

March 18, 2019

The Honorable Steven Johnson, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Johnson:

SUBJECT: Fiscal Note for HB 2116 by Representatives Rhiley, Bergquist and Wasinger

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2116 is respectfully submitted to your committee.

HB 2116 would allow taxpayers to attend any Board of Tax Appeals proceeding by audio or video electronic communication.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$132,446	\$132,446
FTE Pos.	--	--	--	1.00

The Board of Tax Appeals estimates enactment of the bill would require \$132,446 from the State General Fund and 1.00 new FTE position in FY 2020. Of the total amount, \$56,446 would be for video equipment, \$6,000 would be for monthly charges for software applications and \$70,000 would be for the salaries and wages of a new position to set up the system, record video of the hearings and maintain video records. The Board notes that it currently allows audio hearings for its Small Claims Division. However, the Small Claims Division is considered an informal process and the Board is not required to keep an official record. In contrast, proceedings for Regular Division hearings are formal processes and conducted like district court proceedings. This requires the Board to keep official record of all testimony and evidence presented during the hearing. To implement the bill, it would be necessary for the Board to make sure the audio and

video record of hearings is clear, clean and complete. Any fiscal effect associated with HB 2116 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a smaller "L." followed by "Campbell".

Larry L. Campbell
Director of the Budget

cc: Jody Allen, Tax Appeals