

April 19, 2023

The Honorable Adam Smith, Chairperson
House Committee on Taxation
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Smith:

SUBJECT: Fiscal Note for HB 2192 by House Committee on Appropriations

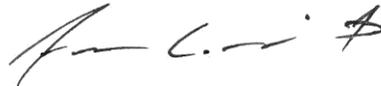
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2192 is respectfully submitted to your committee.

HB 2192 would require the Secretary of Administration to include on the Kansas Taxpayer Transparency Act website any grant awarded by any agency using state or federal funds, including the grant awardee, applications, and a list of all applicants who applied for the grant. The list of all applicants would include the applicant's organization name, the county where the proposed project is located, a brief description of the proposed project in the application, the dollar amount requested in the application, and the date that the above agency received the application. Information required to be included on the website would be posted within 30 business days of the date of awarding the grant.

The Department of Administration states the cost of accumulating, providing, and publishing the grant applicant/award data would require efforts by both the Department and state agencies involved in granting state or federal funds. The Department states that none of the grant reporting requirements specified in the bill currently exists within the state's central accounting or payroll systems. According to the Department, the information resides with state agencies, which generally use their own grant program administration systems and processes. The Department indicates the state has recently implemented a software program which provides grant tracking capabilities; however, the Department estimates that state agencies with existing systems developed to meet unique agency specifications would continue to use their own agency system and the grant reporting information in HB 2192 would be interfaced to the Department to meet the reporting requirements.

The Department of Administration estimates additional expenditures of \$229,920 in FY 2023 and \$178,800 in FY 2024, along with an additional 0.75 FTE position and a 0.20 FTE position in both fiscal years if the bill is enacted. Of the FY 2023 amount, \$36,120 would be for one-time costs related to an interface development fee for grant recipient state agencies that elect to retain existing grant software and \$15,000 would be for the development of a portal. The remaining \$178,800 would be for other operating expenditures to implement the bill's provisions in both FY 2023 and FY 2024, including an annual user charge for state agencies that would use the software that tracks state grants. The Department states the additional expenditures would be needed from the State General Fund in both fiscal years; however, the Division of the Budget notes it is possible that a state agency who pays the user interface fee/and or user charge for the grant tracking software could use a non-State General Fund source, such as a special revenue fund. Any fiscal effect associated with HB 2192 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Tamara Emery, Department of Administration