Landon State Office Building 900 SW Jackson Street, Room 504 Topeka, KS 66612



Phone: (785) 296-2436 Fax: (785) 296-0231 shawn.sullivan@ks.gov

Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 5, 2018

The Honorable Les Mason, Chairperson House Committee on Commerce, Labor and Economic Development Statehouse, Room 521-E Topeka, Kansas 66612

Dear Representative Mason:

SUBJECT: Fiscal Note for HB 2526 by Joint Committee on Administrative Rules and Regulations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2526 is respectfully submitted to your committee.

The Kansas Rules and Regulations Filing Act requires all state agencies to file with the Secretary of State every rule and regulation adopted and every amendment and revocation affecting those rules and regulations. HB 2526 would require that at the time of drafting a proposed rule or regulation or amendment to a rule or regulation the state agency must include a description of businesses that would be directly affected by the proposed rules and regulation, the benefits of the proposed rules and regulations, and measures taken to minimize the impact of the proposed rules and regulations on business and economic development within the State of Kansas.

Current law establishes the Joint Committee on Administrative Rules and Regulations with five Senators and seven members of the House of Representatives. The Committee on Organization, Calendar and Rules designates a Senator member to be chairperson or vicechairperson of the Joint Committee, and the Speaker of the House of Representatives also designates a Representative member as the chairperson or vice-chairperson of the Joint Committee. In odd numbered years, the chairperson of the Joint Committee is the designated member of the House of Representatives from the convening of the regular session to the convening of the regular session in the next year, and in even-numbered years, is the designated member of the Senate. Of the two Senators and three Representatives appointed by the Minority Leaders of the Senate and House of Representatives, respectively, HB 2526 would require one senator and one representative to be designated as ranking minority members of the Joint Committee. The bill would also amend the current makeup of the State Rules and Regulations Board by adding the ranking minority member of the Joint Committee on Administrative Rules and Regulations or a member of that committee that has been designated by the Minority Leader of the same legislative house as the Chairperson. As part of the required review by the Joint Committee of all proposed rules and

regulations, the Committee may direct communications to state agencies making comments and recommendations, and indicating concerns and approval or disapproval of any proposed rules and regulations.

Estimated State Fiscal Effect				
	FY 2018	FY 2018	FY 2019	FY 2019
	SGF	All Funds	SGF	All Funds
Revenue				
Expenditure			\$2,272	\$2,272
FTE Pos.				

According to the Legislative Coordinating Council, enactment of HB 2526 would increase expenditures from the Legislature's budget by adding an additional legislator to the State Rules and Regulations Board. Assuming that the Board meets four times annually and that the salary, subsistence and mileage rates are the same in FY 2019, the total costs would be \$2,272 from the State General Fund. These costs reflect legislator pay of \$355 (\$88.66 per day X four days), subsistence of \$576 (\$144 per day X 4 days), estimated mileage at \$535 (\$0.535 per mile X 250 miles X 4 days), en route days at \$576 (\$144 per day X 4 days), tolls at \$24 (\$6 X 4 days), and employer costs for four meetings of \$206. Should the Board meet more than four times, the fiscal impact would increase accordingly.

According to the Secretary of State, the provisions of the bill could be accomplished within existing agency resources. Any fiscal effect associated with HB 2526 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget