide for the following:

- The provisions of the ordinance are deemed adequate for the payment or retirement of any authority debts or obligations; and
- All property, funds, and assets of the authority are vested in the City.

Upon the effective date of the ordinance, the following would occur:

- Transfer of all of the powers, duties, and functions of the authority to the City;
- Transfer of all balances for all funds or accounts for the authority to the City;

*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>

- Transfer of all liabilities of the authority, including the accrued compensation or salaries of officers and employees, to the City; and
- Vesting in the city of all assets of the authority.

Successorship

The bill would make the City the successor in every way to the powers, duties, and functions of the dissolved authority, and the City would be the continuation of the authority. The City would be required to make adequate provisions for the payment or retirement of all authority debts and obligations.

When the term “airport authority” or words of like effect are referred to by a document in regard to any of the powers, duties, and functions transferred to the City, the reference or designation would apply to the City as the context requires. Additionally, the City would have legal custody of all records, memoranda, writings, entries, prints, representations, electronic data, or combination of any act, transaction, occurrence, or event of the dissolved authority.

The bill would allow suits, actions, or other proceedings maintained by or against the successor of the authority, or any affected officer, commenced prior to its dissolution to proceed. The bill would specify that any such legal action would not be diminished due to the governmental reorganization under the ordinance adopted by the City.

Finally, the bill would require the City to offer the opportunity to become officers or employees of the City to any officers and employees of the authority deemed necessary in the performance of the powers, duties, or function of the City.

Background

The bill was introduced at the request of Representative Lewis. In the House Committee on Local Government hearing, Representative Lewis and two representatives of the City of Pratt testified as proponents on the bill. The proponents provided a brief history of the Pratt Airport Authority, and they stated the City is not considering dissolving the Pratt Airport Authority at this time, but wanted to ensure there was a mechanism in place to do so if necessary.

The House Committee adopted an amendment requested by the Office of Revisor of Statutes to correct an error in the bill.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the League of Kansas Municipalities states the bill should have no fiscal effect on the City because of the bill's requirement that all liabilities, bonds, or other valid indebtedness be paid or discharged prior to the City acquiring the property.