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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

## February 13, 2015

The Honorable Mark Hutton, Chairperson House Committee on Commerce, Labor and Economic Development Statehouse, Room 521-E Topeka, Kansas 66612

Dear Representative Hutton:

SUBJECT: Fiscal Note for HB 2254 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2254 is respectfully submitted to your committee.

HB 2254 would amend the Kansas Roofing Registration Act. Current law requires all roofing contractors to register with the Office of the Attorney General prior to engaging, or offering to engage, in roofing services in the State of Kansas. The amendment would exempt certain general contractors, as defined in the bill, from the existing definition of roofing contractor. The Office of the Attorney General would be authorized to issue exemptions to those general contractors who applied for such exemption, so long as such contractors met the conditions stated in the bill.

HB 2254 would have a fiscal effect on the Office of the Attorney General. The Office would be authorized to issue exemptions for certain general contractors, if such general contractor applied for the exemption and met the specified conditions. The agency would expend resources investigating these exemption requests; however, it is estimated that expenditures would be negligible and could be handled within current resources. The Attorney General indicates that the exemptions would result in many general contractors that currently operate in the State of Kansas no longer being considered roofing contractors, and therefore, would not be required to register.

The agency would lose the \$250 registration fee from those exempt general contractors who would no longer register as roofing contractors. It is difficult to estimate the number of currently registered contractors who would choose to no longer register. The provisions of the bill would result in a decline in revenues for the Roofing Registration Fee Fund of \$250 for each

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contractor who chooses not to register. Any fiscal effect associated with HB 2254 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Willie Prescott, Attorney General's Office