

February 12, 2024

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2724 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2724 is respectfully submitted to your committee.

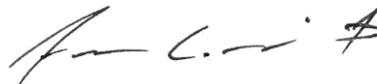
HB 2724 would permit fireworks retailers to sell fireworks at any time during the calendar year. Under current administrative regulations, fireworks retailers can only sell fireworks between June 27 and July 5 of each calendar year.

The Department of Revenue indicates that the bill has the potential to increase state sales tax receipts by an unknown amount. The Department indicates that during the 2023 fireworks season, it identified 249 sales tax accounts for fireworks stands, which reported \$2.7 million in state sales tax collections.

The State Fire Marshal indicates that the bill would have no fiscal effect on its operations. Any fiscal effect associated with HB 2724 is not reflected in *The FY 2025 Governor's Budget Report*.

The Kansas Association of Counties indicates that the bill has the potential to increase local sales tax revenues by an unknown amount. The League of Kansas Municipalities indicates that the bill would have no fiscal effect on cities.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Jamie Schumacher, Office of the State Fire Marshal
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties