

February 8, 2017

The Honorable Steve Alford, Chairperson
House Committee on Children and Seniors
Statehouse, Room 187-N
Topeka, Kansas 66612

Dear Representative Alford:

SUBJECT: Fiscal Note for HB 2160 by House Committee on Children and Seniors

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2160 is respectfully submitted to your committee.

HB 2160 would amend the Individual Development Account (IDA) Act to allow certain expenditures by individuals who are likely to age out of foster care. The bill allows individuals who are likely to age out of foster care to use an IDA for qualified vehicle expenses and start-up costs, including rent and utility deposits.

The Department of Revenue indicates HB 2160 has the potential to increase donations to IDA's by expanding the allowable expenditures from an Individual Development Account. The bill does not alter the tax credit associated with program contributions to an Individual Development Account. The Department does not have data to determine the amount of additional tax credits claimed by taxpayers to provide a precise estimate of the reduction to State General Fund revenues. However, the reduction in State General Fund revenue is estimated to be negligible.

The Department of Commerce indicates that it is currently responsible for managing the IDA Tax Credit Program. The Department indicates that allowing additional IDA expenditures would have no fiscal effect on the operation of this program.

The Kansas Department for Children and Families (DCF) indicates the bill would have no fiscal effect on the operation of the foster care system. The Department indicates that the bill has the potential to benefit DCF Independent Living clients aging out of the foster care system.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Bob North, Commerce
Jack Smith, Department of Revenue
Jackie Aubert, Children & Families