

April 1, 2021

REVISED

The Honorable Troy Waymaster, Chairperson
House Committee on Appropriations
Statehouse, Room 111-N
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Revised Fiscal Note for HB 2353 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2353 is respectfully submitted to your committee.

The bill, as amended by the House Committee on Appropriations, would establish the Kanas Commission for the United States Semiquincentennial Act within the Department of Wildlife, Parks and Tourism. The Commission would plan, encourage, develop, and coordinate the commemoration of the 250th anniversary of the founding of the United States. The Commission would cooperate with the United States Semiquincentennial Commission. HB 2353 details who would serve as voting members for the 15-person Commission and their duties. The bill would prohibit Commission members from receiving compensation. The Commission would solicit gifts and donations from private industries, corporations, and individuals to support the Commission's goals. The first meeting of the Commission would be called by the State Regent of the Kansas Society Daughters of the American Revolution.

On or before December 31, 2022, the Commission would submit a report to the Governor, Secretary of Commerce, President of the Senate and Speaker of the House of Representatives that contains recommendations for the commemoration. The Commission would also report annually any funds received or expended and outcomes achieved and if those achievements meet the Commission's goals. The bill, as amended, would also establish the Kansas Commission for the United States Semiquincentennial Gifts and Donations Fund, which would be administered by the Department of Wildlife, Parks and Tourism.

The bill, as amended, would allow the Secretary of Wildlife, Parks and Tourism to donate any remaining property in possession of the Commission after December 31, 2027, to local municipalities or state agencies. On December 31, 2027, the Director of Accounts and Reports of the Department of Administration would transfer all monies and liabilities in the Kansas Commission for the United States Semiquincentennial Gifts and Donations Fund to the operating expenditures account of the State Economic Development Initiatives Fund of the Department of Wildlife, Parks and Tourism. Finally, the Commission would be abolished on December 31, 2027.

As introduced, the Commission would have consisted of 14 members. The Commission would have included the Secretary of Wildlife, Parks and Tourism and the Secretary of Commerce. The Commission did not include the Executive Director of the Kansas African American Affairs Commission, the Executive Director of the Kansas Hispanic and Latino American Affairs Commission, or a county economic development corporation or local chamber of commerce. The first meeting of the Commission would have been called by the Secretary of Wildlife, Parks and Tourism. The bill did not require the report due on December 31, 2022 and the annual reports to be submitted to the Secretary of Commerce. Also, the bill did not require the Commission to solicit gifts and donations.

Estimated State Fiscal Effect				
	FY 2021 SGF	FY 2021 All Funds	FY 2022 SGF	FY 2022 All Funds
Revenue	--	--	--	--
Expenditure	\$7,758	\$7,758	\$87,015	\$87,015
FTE Pos.	--	0.25	--	0.25

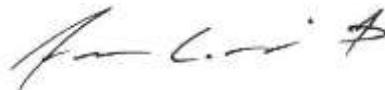
The original fiscal effect statement did not account for the passage of Executive Reorganization Order 48 and would have required additional staff for the Department of Commerce to carry out the provisions of the bill. Implementation of Executive Reorganization Order 48, which moves the Division of Tourism, its staff and funding from the Kansas Department of Wildlife, Parks and Tourism to the Department of Commerce, will move the responsibility for the costs to the Tourism Program to the Department of Commerce; however, the accompanying transfer of staff and funding would mean that no additional positions would be needed, and program costs will be paid from within existing resources. Under the provisions of HB 2353, as amended, the Department of Commerce estimates expenditures totaling \$71,500 in FY 2022 and \$31,500 in FY 2023 through FY 2027 from the State General Fund. For FY 2022, the estimated amount includes \$46,500 for web design, hosting and maintenance; \$20,000 for travel; and \$5,000 for marketing expenditures. For FY 2023 through FY 2027 the estimated amount includes \$6,500 for web design, hosting and maintenance; \$20,000 for travel, and \$5,000 for marketing. The agency indicates that its costs may be reduced by the revenues generated from the newly created gifts and donations fund.

The Kansas Historical Society states that because the bill, in any form, requires a designee from the agency to assist with project the agency would require \$7,758 from the State General Fund in FY 2021 and \$15,515 in FY 2022. The funds would support hiring a 0.25 FTE position. The agency estimates those same expenditures from FY 2022 through half of FY 2028, but with adjustments for increases in salaries and wages. The Department of Wildlife, Parks and Tourism indicates that the bill, as amended, would not have a fiscal effect. Any fiscal effect associated with HB 2353, in any form, is not reflected in *The FY 2022 Governor's Budget Report*.

The Kansas Association of Counties indicates that the bill, in any form, would require showcasing all 105 counties as well as the geography of state. It is unclear how enactment of the bill would financially affect each county, but the Association assumes that some work would be done at the county level. However, a fiscal effect cannot be estimated. The League of Kansas Municipalities indicates that the bill, in any form, would not have a fiscal effect.

The Kansas Department of Commerce indicated that enactment of the bill, as introduced, would have resulted in expenditures for 1.50 FTE, web design, marketing, travel and other operating expense of \$237,775 beginning in FY 2021 and continuing through FY 2027, when the costs would decrease to \$187,775. The Kansas Department of Wildlife, Parks and Tourism stated that enactment of the bill, as introduced, would have resulted in expenditures to hold public hearings, develop a public website and develop the report required by the bill. The bill established a new fund that could receive donations, but the bill did not provide funds to support the project. The Department is mainly fee funded and those funds have restrictions on use and cannot be used to support this project. The agency would have required an appropriation from the State General Fund until the newly created fund could support the required expenditures. However, the agency was unable to estimate what those expenditures may be and therefore, a fiscal effect could not be estimated.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Chris Tymeson, Wildlife, Parks & Tourism
Sherry Rentfro, Department of Commerce
Matthew Chappell, Historical Society
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties