

SESSION OF 2003

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2003**

As Amended by Senate Committee of the Whole

**Brief\***

HB 2003 creates a procedure for a city which adjoins a rural water district, and which district purchases water from the city, to agree to acquire the district's water supply and distribution system and to continue to serve the district's customers. The water district would then be dissolved.

An agreement may provide for:

- ! The transfer to the city of control and ownership of the district's water supply and distribution system, including all property, equipment, records, reports and funds;
- ! Continued service, at an agreed upon rate, by the city to customers;
- ! Assumption of all or part of the revenue bond liability or other outstanding obligations of the district; and
- ! Establishment of a policy for connecting new customers to the system.

An agreement shall not take effect until:

- ! The board of directors of the rural water district and the governing body of the municipality each adopts a resolution approving the agreement;

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\*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/kldr>

- ! A copy of the agreement is filed for public inspection in the office of the county clerk of each county where there is located any portion of the area served by the rural water district;
- ! The board of directors of the rural water district causes notice of the approval of the agreement, the reasons therefor and a copy of the agreement to be mailed to each participating member of the district; and
- ! The board of directors causes to be published once in a newspaper or newspapers of general circulation in the areas served by the district, notice of the approval of the agreement and the reasons therefor, together with a statement that the proposed agreement shall take effect unless there is presented to the board of directors a petition signed by 20 percent of the participating members of the district in which case an election would be required. The bill is effective upon publication in the *Kansas Register*.

The House Committee amended the bill to raise the petition requirement from 10 percent to 20 percent and to make a clarifying amendment.

The Senate Committee returned the petition requirement back to 10 percent.

The Senate Committee of the Whole added the requirement the water district must be purchasing its water from the city.

## **Background**

The bill was supported by Representative Sloan, the Kansas Rural Water Association, the City of Topeka, and Shawnee County Rural Water District No. 7.