



Jim Howell *Chair Pro Tem*

Commissioner – Fifth District
Board of County Commissioners
Sedgwick County, Kansas

Chair Bergquist and members of the Committee:

As Sedgwick County Commissioner, I am submitting written testimony in support of House Bill 2082.

Related to Section 1 - State budget law permits counties to create funds only with statutory authority. At this time, no statute exists that allows counties to create a fund for code inspection or enforcement. In Sedgwick County, we have a merged code department with the City of Wichita. The primary purpose for a special revenue fund would be to clearly segregate and identify building permit fees received by this merged department. This allows for greater efficiencies through shared functions and provides better customer service for citizens. However, finances must be handled through the County's General Fund, which shares operations with dozens of other departments. This creates unnecessary complexity in reporting to builders and others who are invested in the operations of the department. Creating a separate fund will provide much greater transparency and add simplicity to reporting to the public.

Related to Section 2 - The MOU the Kansas Attorney General entered into with Kansas municipalities regarding the opioid settlement indicates that municipalities receiving opioid settlement money are supposed to place that money in a segregated account and that such money would not be commingled with any other money. As mentioned above, counties lack the statutory authority to independently create special revenue funds. The Kansas Fights Addiction Act did not include language to grant counties the authority to create special revenue funds.

By granting counties the ability to create special revenue funds for the receipt of opioid settlement money, it would enable the counties to comply with the provisions of their MOUs with the Attorney General and also ensure transparency regarding the expenditure of opioid settlement funds.

Related to Section 3 – The statute creating an equipment reserve fund, K.S.A. 19-119, was created in 1987 and has not been amended since that time. Since then, technology has obviously evolved significantly. Under current law, only certain software and hardware costs are allowable. With advancements in technology and shifts to cloud technology, an update to the uses of the equipment reserve fund would be beneficial to counties in planning and managing technology implementation and upgrades. It would permit counties to set aside designated funds and implement department user fees to plan for such expenses over a replacement schedule. In addition, we have seen that some larger technology projects can take years to develop and implement, similar to traditional capital projects. This bill would allow for such projects to be treated similarly to capital projects under current State budget law.

Thank you for our consideration of this testimony.