

February 9, 2016

The Honorable Larry Campbell, Chairperson
House Committee on Vision 2020
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Sloan:

SUBJECT: Fiscal Note for HB 2570 by House Committee on Vision 2020

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2570 is respectfully submitted to your committee.

HB 2570 would allow the governing board of any technical college the authority to levy property taxes in the college's home county. The bill would allow an annual property tax levy for up to two mills and for a period of up to five years. The technical college would be allowed to use the proceeds from the property tax for construction, reconstruction, repair, remodeling, architectural expenses, furnishing, equipment, and the acquisition of real property for building sites or for education programming. The bill includes public notification requirements before the governing board of the technical college could adopt a resolution that authorizes the property tax levy. If 5.0 percent of the qualified electors in the home county sign a protest petition, then the resolution would be required to be approved in an election.

The Department of Revenue estimates that HB 2570 would have no fiscal effect on the Educational Building Fund, State Institutions Building Fund, or the state's uniform mill levy that supports local school districts. The bill has the potential to increase local property taxes to support technical colleges; however, the Department of Revenues does not have data on which technical colleges that would use this authority to make a precise estimate of the increase in local property tax collections. The Board of Regents indicates that any potential increases in local property tax collections would be used to support capital improvement needs for technical colleges.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue
Kelly Oliver, Board of Regents