

SESSION OF 2004

SUPPLEMENTAL NOTE ON SENATE BILL NO. 442

As Recommended by Senate Committee on
Ways and Means

Brief*

SB 442 would make permanent the funding mechanism approved by the 2003 Legislature through proviso to supplant State General Fund moneys with fee funds in the State Treasurer's FY 2004 budget. The State Treasurer's office would be authorized to charge cash management fees, including the processing of non-payroll paper and electronic warrants, direct deposits, fees for banking services, and fees for voucher processing. The fees will be deposited in a new fund created by the bill, the Treasurer Services Reimbursement Fund. The bill makes provisions for the Department of Human Resources to make payment for these fees from federal Reed Act moneys.

Background

The agency estimated FY 2005 revenues of \$1.6 million under this fee structure, with \$1.4 million in expenditures. The agency appeared in support of the bill. The Kansas Department of Human Resources (KDHR) appeared in opposition to the bill. KDHR testimony indicated that in order to meet the \$1.6 million revenue estimate, section 1(d) must be included to allow federal funding to be utilized.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>