

February 4, 2025

The Honorable Michael Fagg, Chairperson
Senate Committee on Utilities
300 SW 10th Avenue, Room 548-S
Topeka, Kansas 66612

Dear Senator Fagg:

SUBJECT: Fiscal Note for SB 81 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning SB 81 is respectfully submitted to your committee.

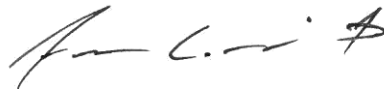
SB 81 would amend current laws regarding the Kansas Corporation Commission (KCC) practices for utility rate regulation to prohibit large facilities receiving certain tariffs or failing to meet workforce and electric demand requirements from qualifying for economic development electric rates. The bill would consider a facility ineligible if (1) peak demand is reasonably projected to be 40 megawatts or above for the first two service years and (2) full-time work force is reasonably projected to be 200 employees or less in the first two years and the facility is not a data center or considered a large load tariff.

The Kansas Corporation Commission indicates that the enactment of the bill would not have a fiscal effect on its operations. The Citizens' Utility Ratepayer Board (CURB) indicates that the bill would not affect the agency's workload significantly and would not have a fiscal effect on its operations. CURB notes that any fees collected under the provisions of the bill could not exceed fee collection amounts limited by current statute. Any fiscal effect associated with SB 81 is not reflected in *The FY 2026 Governor's Budget Report*.

The Kansas Association of Counties indicates that the fiscal effect associated with the enactment of the bill cannot be estimated for county governments because it is dependent on the economic development rates offered. The League of Kansas Municipalities indicates that the

enactment of the bill could decrease revenue or increase expenditures for cities; however, the fiscal effect cannot be estimated at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Lynn Retz, Kansas Corporation Commission
Shonda Rabb, Citizens Utility Ratepayer Board
Jay Hall, Kansas Association of Counties
Wendi Stark, League of Kansas Municipalities