

February 27, 2020

The Honorable Steven Johnson, Chairperson  
House Committee on Taxation  
Statehouse, Room 185A-N  
Topeka, Kansas 66612

Dear Representative Johnson:

SUBJECT: Fiscal Note for HB 2691 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2691 is respectfully submitted to your committee.

HB 2691 would create the Kansas Electricity Bill Reduction Bonds Act (K-EBRA). The bill would give the Kansas Corporation Commission the authority to oversee and authorize the issuance of ratepayer-backed securitized bonds in order to finance the retirement of existing generating assets in the state, as well as any replacement generation facilities necessary to replace the lost capacity and energy from the retired generation facility.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	--	\$500,000
Expenditure	--	--	--	\$500,000
FTE Pos.	--	--	--	--

According to the Kansas Corporation Commission, enactment of HB 2691 would result in \$500,000 in expenditures for outside consulting and legal fees necessary to review each application and meet the statutory standards set out in the bill. These expenditures would be paid from financing costs that would be included in the K-EBRA charge. Any fiscal effect associated with HB 2691 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,



Larry L. Campbell  
Director of the Budget

cc: Jake Fisher, KCC  
Lynn Robinson, Department of Revenue