

May 8, 2017

The Honorable Troy Waymaster, Chairperson  
House Committee on Appropriations  
Statehouse, Room 111-N  
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Fiscal Note for HB 2419 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2419 is respectfully submitted to your committee.

HB 2419 would require the Director of the Budget, in consultation with the Director of Legislative Research, to certify to the Director of Accounts and Reports at the end of each fiscal year the amount of tax receipts that is in excess of, or is less than, the average tax revenue for the preceding three fiscal years. When determining the amount to certify, the amount would be reduced by the amount of receipts that resulted from any tax increase enacted in the current or preceding fiscal year. The Director of Accounts and Reports would then transfer the certified excess amount from the State General Fund to the Budget Stabilization Fund. The transfer would not be made if it would cause total State General Fund revenue on July 1 of the current fiscal year to be less than the total State General Fund revenue on July 1 of the previous fiscal year. The transfer would not occur if the current year tax receipts were less than the average tax revenue from the preceding three years. The transfer would occur if the balance in the Budget Stabilization Fund exceeds 8.0 percent of the preceding fiscal year's tax revenue.

HB 2419 would allow expenditures from the Budget Stabilization Fund only if current year State General Fund revenue is less than revenue from the previous fiscal year, current year State General Fund revenue is less than the estimated revenue on which the budget was based, or to provide relief and assistance from the effects of declared disaster emergency. The provisions of the bill would commence in FY 2019.

Enactment of HB 2419 would affect expenditures from and the balances of the State General Fund and the Budget Stabilization Fund beginning in FY 2019, however, it is not possible to estimate future excess revenues. Any fiscal effect associated with HB 2419 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,  
Director of the Budget