

STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 23, 2018

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2667 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2667 is respectfully submitted to your committee.

HB 2667 would eliminate the disallowance of tax credits for employers who have health care expenditures, health benefit plan expenditures or amounts contributed to health savings accounts related to abortions. The bill would eliminate the provision that no tax credit be allowed against any income tax, premium or privilege tax liability and no sales tax exemption be granted for the portion of amounts paid or incurred for an abortion. The bill would eliminate the provisions that include the costs of abortions paid through an employer provided health plan in a beneficiary's Federally Adjusted Gross Income as it relates to the Kansas Adjusted Gross Income for years commencing after December 31, 2013.

The bill would also eliminate the provisions regarding optional rider coverage for health savings accounts, abortion coverage and health benefit plans as it relates to abortions and federally adjusted gross income of a taxpayer. The bill would eliminate additional provisions regarding expenditure in research, development activities and deferred maintenance from exemption for abortions that were performed.

According to the Department of Revenue, enactment of HB 2667 would have a negligible fiscal effect on State General Fund Revenue. The agency cannot estimate the fiscal effect on agency operations. Any fiscal effect associated with HB 2667 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Lynn Robinson, Department of Revenue