

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2116**

As Agreed to March 25, 2025

Brief*

HB 2116 would require cities and counties of certain population sizes to use standard contract provisions prescribed by the Department of Administration (Department) as used in state contracts. It also would authorize the City of Topeka (Topeka) to conduct periodic inspections of private residential housing properties when the owner of the property is receiving direct public financial assistance for tenant rent, define "direct public financial assistance" for this purpose, and establish requirements to conduct such inspections.

Contract Provisions

These provisions would apply only to cities of the second or third class and to any county with a population less than 35,000 and to any contract entered into after July 1, 2025.

The contract provisions are contained in Form DA-146a, published by the Department, and include provisions governing warranties, liabilities, taxes, insurance, and applicable laws. The bill would require the provisions to be included in each contract unless the governing body of the city or board of county commissioners decides to omit a provision by affirmative majority vote. However, the governing body or board may not omit the provisions regarding indemnity or governing law, as specified in the bill.

Indemnity

The bill would state it is the public policy of Kansas for a contract entered into by a city or county governing body to restrict city or county responsibility for actions or failure to act under a contract. It would stipulate that no city or county would be authorized to enter into a contract that would indemnify or hold harmless against damages, injury, or death resulting from actions or failure to act of any party to a contract other than the governing body of a city or county or its officers or employees.

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <https://klrd.gov/>

Governing Law

The bill would state it is the policy of the State that contracts entered into by a city or county governing body, or its officers or employees acting on their behalf, shall be governed and interpreted in accordance with Kansas law. The bill would require that any contract entered into by a city or county be governed and interpreted by the laws of the State of Kansas. No city or county would be authorized to enter into a contract that stipulates the contract be governed or interpreted by laws of any state other than Kansas.

Topeka Housing Inspections

Under current law, cities and counties are prohibited from conducting interior housing inspections of private residential property without occupant's consent. The bill would create an exception for such inspections by Topeka, upon adoption of an ordinance, if the property owner receives direct public financial assistance for tenant rent.

The bill would define "direct public financial assistance" to mean a financial payment or consideration from the U.S. Department of Housing and Urban Development (HUD).

The bill would require that Topeka provide reasonable notice to tenants of the date and time of an inspection. It would also provide that a landlord may be required to perform random inspections at the request of Topeka in response to code violation complaints. If a tenant objects to an inspection, the bill would direct Topeka to obtain an administrative search warrant to facilitate the inspection.

The bill would also provide a sunset date of July 1, 2030, for the exception for Topeka.

Conference Committee Action

The Conference Committee agreed to the provisions of HB 2116, as amended by the Senate Committee on Local Government, Transparency and Ethics. The Conference Committee also agreed to add the contents of HB 2099, as amended by the House Committee on Local Government, regarding residential housing inspections in Topeka.

Background

The Conference Committee added the contents of HB 2099, as amended by the Senate Committee on Local Government, Transparency and Ethics, to HB 2116, as amended by the Senate Committee of the Whole.

HB 2116 (Contract Provisions)

The bill was introduced by the House Committee on Local Government at the request of Representative Blex.

House Committee on Local Government

In the House Committee hearing, written-only **proponent** testimony was provided by representatives of the Kansas Association of Counties and the City of Independence, Kansas. The proponents generally stated that smaller cities and counties do not have the same bargaining leverage in vendor contracts as do larger cities and counties, and that the amount of money that small cities and counties deal with in vendor contracts is much smaller. The proponents stated the bill would allow a greater possibility for smaller cities and counties to negotiate with vendors because it would grant certain provisions to be non-negotiable while maintaining the capacity of larger cities and counties to negotiate based on contract size.

Neutral testimony was provided by a representative of the League of Kansas Municipalities, who stated the bill's provisions could be beneficial in some contract negotiations but could hinder negotiations with others. The conferee stated that making the bill apply only to cities of the second and third class and counties with populations less than 35,000 would possibly allow the bill to give smaller cities and counties similar negotiation power to that of larger cities and counties.

No other testimony was provided.

Senate Committee on Local Government, Transparency and Ethics

In the Senate Committee hearing, written-only **proponent** testimony was provided by a representative of the Kansas Association of Counties and the attorney for the City of Independence. The testimony expressed support for flexibility for larger cities and counties in the bill.

Neutral testimony was provided by a representative of the League of Kansas Municipalities.

No other testimony was provided.

The Senate Committee recommended the bill be placed on the Consent Calendar.

The bill was withdrawn from the Consent Calendar on March 11, 2025, and placed on General Orders.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to clarify the bill would apply to any contract entered into after July 1, 2025. [*Note:* The Conference Committee retained this amendment.]

HB 2099 (Topeka Housing Inspections)

The bill was introduced in the House Committee on Local Government at the request of a representative of the City of Topeka.

House Committee on Local Government

In the House Committee hearing, Representative Alcala and representatives of the City of Topeka, Topeka City Council, and Topeka/Shawnee County Homeless Task Force provided **proponent** testimony. The proponents stated that individuals who live in rental properties that receive governmental rental subsidies may not consent to an inspection because of fear of losing their residence for allowing such an inspection, even though the current living conditions for the resident may not be adequate.

The proponents provided an example of residents living in such government-subsidized rental housing that had sewage, black mold growth, and no heat during freezing temperatures. The proponents stated that HUD administers the subsidies in the example described and is required to perform annual inspections. In the example, such inspections did not occur.

The proponents stated that this bill would allow the City of Topeka to perform inspections to avoid situations like the example.

The proponents also suggested an amendment to name the City of Topeka as the local governing authority to have the authority to conduct the inspections; as introduced, the bill would have provided the authority to conduct inspections to all cities and counties. The amendment would also clarify governmental rental subsidies would mean only direct tenant rental payments.

Written-only proponent testimony was provided by representatives of the City of Concordia, League of Kansas Municipalities, and Kansas Association of Counties.

Opponent testimony was provided by a representative of the Associated Landlords of Kansas and a private citizen. The opponents stated that this bill would take away the rights of a lawful tenant because the lawful tenant should be the only one who should be allowed to authorize an inspection. They stated it should be the responsibility of the tenant to accept or ask for an inspection if there are life, safety, or health issues.

Written-only opponent testimony was provided by a representative of the Kansas Association of Realtors.

No other testimony was provided.

The House Committee amended the bill to:

- Provide a definition of “direct public financial assistance” to mean a financial payment or consideration from HUD;
- Change “governmental rental subsidies” to “direct public financial assistance”;
- Narrow the scope of the bill to limit the authority to conduct inspections to only Topeka; and
- Provide a sunset date of July 1, 2030, on the exception.

[*Note:* The Conference Committee retained these amendments.]

Senate Committee on Local Government, Transparency and Ethics

In the Senate Committee hearing, representatives of the the City of Topeka and the Topeka and Shawnee County Homeless Task Force provided **proponent** testimony. The proponents generally stated the bill would allow the city to conduct regular, mandatory inspections that are not currently lawfully possible of properties accepting government funds and would put protections in place for vulnerable tenants to report code violations.

Written-only proponent testimony was submitted by Representative Alcalá, a member of the Topeka City Council, and a representative of the League of Kansas Municipalities.

Neutral testimony was submitted by a representative of the Associated Landlords of Kansas, stating the sunset makes the bill more agreeable and narrowing the bill to the City of Topeka will prevent cities from abusing the inspection program, protecting vulnerable tenants.

Opponent testimony was provided by a private citizen, who stated rental inspections through the federal government for tenants who receive housing choice (“Section 8”) vouchers are thorough and cities do not need to add more inspections.

The Senate Committee made a technical amendment to the bill. [*Note:* The Conference Committee retained this amendment.]

Fiscal Information

HB 2116 (Contract Provisions)

According to the fiscal note prepared by the Division of the Budget on HB 2116 as introduced, the Kansas Association of Counties indicates enactment of the bill would require changes to certain forms, which would not have a fiscal effect on counties. However, the Association notes that the bill could affect contract negotiations and costs of services, but that fiscal effect cannot be estimated. The League of Kansas Municipalities indicates enactment of the bill would not have a fiscal effect on cities.

HB 2099 (Topeka Housing Inspections)

According to the fiscal note prepared by the Division of the Budget on HB 2099, as introduced, the League of Kansas Municipalities states enactment of the bill would have negligible fiscal effects on cities. The Kansas Association of Counties cannot estimate a fiscal effect because the Association is unable to determine how many more inspections would be necessary and whether that would require additional employees. [*Note:* After amendment, the exception would apply only to the City of Topeka.]

Standard contract provisions; state contracts; city and county contracts; governmental rental subsidies; private residential inspections

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