

January 19, 2012

The Honorable Larry Powell, Chairperson
House Committee on Agriculture and Natural Resources
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2449 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2449 is respectfully submitted to your committee.

HB 2449 would establish a seven-member Kansas Equine Education and Promotion Board that would conduct a campaign of market development and public awareness, support research and public education of equine-related issues, accept grants and donations, contract with local or national organizations, and submit an annual report to the Secretary of Agriculture detailing operating activities and expenditures of the Board. The Board would establish an assessment fee of no more than \$2 per ton of commercial equine feed sold in Kansas to fund Board activities. The Board would negotiate and contract with a person or persons to collect, disburse, and refund assessments, and would also hire an administrator for the Board. The Board would use assessment revenue to issue grants for the support of research and public education, promote the uses of equine in the state, and create public awareness of equine activities. The bill would take effect upon its publication in the statute book.

The Department of Agriculture indicates that passage of the bill would result in a slight increase in expenditures to reimburse the Secretary of Agriculture for travel and related expenses to attend Board meetings. Although the Department of Agriculture estimated approximately \$800 in additional expenses from the State General Fund, the Division of Budget assumes that the Department would access a fee fund for this purpose. The Division of the Budget also assumes the administrative functions of the new Board would be attached to the Department of Agriculture, rather than being established as a new state agency. Any fiscal effect associated with HB 2449 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Anderson", written over a white background.

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

cc: Mark Heim, Agriculture