

February 20, 2019

The Honorable Ty Masterson, Chairperson  
Senate Committee on Utilities  
Statehouse, Room 224-E  
Topeka, Kansas 66612

Dear Senator Masterson:

**SUBJECT:** Fiscal Note for SB 181 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 181 is respectfully submitted to your committee.

SB 181 would create the Kansas Energy Policy Task Force which would be required to conduct a comprehensive, forward-looking study of energy policy issues in Kansas to promote quality of life, advance economic growth and support service and reliability. The Task Force would consist of 25 members, including the chairperson and ranking minority member of the House Committee on Energy, Utilities and Telecommunications, the chairperson and ranking minority member the Senate Committee on Utilities, one member of the House of Representatives appointed by the Speaker of the House, one member of the Senate appointed by the Senate President, one member appointed by the Governor, one member of the Kansas Corporation Commission (KCC), and one member of the Citizens' Utility Ratepayer Board. In addition, one member designated by each of the following organizations would be appointed to the Task Force:

1. A large, commercial or industrial electric consumer designated by the Kansas Chamber of Commerce;
2. A small, commercial or industrial electric consumer designated by the Kansas National Federation of Independent Businesses;
3. A residential electric customer designated by the Kansas AARP;
4. The Climate and Energy Project;
5. The Advance Power Alliance;
6. The Chief Executive Officer of Evergy;

7. The Chief Executive Officer of Liberty Utilities;
8. The governing body of the Association of Kansas Municipal Utilities;
9. The Kansas Power Pool;
10. The Kansas Municipal Energy Agency;
11. The Kansas City Board of Public Utilities;
12. The governing body of the Association of Kansas Electric Cooperatives;
13. The Kansas Electric Power Cooperative;
14. The Sunflower Electric Power Corporation;
15. Midwest Energy; and
16. ITC Great Plains.

The bill establishes the organization of the Task Force, requires it to meet at least four times per year, and requires it to submit a report with any recommendations with regard to topics outlined in the bill to the House Committee on Energy, Utilities, and Telecommunications and to the Senate Committee on Utilities by December 31, 2020.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	\$2,577	\$9,577	\$2,577	\$509,577- \$759,577
Expenditure	\$2,577	\$9,577	\$2,577	\$509,577- \$759,577
FTE Pos.	--	--	--	--

According to Legislative Administrative Services, enactment of SB 181 would cause additional expenditures for the Legislature for a committee assistant to take notes and create minutes. The amount estimated for these expenditures is \$2,110 for salaries and wages for four meeting days with \$467 for employer contributions for a total of \$2,577, annually. Expenditures for legislator compensation would be paid by the KCC.

The KCC estimates that expenditures paid by the agency to support the Task Force and fulfill the requirements of the bill could amount to approximately \$507,000 to \$757,000. Although the bill does not specify who would bear the costs of developing the reports required from the Task Force, the agency assumes that it would pay for the consultants necessary to perform the studies required by the bill at a cost of between \$500,000 and \$750,000. Depending on the direction of the Task Force, these costs could be spread over FY 2020 and FY 2021; however, the estimate does not make that assumption. The KCC does estimate that paying the costs of six legislators for eight meetings over two years (FY 2019 and FY 2020) would result in a cost of \$7,000 annually,

with \$2,128 for salary and wages (4 meetings X 6 legislators X \$88.66 = \$2,128) and \$3,576 for subsistence (4 meetings X 6 legislators X \$149 = 3,576). The costs of mileage, tolls and en route compensation were estimated to be \$1,296 each year. Any fiscal effect associated with SB 181 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell  
Director of the Budget

cc: Karen Clowers, Legislative Services  
Jake Fisher, KCC