April 6, 2017

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

Dear Representative Johnson:

SUBJECT: Fiscal Note for HB 2415 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2415 is respectfully submitted to your committee.

HB 2415 would make certain provisions of the Scrap Metal Theft Reduction Act unenforceable until January 1, 2019.

<table>
<thead>
<tr>
<th>Estimated State Fiscal Effect</th>
<th>FY 2018 SGF</th>
<th>FY 2018 All Funds</th>
<th>FY 2019 SGF</th>
<th>FY 2019 All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>--</td>
<td>($84,000)</td>
<td>--</td>
<td>($42,000)</td>
</tr>
<tr>
<td>Expenditure</td>
<td>--</td>
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According to the Office of the Attorney General, the requirement that scrap metal dealers register with the Attorney General is among the provisions that would be unenforceable until January 1, 2019. Currently, the registration fee is $1,000 and there are 84 scrap metal dealers who have registered for calendar year 2017. If it is assumed the number of scrap metal dealers remains the same, the Office of the Attorney General would incur a reduction of $84,000 in revenue from the Scrap Metal Theft Reduction Fund in FY 2018. Since the registration requirement would resume on January 1, 2019, or halfway through FY 2019, the reduction in FY 2019 would be $42,000. Any fiscal effect associated with HB 2415 is not reflected in The FY 2018 Governor’s Budget Report.

Sincerely,

Shawn Sullivan,
Director of the Budget

cc: Willie Prescott, Office of the Attorney General