

January 20, 2017

The Honorable Blaine Finch, Chairperson
House Committee on Judiciary
Statehouse, Room 519-N
Topeka, Kansas 66612

Dear Representative Finch:

SUBJECT: Fiscal Note for HB 2004 by Legislative Post Audit Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2004 is respectfully submitted to your committee.

Under current law, proceeds deposited into state forfeiture funds of the Kansas Bureau of Investigation, the Kansas Highway Patrol, the Department of Corrections; local government special law enforcement trust funds; and the Counter Drug State Enforcement Fund of the Kansas National Guard must not be used for normal operating expenses. HB 2004 would specify that normal operating expenses would include salaries, benefits or salary enhancements for permanent employees.

The Kansas Highway Patrol indicates that state forfeiture funds are used to pay for the salary and benefits of an Asset Forfeiture Coordinator position. For FY 2017, this is permitted by law through an appropriations bill proviso in Section 151(a) of Chapter 104 of the 2015 Session Laws of Kansas that allows funds to be used for the salaries and wages expenditures of non-supervisory personnel. If the proviso is excluded from future appropriations bills, passage of HB 2004 would require the Kansas Highway Patrol to shift the costs of the Asset Forfeiture Coordinator position from the agency's state forfeiture fund to the Kansas Highway Patrol Operations Fund. Expenditures for this position are \$71,739 in FY 2018 and \$73,891 in FY 2019.

According to the League of Kansas Municipalities, some cities use special law enforcement trust funds to pay for the salaries and wages expenditures of ad hoc law enforcement task forces. HB 2004 would require certain cities to reduce expenditures associated with ad hoc task forces or find other sources of municipal funding. However, the League is unable to estimate the specific fiscal effect from the bill because it does not possess financial data on all local law enforcement agencies in Kansas.

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The Kansas Bureau of Investigation, the Department of Corrections and the Adjutant General report that the bill would have no fiscal effect on their respective agencies because they do not use state forfeiture funds for salary and wages expenditures. The Kansas Association of Counties indicates that there would be no fiscal effect on local governments. Any fiscal effect associated with HB 2004 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Ashley Michaelis, Judiciary
Willie Prescott, Attorney General's Office
Shelia Sawyer-Tyler, KBI
Kim Torrey, Highway Patrol
Brianna Landon, Corrections
Cheri Froetschner, Adjutant General's Office
Brock Ingmire, League of Municipalities
Melissa Wangemann, Association of Counties