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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

January 28, 2013

The Honorable Steve Huebert, Chairperson House Committee on Local Government Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2062 by Representative Sloan

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2062 is respectfully submitted to your committee.

HB 2062 would change the procedure for detaching a territory from a fire district. Specifically, the bill would allow for voters of the territory to detach from the fire district by means of a petition presented to the fire district's governing body. Current law states that 51.0 percent of qualified electors must sign the petition. HB 2062 would change the number to 25.0 percent of qualified electors. If the fire district governing body does not approve the detachment of the territory within 30 days of the presentation of the petition, the board of county commissioners of each county in which the territory is located would be required to adopt a resolution calling for an election to be held within 60 days or 90 days if a regular election is already scheduled, if the petition has the requisite number of signatures.

The governing body of the fire district would determine all outstanding indebtedness within 90 days of the detachment of the territory. Subsequent budgets of the fire district would separately itemize payments of outstanding indebtedness and payments would be separately levied between the detached territory and the territory remaining in the fire district, according to their respective assessed valuations.

The Kansas Association of Counties states although detachment of the territory would undoubtedly decrease tax revenue to the fire district affected by the detachment, there would be an overall decrease in service costs because the territory would no longer be under the fire district's jurisdiction.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget