Adam C. Proffitt, Director



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Laura Kelly, Governor

February 19, 2025

The Honorable Sean Tarwater, Chairperson House Committee on Commerce, Labor and Economic Development 300 SW 10th Avenue, Room 346-S Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2340 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2340 is respectfully submitted to your committee.

HB 2340 would amend KSA 65-3453, related to hazardous substances to add an exemption from remediation costs or other liability for owners of certain property, as described in the bill, located in Johnson County that was previously owned by the United States Army. The bill would specify that it was the intent of the Legislature to apply the provisions retroactively.

According to the Kansas Department of Health and Environment, enactment of HB 2340 would reduce revenue by approximately \$44,000 per fiscal year. This is based on the amount billed for oversight at a facility in Johnson County that was previously owned by the U.S. Army. The agency anticipates staff time expended for oversight at this facility would be transferred to other projects. Any fiscal effect associated with HB 2340 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

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Adam C. Proffitt Director of the Budget

cc: Amy Penrod, Department of Health & Environment