

February 17, 2020

The Honorable Willie Dove, Chairperson
House Committee on Agriculture and Natural Resources Budget
Statehouse, Room 149C-S
Topeka, Kansas 66612

Dear Representative Dove:

SUBJECT: Fiscal Note for HB 2688 by House Committee on Agriculture and Natural Resources Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2688 is respectfully submitted to your committee.

HB 2688 would amend existing law to allow the Board of Veterinary Examiners (BVE) to collect reimbursement for costs it incurs as part of any proceeding conducted under the Kansas Veterinary Practice Act when an order issued by the Board is adverse to an applicant, registrant, or licensee. If the Board would issue an order that is not adverse to an applicant, registrant or licensee as part of a proceeding, costs incurred would be paid from the Veterinary Examiners Fee Fund. The bill defines "costs incurred" to include investigative costs and witness fees and expenses, among others. The bill would also include assessments collected under the Act in monies that are remitted to the State Treasurer to be deposited into the Veterinary Examiners Fee Fund.

Current law requires all fines and civil penalties collected from Board proceedings conducted under the Kansas Veterinary Practice Act, other than actual costs related to investigation, adjudication, and enforcement, to be deposited in the State General Fund. In addition, current law requires 10.0 percent of all monies collected by the Board to be deposited into the State General Fund. HB 2688 would remove both of these requirements so that all monies received by the Board would be deposited into the Veterinary Examiners Fee Fund. The bill would also make a number of technical corrections.

According to the BVE, enactment of HB 2688 would result in additional revenue from the elimination of the 10.0 percent fee fund surcharge of approximately \$5,666 in FY 2020 and \$34,000 in FY 2021. Enactment of the bill would cause a reduction in revenue to the State General Fund in the same amounts.

The last time the Board held a proceeding where an adverse order was issued was during FY 2017 and the costs of the proceeding amounted to \$2,800. The agency indicates that the costs of a proceeding where an order is not adverse would be approximately the same. During FY 2020 and FY 2021, a hearing with either outcome could be held resulting in an increase in revenue or expenditures. Any fiscal effect associated with HB 2688 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. L. Campbell". The signature is written in black ink and is positioned above the printed name and title.

Larry L. Campbell
Director of the Budget

cc: Jody Johnson, Veterinary Examiners