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Laura Kelly, Governor

Adam C. Proffitt, Director

March 4, 2025

The Honorable Michael Fagg, Chairperson Senate Committee on Utilities 300 SW 10th Avenue, Room 548-S Topeka, Kansas 66612

Dear Senator Fagg:

SUBJECT: Fiscal Note for SB 274 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 274 is respectfully submitted to your committee.

SB 274 would require the State Corporation Commission to contract, using detailed guidelines, with a consulting firm to conduct a technical and legal feasibility study on nuclear energy generation in Kansas using specified considerations.

The bill would appropriate \$375,000 from the State General Fund in FY 2026 to the State Corporation Commission with criteria for selecting a firm and completion of the nuclear feasibility study regarding the promotion of nuclear energy generation in Kansas.

| Estimated State Fiscal Effect | | | |
|-------------------------------|---------|-----------|---------|
| | FY 2025 | FY 2026 | FY 2027 |
| Expenditures | | | |
| State General Fund | | \$375,000 | |
| Fee Fund(s) | | \$5,000 | |
| Federal Fund | | | |
| Total Expenditures | | \$380,000 | |
| Revenues | | | |
| State General Fund | | \$375,000 | |
| Fee Fund(s) | | \$5,000 | |
| Federal Fund | | | |
| Total Revenues | | \$380,000 | |
| FTE Positions | | | |

The Kansas Corporation Commission indicates that enactment of the bill would increase expenditures by \$375,000 from the State General Fund to retain a consultant to conduct a feasibility study on new nuclear energy generation in Kansas.

The Citizens' Utility Ratepayer Board (CURB) indicates that enactment of the bill would increase workload and estimates an increase of up to \$5,000 in hours worked and potential consultant costs to review any filings on nuclear energy feasibility and to submit any responsive filings to a Kansas Corporation Commission general investigation docket filing. CURB further anticipates recovering costs through a fee-funding mechanism assessed to utilities. Any fiscal effect associated with SB 274 is not reflected in *The FY 2026 Governor's Budget Report*.

The Kansas Association of Counties and the League of Kansas Municipalities indicate that the enactment of the bill would not have a fiscal effect on their operations.

Sincerely,

Adam C. Proffitt Director of the Budget

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cc: Lynn Retz, Kansas Corporation Commission Shonda Rabb, Citizens Utility Ratepayer Board Jay Hall, Kansas Association of Counties Wendi Stark, League of Kansas Municipalities