

February 15, 2012

The Honorable Marc Rhoades, Chairperson
House Committee on Appropriations
Statehouse, Room 351-S
Topeka, Kansas 66612

Dear Representative Rhoades:

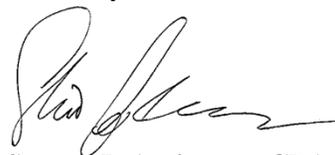
SUBJECT: Fiscal Note for HB 2691 by Representatives Mesa and Johnson

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

HB 2691 would amend current law regarding preparation of the state budget. Current law provides that 22 regulatory, primarily fee-funded state agencies submit a budget on a biennial basis. HB 2691 would expand the biennial budget process to all state agencies. In the fall of 2012, all state agencies would submit a budget request for both FY 2014 and FY 2015 with its revised budget estimate for FY 2013.

Enactment of HB 2691 would require additional staff time in the upcoming budget cycle for all agencies to compile two years of complete budget data rather than one. The Division of the Budget assumes agencies would absorb this additional workload that would occur every other year within existing staff structures. Additional work would similarly be demanded and absorbed within the Division of the Budget to produce budget instructions to agencies, issue cost indices and to review the agencies' budget data. The state's database used to collect and aggregate budget data would be reconfigured to allow more state agencies than the ones already submitting biennial budget requests to do so, which would not incur any additional expense. Any fiscal effect associated with HB 2691 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget