

SESSION OF 2006

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2927

As Recommended by House Committee on
Utilities

Brief*

HB 2927 would enact a new statute impacting municipal franchise fees in newly annexed areas. The bill would provide that franchise fees imposed by cities on electric and natural gas utilities would not take effect until 30 days after the city clerk provides the affected utility with a certified copy of the annexation ordinance, proof of publication of the ordinance, and a map of the city detailing the annexed area.

Background

A representative of Westar Energy, Midwest Energy, Kansas City Power and Light, Kansas Gas Service, and Aquila presented testimony in support of the bill at the House Utilities Committee hearing. No opponents to the bill presented testimony at that hearing.

The fiscal note prepared by the Division of the Budget states that the League of Kansas Municipalities indicates that passage of the bill could reduce collection of franchise fees by cities since the effective date when the franchise fees could be assessed would be delayed for a 30-day period. The fiscal note also states that the bill would not affect state expenditures or revenues.

*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>