



Proponent Testimony Provided to the
House Financial Institutions and Rural Development Committee
March 3, 2021

Kim Ryan, City Clerk Burrton Kansas

In Support of House Bill 2429

Mr. Chairman, Vice-Chair and Ranking Member,

The City of Burrton strongly supports House Bill 2429. The legislation would provide an urgently needed tool for many municipal utilities to respond to the significant financial strain caused by the February extreme winter weather event.

Below are points of the bill:

- HB 2429 would create a low-interest loan program from which a city could borrow from the State in order to cover the extraordinary costs related to the extreme weather crisis which impacted the Midwest in February.
- Bill would allow for community owned electric or natural gas utilities to utilize the low-interest low program.
- The loan could be paid back over a 10-year period, with an interest rate 2% below the market rate as per K.S.A. 75-4237.
- The loan cannot be used for normal operating expenses.
- If federal funding is made available related to the extreme weather event, those funds will be used to repay this loan.

The impact of the extraordinary cost of natural gas prices will greatly impact our city and citizens. This will defiantly put a financial strain on not only the city but also the citizens. Most of the residents are low income and will not be able to pay the bill. This will be a huge financial burden on the City.

Thank you for your consideration and we urge your support of HB 2429.