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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 21, 2012

The Honorable Larry Powell, Chairperson House Committee on Agriculture and Natural Resources Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2654 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2654 is respectfully submitted to your committee.

HB 2654 would amend withdrawal procedures for participation in an extension district. After July 1, 2013, the county commission of any county within an extension district may agree to withdraw from the district by a majority vote and adoption of a resolution. Seven days prior to the meeting, the resolution and meeting information would have to be published in the official county newspaper. In addition, the same written notice would have to be sent to the governing body of the extension district, the county commissioners and the county clerk of each other county included within the extension district. Interest parties could be heard at the meeting of commissioners prior to a vote.

Most extension agents serve one county. An extension district consists of a number of counties. Kansas State University and the federal government support the extension agents. The local governments support the administrative needs of the extension districts. If a county withdraws from the extension district, the county would have to provide administrative support for its extension agent independently.

Kansas State University states that the bill would have no fiscal effect on the University but local extension districts and the counties would sustain a loss of cost saving efficiencies that come with sharing equipment, personnel, insurance, audits and overall administrative overhead. Specialized agent staffing would also be affected, making it difficult to share specialized services. The county withdrawing from the extension district would have to establish an

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extension council that would largely duplicate the programs and services already provided through extension district office; this would increase local expenditures.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Melissa Wangemann, Kansas Association of Counties Cindy Bontrager, Kansas State University