

SESSION OF 2005

SUPPLEMENTAL NOTE ON SENATE BILL NO. 123

As Recommended by Senate Committee on
Ways and Means

Brief*

SB 123 would make permanent the funding mechanism approved by the 2003 and 2004 Legislature through proviso to replace State General Fund money with fee funds in the State Treasurer's annual budget. The fees would be charged to state agencies for cash management fees, banking fees, and warrant and voucher processing fees. The fees collected would be deposited in the Services Reimbursement Fund. The bill would allow the Department of Labor to make payment for these fees from federal fund money.

Background

The agency previously received funding through the State General Fund (SGF). Beginning with FY 2003, the agency made the move from SGF funding to fee funding. The agency estimated about \$1.5 million in annual operating expenditures be funded through the Services Reimbursement Fund in FY 2006.

The agency appeared in support of the bill. The Department of Labor appeared in opposition to the bill. The Board of Regents submitted written testimony opposing the service fees as well.

The fiscal note indicated that the service fees would generate about \$1.6 million in revenue in FY 2006.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>