

March 26, 2013

The Honorable Marvin Kleeb, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 286-N
Topeka, Kansas 66612

Dear Representative Kleeb:

SUBJECT: Fiscal Note for HB 2087 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2087 is respectfully submitted to your committee.

HB 2087 would amend the Promoting Employment Across Kansas (PEAK) Act to allow a company that has already entered into an agreement to receive PEAK benefits prior to January 1, 2013 to apply to the Secretary of Commerce to extend those benefits for up to two additional years. The extension of PEAK benefits would be at the discretion of the Secretary of Commerce.

The Department of Revenue is unable to estimate the number of PEAK benefit agreements that would be extended to make a reliable estimate of the fiscal effect on state revenues. The Department of Commerce indicates that it currently manages the PEAK Program and is responsible for determining if a company is qualified to receive PEAK benefits. The Department of Commerce indicates that the proposed changes to the PEAK Program could be implemented within the agency's existing resources and staff levels. Any fiscal effect associated with HB 2087 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Dan Lara, Commerce
Steve Neske, Revenue