

February 20, 2026

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 2675 by Representative Bohi

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2675 is respectfully submitted to your committee.

HB 2675 establish the Kansas-Italy Trade Commission. The 13-member Commission would advance, promote, and encourage business and other mutually beneficial activities between Kansas and Italy. The Commission would report on its activities to the Governor and the Legislature within one year of the Commission's initial meeting and by February 1 of each year thereafter. The staff of the Office of Revisor of Statutes, the Legislative Research Department, and the Division of Legislative Administrative Services would provide assistance as requested by the Commission's chairperson.

The bill would also create the Kansas-Italy Trade Commission Fund (KITCF) to be administered by the Chairperson of the Commission. At the request of the Chairperson or a vote of the Commission, the Secretary of Commerce would administer the fund. The Commission would be authorized to raise funds to carry out its purposes, and those funds would be deposited into the KITCF. The fund would earn interest on the average daily balance and the net earnings rate for the pooled money investment portfolio for the preceding month. Compensation, allowances, and expenses incurred from attendance at meetings and any administrative expenses of the Commission would be paid from the Department of Commerce's State General Fund account.

The Department of Commerce indicates enactment would increase its expenditures by \$19,240 for reimbursement of members of the commission for mileage and per diem subsistence expenses for four meetings each year. The Department provides that the State General Fund

monies it currently receives are designated for specific programs and therefore, the Department would need an additional State General Fund appropriation to cover the estimated new costs. The Kansas Department of Revenue states that tax revenues could increase from an Italian company locating to Kansas as a result of passage of HB 2675. However, the agency is unable to estimate a precise fiscal effect.

The Kansas Board of Regents indicates enactment of HB 2675 would not have a fiscal effect on the Board. However, if passage of the bill results in more students from Italy enrolling in Kansas public postsecondary institutions that would increase student enrollment at the institutions which could have a fiscal effect. The Board is unable to estimate a precise fiscal effect. Legislative Administrative Services states the bill would not have a fiscal effect. Any fiscal effect associated with HB 2675 is not reflected in *The FY 2027 Governor's Budget Report*.

The Kansas Association of Counties and the League of Kansas Municipalities both state HB 2675 could have a fiscal effect on counties if Italy opened businesses in cities and counties or purchased products subject to local sales tax. The Association and the League are unable to estimate a fiscal effect.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Sherry Rentfro, Department of Commerce
Becky Pottebaum, Board of Regents
Wendi Stark, League of Kansas Municipalities
Bruce Chladny, Kansas Association of Counties
Lynn Robinson, Department of Revenue
Tom Day, Legislative Services