SESSION OF 2014

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2656

<u>As Recommended by House Committee on</u> <u>Veterans, Military and Homeland Security</u>

Brief*

HB 2656 would require the Adjutant General to pay a death gratuity of \$100,000 for any eligible Kansas military service member killed during the course of a federal government shutdown beginning on or after January 1, 2015. Funding for the death gratuity payment would come from the Pooled Money Investment Board (PMIB) and would be loaned to the Adjutant General. Further, the bill would require the Adjutant General to develop and implement procedures to provide such reimbursements on or before January 1, 2015. The bill also would create the Adjutant General Death Gratuity Payment Facilitation Fund in the State Treasury.

Under the provisions of the bill, the PMIB would be authorized and directed to use moneys in the operating accounts, investment accounts, or other investments of the State of Kansas to provide the funds for the death gratuity payment. Additionally, the loans would be interest free and not considered to be an indebtedness or debt of the State of Kansas.

Background

The bill was introduced by the House Committee on Veterans, Military and Homeland Security. A representative of the Kansas American Legion spoke in favor of the bill. Also testifying in favor of the bill was a private citizen. There was no neutral or opponent testimony.

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

According to the fiscal note provided by the Division of the Budget, the fiscal effect is difficult to determine as it is difficult to anticipate when a federal government shutdown would occur. The Kansas Adjutant General notes no Kansas military service members were killed during the most recent government shutdown. The PMIB indicates any money paid to the Kansas Adjutant General for the purpose of the death gratuity payment would be otherwise invested as part of the Pooled Money Investment Portfolio.