

February 17, 2021

The Honorable Troy Waymaster, Chairperson
House Committee on Appropriations
Statehouse, Room 111-N
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Fiscal Note for HB 2203 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2203 is respectfully submitted to your committee.

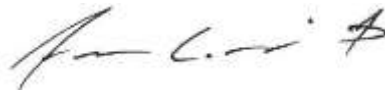
HB 2203 would allow penalties and fees collected for the Asbestos Program to continue to be remitted to the Asbestos Remediation Fund rather than the State General Fund. Last year's appropriation bill, 2020 Senate Bill 66, established the Asbestos Remediation Fund and authorized all fees related to asbestos remediation to be credited to the Fund for FY 2021 only. If enacted, HB 2203 would allow the Asbestos Remediation Fund to receive these monies annually beginning in FY 2022.

Estimated State Fiscal Effect				
	FY 2021 SGF	FY 2021 All Funds	FY 2022 SGF	FY 2022 All Funds
Revenue	--	--	(\$110,000)	--
Expenditure	--	--	(\$85,137)	\$110,000
FTE Pos.	--	--	--	--

The Kansas Department of Health and Environment (KDHE) indicates that expenditures for the Asbestos Program are approximately \$110,000 annually. Because redirecting fee revenue to the Asbestos Remediation Fund is not authorized for FY 2022 under current law, only \$85,137 from the State General Fund is available for the Asbestos Program in FY 2022. The remaining expenditures will have to be subsidized from special revenue funds unrelated to asbestos remediation. HB 2203 would increase revenue to the Asbestos Remediation Fund by \$110,000 in

FY 2022, but it would decrease revenue to the State General Fund by the same amount. However, the Asbestos Program would no longer need a State General Fund appropriation of \$85,137. The net effect would be \$24,863 less from the State General Fund available to the state in FY 2022. Any fiscal effect associated with HB 2203 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Dan Thimmesch, Health & Environment