

February 6, 2013

CORRECTED

The Honorable Sharon Schwartz, Chairperson
House Committee on Agriculture and Natural Resources
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Schwartz:

SUBJECT: Corrected Fiscal Note for HB 2049 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following corrected fiscal note concerning HB 2049 is respectfully submitted to your committee.

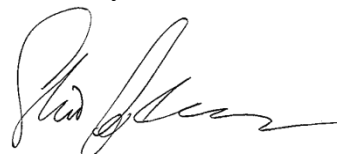
Several Department of Agriculture fees are scheduled to revert to rates set in FY 2002, on July 1, 2015, which are lower than current rates. HB 2049 would, instead, maintain the fees at current levels for the Dairy, Water Appropriations, and Pesticide Programs in perpetuity. The original fiscal note erroneously stated that the 2002 rates are higher than current levels. It should have stated that the fees will remain at current rates, with adoption of HB 2049.

The original fiscal note also referenced reinstatement of a weights and measures fee that is not reinstated by HB 2049. Rather, the bill would change the rate of the fee that was previously \$100, but in 2010 lowered to \$50. HB 2049 would change the fee back again to \$100.

Finally, HB 2049 would also clarify that dairy operations that produce and process milk on the farm are exempt from paying raw milk processing fees. Current statute was established prior to the development of on-farm processing facilities.

The Department of Agriculture indicates that the fiscal effect of HB 2049 would be negligible in FY 2014 and FY 2015. If HB 2049 is not enacted, however, annual revenue to the three agency programs could decrease by as much as \$746,328 starting in FY 2016.

Sincerely,



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

cc: Mark Heim, Agriculture