

# STATE OF KANSAS



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

March 5, 2018

The Honorable Caryn Tyson, Chairperson  
Senate Committee on Assessment and Taxation  
Statehouse, Room 123-E  
Topeka, Kansas 66612

Dear Senator Tyson:

**SUBJECT:** Fiscal Note for SB 429 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 429 is respectfully submitted to your committee.

Under current law, certain provisions of the Scrap Metal Theft Reduction Act have been delayed or made unenforceable until January 1, 2019. SB 429 would delay or make unenforceable certain provisions of the Scrap Metal Theft Reduction Act until January 1, 2020. The bill would allow the Office of the Attorney General (OAG) to impose a civil penalty ranging from \$100 to \$5,000 on scrap metal dealers for the following:

1. Failing to comply with the requirement that dealers must photograph the items being sold at the time of purchase between June 1, 2017, and January 1, 2020;
2. Failing to maintain a register of information between June 1, 2017, and January 1, 2020; and
3. Violating prohibitions on certain actions regarding purchasing and disposing of scrap metal.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	--	(\$42,000)
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

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The Office of the Attorney General receipts \$1,000 per Scrap Metal Dealer Registration annually in the Scrap Metal Theft Reduction Fund and reports 84 registrations in FY 2017. If it is assumed the number of scrap metal dealers remains the same, the OAG estimates SB 429 would reduce revenues to the Fund by \$42,000 in FY 2019 because the registrations would be delayed six months, from January 1, 2019, to June 30, 2019. Some of the loss in revenue could be offset by new revenues from penalties received from scrap dealer violations that occur between June 1, 2017, and January 1, 2020. However, the number of violations and the amount of the penalty that would be imposed is unknown. Any fiscal effect associated with SB 429 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Campbell", written in a cursive style.

Larry L. Campbell  
Chief Budget Officer

cc: Willie Prescott, Office of the Attorney General