

January 30, 2026

The Honorable Leo Delperdang, Chairperson
House Committee on Energy, Utilities and Telecommunications
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Delperdang:

SUBJECT: Fiscal Note for HB 2544 by House Committee on Energy, Utilities and Telecommunications

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2544 is respectfully submitted to your committee.

HB 2544 would establish the Relocation Reimbursement Assistance Payment Program which would be managed by the State Treasurer. This program would reimburse communication service providers that are required to relocate facilities located in the public right-of-way with a request, order, or directive from a municipality. The bill would create the Relocation Reimbursement Assistance Fund which would receive a demand transfer of \$2.0 million from the State General Fund on July 1, 2027, and in each year thereafter. The bill includes language that the annual \$2.0 million demand transfer is from insurance premiums taxes that have already been remitted to the State General Fund. The average daily balance of the Relocation Reimbursement Assistance Fund would be able to receive interest earnings on a monthly basis.

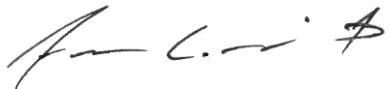
The State Treasurer would receive and review applications from providers that are seeking payment from the Relocation Reimbursement Assistance Fund. The application would include the name and business address of the provider; evidence of the request, order, or directive to relocate facilities located in the public right-of-way issued to the provider by a municipality; proof of the costs incurred by the provider in the preceding fiscal year to relocate any facilities by request, order, or directive; and any other information required by the State Treasurer. Payments to providers could be prorated if the total available amount in the Relocation Reimbursement Assistance Fund is insufficient to pay the full amount.

The State Treasurer estimates that HB 2544 would increase expenditures from the State General Fund by \$2.0 million each year beginning in FY 2028. Demand transfers from the State General Fund are treated as expenditures from the State General Fund for budgetary purposes. The State Treasurer discussed the bill with a communication service provider who estimates that approximately ten applications for reimbursement would be received each year. Based on that number of applications, the State Treasurer estimates that the bill would require \$26,750 in FY 2027 to implement the bill, including \$23,250 for salaries and wages and \$3,500 for overhead expenses. Assuming ten applications each year, the bill would require that the State Treasurer hire 0.25 new FTE positions to assist with the administration of this new program, including reviewing and approving applications.

The Kansas Department of Insurance indicates that the bill would have no fiscal effect on insurance premiums tax collections and would have no fiscal effect on its operations. Any fiscal effect associated with HB 2544 is not reflected in *The FY 2027 Governor's Budget Report*.

The League of Kansas Municipalities and the Kansas Association of Counties indicate the bill would have no fiscal effect on local governments. The bill would allow certain communication service providers to get reimbursed for the expenses to relocate facilities located in the public right-of-way.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: John Hedges, Office of the State Treasurer
Brendan Yorkey, Department of Transportation
Wendi Stark, League of Kansas Municipalities