

SESSION OF 2016

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2660**

As Amended by House Committee on General  
Government Budget

**Brief\***

The bill would amend a statute pertaining to the revenues placed in the State General Fund to specify that certain funds, identified in section 1(b), and any other fund in which fees are deposited for licensing, regulating, or certifying a person, profession, commodity, or product, must be used for the purposes set forth in statute and for no other government purpose.

The bill would define “fee agency” as state agencies specified in KSA 75-3717(f), and any other state agency that collects fees for licensing, regulating, or certifying a person, profession, commodity, or product.

Under the bill, a fee agency would be required to provide notice if moneys received pursuant to statutory provisions for a specific purpose by such agency are proposed to be transferred to the State General Fund or any other special revenue fund to be expended for general government services and purposes in the *Governor’s Budget Report* or any introduced House or Senate bill. The fee agency would have to notify, within 30 days of such proposed transfer, the person or entity that paid such moneys to the fee agency within the preceding 24-month period. The notice could be sent electronically if the fee agency has an electronic address on record for the person or business entity. If no electronic address is available, the fee agency would be required to send written notice by first class mail.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Notification, however, would not be required for the 10.0 percent credited to the State General Fund to reimburse the State General Fund for accounting, auditing, budgeting, legal, payroll, personnel, purchasing, and other governmental services.

## **Background**

The bill was introduced by the House Committee on Judiciary. At the House Committee on General Government Budget hearing, Representative Finch and representatives from the Kansas Bankers Association and the Kansas Chamber spoke in favor of the bill. The Kansas Association of Realtors and Petroleum Marketers and Convenience Store Association of Kansas submitted written proponent testimony. No neutral or opponent testimony was provided.

The House Committee amended the bill to clarify the names of affected funds, timing of notification, sender of notification, recipients of notification, and form of notification. The amendment also clarified that notification need not be sent when money is transferred to the State General Fund, pursuant to KSA 75-3170a.

The fiscal note prepared by the Division of the Budget on the bill, as introduced, notes the Department of Administration could incur additional administrative expenses due to increased workload of Department and fee agency staff, but the Department was unable to determine an exact fiscal effect. Under the amended bill those costs would be incurred by the fee agencies.