



February 16, 2025

The Honorable Leo Delperdang, Chairperson
 House Committee on Energy, Utilities and Telecommunications
 300 SW 10th Avenue, Room 582-N
 Topeka, Kansas 66612

Dear Representative Delperdang:

SUBJECT: Fiscal Note for HB 2108 by House Committee on Energy, Utilities and Telecommunications

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2108 is respectfully submitted to your committee.

HB 2108 would require the Kansas Corporation Commission in consultation with the Department of Agriculture to establish and enforce a code of conduct and Agricultural Impact Mitigation Protocol for the development, construction, operation and decommissioning of certain large energy facilities in rural areas of the state. The bill would list certain requirements that would be included in the code of conduct and Agricultural Impact Mitigation Protocol. The bill would create a permit system and further provide for enforcement of penalties for violations of the bill by the Kansas Corporation Commission not to exceed \$10,000 per violation and remitted to the state treasury for credit to the State General Fund.

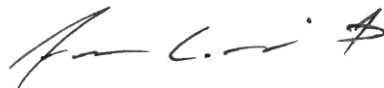
Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund	--	--	--
Fee Fund(s)	--	\$5,000	--
Federal Fund	--	--	--
Total Expenditures	--	\$5,000	--
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	\$5,000	--
Federal Fund	--	--	--
Total Revenues	--	\$5,000	--
FTE Positions	--	--	--

The Citizens' Utility Ratepayer Board (CURB) indicates that enactment of the bill would increase revenues in FY 2026 by \$5,000 to establish the permit system and would increase expenditures in FY 2026 by \$5,000 for anticipated additional dockets regarding permit approval for utilities. The agency anticipates using in-house staff to conduct most of the increase in workload without the need to obtain specific consultants and does not anticipate long-term fiscal effects. The Kansas Corporation Commission indicates that enactment of the bill would have no fiscal effect as the Commission issued an order on January 23, 2025, that adopts guidelines for transmission line siting criteria and priorities.

The Office of Judicial Administration indicates enactment of the bill could increase the number of cases filed in district courts because it allows for appeals of Kansas Corporation Commission orders to be filed. This would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The Office also states enactment of the bill could result in the collection of docket fees in cases filed under the provisions of the bill, which would be deposited in the State General Fund. However, the Office states that until the Judicial Branch has had an opportunity to operate under the bill's provisions, a fiscal effect cannot be determined. Any fiscal effect associated with HB 2108 is not reflected in *The FY 2026 Governor's Budget Report*.

The Kansas Association of Counties indicates enactment of the bill could decrease expenditures or increase revenues for counties if the requirements ensure that large energy facility operators have the funds to provide for environmental and other decommissioning concerns. The League of Kansas Municipalities indicates that enactment of the bill would not have a fiscal effect on operations.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Lynn Retz, Kansas Corporation Commission
Shonda Rabb, Citizens Utility Ratepayer Board
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties
Lita Biggs, Department of Agriculture
Trisha Morrow, Judiciary