SESSION OF 2025

SUPPLEMENTAL NOTE ON SENATE BILL NO. 7

As Recommended by Senate Committee on Local Government, Transparency and Ethics

Brief*

SB 7 would increase the bonding cap on general obligation bonds issued by townships for the reconstruction, repair, and equipment of township buildings in any township with a population of more than 5,000 and would increase the bonding cap for bond issues of a township fire department.

The cap on general obligation bonds would remain at 1.0 percent of the assessed tangible valuation of the township for any township with a population of 5,000. The bill would raise the cap to be set at 5.0 percent for any township with a population of more than 5,000 but less than 10,000, and 10.0 percent for any township with a population of more than 10,000.

The cap on bonds for township fire department buildings and equipment would be increased from 0.5 percent to 5.0 percent of the assessed tangible valuation of property in the township. The bill also would increase the maximum maturity term of such bonds from 15 years to 20 years.

Background

The bill was introduced by the Senate Committee on Local Government, Transparency and Ethics at the request of Senator Titus.

^{*}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 https://klrd.gov/

Senate Committee on Local Government, Transparency and Ethics

In the Senate Committee hearing, Senator Titus, Representative McNorton, and a representative of Soldier Township in Shawnee County provided **proponent** testimony. They stated Soldier Township's population is more than 15,000, it has provided fire services since 1937, it needs new facilities for its fire department, current bond limits would not allow the township to raise enough for those new facilities, and a 5.0 percent bond limit is in place for county fire districts.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Kansas Development Finance Authority indicates enactment of the bill would not have a fiscal effect on state revenues and notes debt service on bonds could affect a township's available revenues through the bond amortization period. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Bonds; townships; general obligation bonds