

February 18, 2013

The Honorable Ralph Ostmeyer, Chairperson  
Senate Committee on Federal and State Affairs  
Statehouse, Room 136-E  
Topeka, Kansas 66612

Dear Senator Ostmeyer:

**SUBJECT:** Fiscal Note for SB 147 by Senate Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning SB 147 is respectfully submitted to your committee.

SB 147 would establish a requirement for the owner of each anhydrous ammonia tank to be permitted through the Kansas Department of Agriculture (KDA) and to carry liability insurance. The bill would give insurance carriers and the KDA access to inspect all tanks, and would require insurance carriers to notify KDA if insurance is reduced, cancelled or expired. The bill would make it unlawful for any person to fill a tank if the tank does not have a current permit. The bill would also authorize the KDA to inspect any tank upon receiving a complaint.

SB 147 would establish a commercial anhydrous ammonia tonnage fee and the Anhydrous Ammonia Fee Fund. The bill would authorize the Secretary of KDA to promulgate rules and regulations.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	--	\$5,400
Expenditure	--	--	--	\$5,400
FTE Pos.	--	--	--	--

Passage of SB 147 would increase fee fund revenue and expenditures by \$5,400 for the Kansas Department of Agriculture. Equipment owners would pay the new fee, as well as have the expense for liability insurance, if they do not already have the coverage. Any fiscal effect associated with SB 147 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



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

cc: Mark Heim, Agriculture