

Testimony on SB 333
before the
Committee on Commerce

by

David G. Shriver, Attorney
Kansas Association of School Boards

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Ms. Chairwoman and Mr. Chairman, Members of the Committee:

Thank you for the opportunity to submit written testimony today on SB 333, which proposes to create the Kansas Fairness in Public Building Construction Contract Act. We support this proposal, but suggest modification in the time constraints contained in the language.

KASB represents 294 of the 296 public school districts in the state. Our objective is to be certain these school districts can meet the legislative requirement in a timely manner. Subsection c of New Section 3 in the bill directs that payment for undisputed amounts be made within 30 days after receipt of the bill. Most school districts pay bills on a monthly basis after the board has reviewed the supporting information at a regular meeting, which generally occurs once a month. The timing of receipt of the bill may preclude payment within that mandatory 30 day time frame which then causes assessment of interest at 18% per year. Consideration of a longer time period, such as 45 days, would be more appropriate from the position of most school boards.

KASB believes the intent of SB 333 is favorable, but the mechanics of school board operation need to be considered.

Thank you.