

March 6, 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 2345 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2345 is respectfully submitted to your committee.

Under current law, cities and counties in Kansas are prohibited from adopting a budget that exceeds an amount of the preceding year as adjusted to reflect the average change in the Consumer Price Index for the preceding five calendar years, unless a resolution has been approved by a majority of qualified electors. HB 2345 would add an exemption from the election requirement if the budget does not exceed the highest level of funding of any of the preceding seven calendar years.

HB 2645 would have no effect on state revenues or expenditures. According to the Kansas Association of Counties and the League of Kansas Municipalities, the enactment of HB 2345 would have a fiscal effect on local governments. Cities and counties would have the ability to enact higher budgets without voter approval if a proposed budget would fall within the increased calculation threshold. In addition, cities and counties may reduce expenditures by reducing the number of required elections.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Chardae Caine, League of Municipalities
Jay Hall, Association of Counties
Lynn Robinson, Department of Revenue