

February 28, 2022

The Honorable Ken Rahjes, Chairperson
House Committee on Agriculture
Statehouse, Room 112-N
Topeka, Kansas 66612

Dear Representative Rahjes:

SUBJECT: Fiscal Note for HB 2604 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2604 is respectfully submitted to your committee.

HB 2604 would make it unlawful for any final hemp product to be manufactured, marketed, sold, or distributed by any person in Kansas that is intended for food, seed, seed meal, and seed oil for consumption that contains any tetrahydrocannabinol. A violation would be a class A nonperson misdemeanor for a first conviction and a severity level nine, nonperson felony for a second or subsequent conviction.

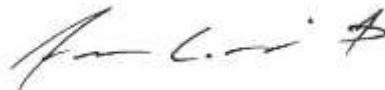
The Office of Judicial Administration states enactment of HB 2604 could increase the number of cases filed in district court because the bill's provisions would create a new crime regarding hemp products, which could increase time spent by court employees and judges processing and deciding these cases. Since this crime would carry both a misdemeanor and a felony penalty, there could be more supervision of offenders required by court service officers. The Office indicates enactment of the bill could result in the collection of docket and supervision fees and fines assessed in those cases filed under the bill's provisions. According to the Office, a fiscal effect cannot be estimated until the Judicial Branch has had an opportunity to operate under the bill's provisions.

The Kansas Sentencing Commission states if the bill were enacted, there could be an effect on prison admission and beds; however, the Commission does not have enough information to determine what that effect would be. Both the Department of Agriculture and the Department of Corrections state enactment of the bill would not have a fiscal effect on the operations of either

agency. Any fiscal effect associated with HB 2604 is not reflected in *The FY 2023 Governor's Budget Report*.

The Kansas Association of Counties states the bill's enactment could decrease tax revenues for counties because the bill would restrict the sale of certain hemp products.

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, Agriculture
Randy Bowman, Corrections
Scott Schultz, Sentencing Commission
Vicki Jacobsen, Judiciary
Willie Prescott, Office of the Attorney General
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties
Paul Weisgerber, KBI