

February 1, 2023

The Honorable Dan Kerschen, Chairperson
Senate Committee on Agriculture and Natural Resources
300 SW 10th Avenue, Room 144-S
Topeka, Kansas 66612

Dear Senator Kerschen:

SUBJECT: Fiscal Note for SB 71 by Senators Alley and Francisco

In accordance with KSA 75-3715a, the following fiscal note concerning SB 71 is respectfully submitted to your committee.

SB 71 would require the Secretary of Agriculture to establish a division of sustainable agriculture that would apply for federal grant funds under the Greenhouse Gas Reduction Fund to assist farmers in converting to renewable energy and sustainable agriculture practices. SB 71 would take effect and be in force from and after publication in the *Kansas Register*.

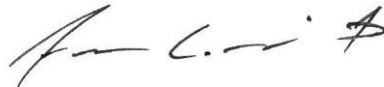
Estimated State Fiscal Effect				
	FY 2023 SGF	FY 2023 All Funds	FY 2024 SGF	FY 2024 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$173,200
Non-FTE Pos.	--	--	--	2.00

The Department of Agriculture estimates that 2.00 non-FTE positions would be required to request, manage, and administer the federal grants. These positions would increase Department expenditures by \$173,200 in FY 2024 and are expected to be ongoing costs. The Department notes that at least one position would need to be hired before the submission of any grant applications, meaning it would have to be supported by funds other than federal funds. Further, the federal government has not yet posted official guidelines for the Greenhouse Gas Reduction Fund, so there is no guarantee that direct salary and wage costs would be allowable under this federal award. The long-term fiscal effect of this bill is unclear because the Greenhouse Gas Reduction Fund is only

The Honorable Dan Kerschen, Chairperson
Page 2—SB 71

authorized through federal fiscal year 2024. Any fiscal effect associated with SB 71 is not reflected in *The FY 2024 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: Kellen Liebsch, Department of Agriculture