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Laura Kelly, Governor

February 15, 2024

The Honorable Mike Petersen, Chairperson Senate Committee on Transportation 300 SW 10th Avenue, Room 546-S Topeka, Kansas 66612

Dear Senator Petersen:

SUBJECT: Fiscal Note for SB 459 by Senate Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 459 is respectfully submitted to your committee.

SB 459 would authorize the Director of Vehicles at the Department of Revenue to adopt rules and regulations for the participation in the Federal Motor Carrier Safety Administration's Drug and Alcohol Clearinghouse Program. Prior to issuing or renewing a commercial driver's license or instruction permit, the Director would search the Clearinghouse to see if the driver is found to be in violation or noncompliance with the Clearinghouse requirements. The Director would also review the commercial driver's information when notified by the Clearinghouse of a status change to the commercial driver. The Director would be required to disqualify a driver's commercial driving privileges within 60 days of receiving notice from the Clearinghouse that a driver is found to be in violation or noncompliant with the Clearinghouse requirements. The bill also would allow the disqualification of a commercial driver's license to be removed from the Clearinghouse if the driver is no longer in violation or noncompliant with the Clearinghouse requirements or if the violation was erroneously identified.

The Department of Revenue indicates that a failure to adopt the Federal Motor Carrier Safety Administration's Drug and Alcohol Clearinghouse Program could result in a 5.0 percent reduction in annual Federal Highway Fund allocations. For FY 2025, this would be an estimated reduction of \$19.0 million. The Department notes that if it is not compliant with this program, the reduction in Federal Highway Funds could continue at the same amount or increase in FY 2026 and in future fiscal years.

The Kansas Department of Transportation (KDOT) indicates that should a reduction in Federal Highway Fund allocations occur, it would likely reduce revenues to the State Highway

Fund. KDOT indicates that any revenue reductions could require the agency to reassess expenditures for the Eisenhower Legacy Transportation Program. The Kansas Corporation Commission indicates that the enactment of the bill would not have a fiscal effect. Any fiscal effect associated with SB 459 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt Director of the Budget

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cc: Lynn Robinson, Department of Revenue Peter Barstad, Kansas Corporation Commission