

8500 Santa Fe Drive Overland Park, Kansas 66212 www.opkansas.org

Date:January 31, 2024To:Chairman Bergquist and the House Committee on Local GovernmentFrom:City of Overland ParkRe:HB 2537 – Opposition (Written)

Thank you for allowing the City of Overland Park to submit testimony in opposition to HB 2537.

The City appreciates that the underlying intent of HB 2537 is to try to benefit cities in their contractual negotiations with contractors, suppliers and other parties. However, the City cannot support this bill as proposed as it would actually impede the City's standard operations and inhibit its ability to contract for necessary city services.

Overland Park has already established policies providing many of the protections sought by HB 2537. As the second largest city in Kansas and a city of the first class, Overland Park enters into a vast number of contracts, and this restriction would significantly impede the City's standard operations and its ability and freedom to contract. The City supports the Constitutional home rule authority of Kansas cities, which provides, in part, "...cities are hereby empowered to determine their own local affairs and government...." Our Governing Body, City Manager and professional staff are fully capable and authorized to handle the issues HB 2537 seeks to address.

Other specific problematic provisions of HB 2537 include the following:

Section 2(a) provides, in part, that all contracts shall "provide that the city...shall be responsible *solely* for the actions such governing body...or *any officer or employee thereof*, or the failure of such entity *or persons* to act under a contract." *(Emphasis added.)* This provision arguably establishes a new statutory obligation for cities to assume all responsibility for any officer or employee without exception. It ignores the possibility an officer or employee might act outside of the scope of their employment, which under current law might allow a city a legal defense to deny such liability. In a similar manner, this new provision arguably undermines and nullifies certain protections afforded to cities under the Kansas Tort Claim Act.

Section 3 provides cities shall have no power to enter into a contract that is either: (1) governed or interpreted by the laws of a state other than Kansas; or (2) subject to the jurisdiction of any court other than a court of the state of Kansas. Overland Park policy requires both the application of Kansas law and venue in the state court in Johnson County, Kansas or the federal district court of Kansas. However, on occasion there are instances where an exception is necessary. (For example necessary software contracts such as Microsoft Word or Google.) Further, the limitation to only the state courts would prohibit an action in the federal courts, which would likely face a legal challenge.

Thank you for allowing the City to submit testimony in opposition to HB 2537. We respectfully request that the Committee not advance this legislation to the full House.