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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

March 21, 2013

The Honorable Jeff King
Kansas Senate
Statehouse, Room 341-E
Topeka, Kansas 66612

Dear Senator King:

SUBJECT: Fiscal Note for HB 2303, as Amended

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2303, as amended, is respectfully submitted.

HB 2303, as amended by the House Committee on Transportation and Public Safety Budget, would rename the Driving Under the Influence Equipment Fund of the Kansas Department of Health and Environment (KDHE), the Driving Under the Influence Fund. The bill would require KDHE to establish and maintain breath alcohol programs and use the money in the Driving Under the Influence Fund toward this and other existing purposes. The bill would also require the fund to earn interest based on (1) its average daily balance for the preceding month, and (2) the net earnings rate of the Pooled Money Investment Portfolio for the preceding month.

Current law requires 80.0 percent of reinstatement fee revenue to be deposited in the State Highway Fund and the remaining 20.0 percent to be distributed as follows: 50.0 percent to the Community Alcohol and Intoxication Programs Fund of the Department for Aging and Disability Services (KDADS); 20.0 percent to the Juvenile Detention Facilities Fund of the Juvenile Justice Authority (JJA); 20.0 percent to the Forensic Laboratory and Materials Fee Fund of the Kansas Bureau of Investigation (KBI); and 10.0 percent to the Driving Under the Influence Equipment Fund of the Kansas Department of Health and Environment (KDHE). HB 2303, as amended by House Committee on Transportation and Public Safety Budget, would require the remaining 20.0 percent of reinstatement fee revenue to be deposited as follows: 35.0 percent to the Community Alcohol and Intoxication Programs Fund in KDADS; 20.0 percent to the Juvenile Detention Facilities Fund of the Juvenile Justice Authority (JJA); 20.0 percent to the Forensic Laboratory and Materials Fee Fund of the Kansas Bureau of Investigation (KBI); and 25.0 percent to the Driving Under the Influence Fund of the Kansas Department of Health and Environment (KDHE).

The bill would also increase reinstatement fees for first and subsequent occurrences of violations of driving under the influence statutes. The reinstatement fees for convictions resulting from test failure would increase as follows:

1. From \$100 to \$200 after the first occurrence;
2. From \$200 to \$400 after the second occurrence;
3. From \$300 to \$600 after the third occurrence; and
4. From \$400 to \$800 after the fourth or subsequent occurrence.

For convictions resulting from test refusal, the reinstatement fees would increase as follows:

1. From \$400 to \$600 after the first occurrence;
2. From \$600 to \$900 after the second occurrence;
3. From \$800 to \$1,200 after the third occurrence; and
4. From \$1,000 to \$1,500 after the fourth or subsequent occurrence.

The Department of Revenue now estimates that the increase in reinstatement fees as required in HB 2303, as amended by the House Committee on Transportation and Public Safety Budget, would increase state revenues by approximately \$2.2 million in FY 2014 and subsequent years. The adjustments in the percentages by which the funds are credited to various funds would result in the following distributions:

1. \$783,300 to KDADS;
2. \$447,600 to JJA;
3. \$447,600 to KBI; and
4. \$559,500 to KDHE.

Any fiscal effect associated with HB 2303, as amended by the House Committee on Transportation and Public Safety Budget, is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget