

STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 23, 2018

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2718 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2718 is respectfully submitted to your committee.

HB 2718 would reduce or waive the license fee paid by microbreweries that manufacture beer and hard cider when those microbreweries use products grown in Kansas. If at least 70.0 percent of the products utilized in the manufacture of beer or hard cider are grown in Kansas, the fee would be reduced by half. If 100.0 percent of the products utilized are grown in Kansas, the fee would be waived.

The Department of Revenue indicates enactment of HB 2718 would increase expenditures by \$2,850 in FY 2019. Expenditures would be one-time and would be used to adjust the license renewal system. The Department does not estimate any fiscal effect on State General Fund receipts with the enactment of HB 2718. Any fiscal effect associated with HB 2718 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Lynn Robinson, Department of Revenue