

February 12, 2024

The Honorable Will Carpenter, Chairperson  
House Committee on Federal and State Affairs  
300 SW 10th Avenue, Room 346-S  
Topeka, Kansas 66612

Dear Representative Carpenter:

**SUBJECT:** Fiscal Note for HB 2667 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2667 is respectfully submitted to your committee.

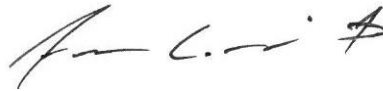
Under current law, of the revenue from lottery tickets sold from vending machines the first \$9.0 million in net profits in FY 2024 and \$8.0 million in FY 2025 is required to be transferred to fund mental health programs at the Kansas Department for Aging and Disability Services (75.0 percent to Community Crisis Stabilization Centers Fund and 25.0 percent to the Clubhouse Model Program Fund). HB 2667 would increase the cap to the first \$12.0 million in net profits from vending machines beginning in FY 2025.

The Kansas Lottery indicates HB 2667 has the potential to increase transfers of net profits from lottery ticket vending machines to the Community Crisis Stabilization Centers Fund and the Clubhouse Model Program Fund beginning in FY 2025. Depending on actual net profits from lottery ticket vending machines, the bill would likely increase annual transfers to the Community Crisis Stabilization Centers Fund by \$3.0 million and the Clubhouse Model Program Fund by \$1.0 million. Because the amounts above the vending machine net profit cap are ultimately transferred to the State General Fund at the conclusion of the fiscal year, the bill would likely reduce State General Fund revenues by \$4.0 million in FY 2025 and in future fiscal years. The Kansas Lottery indicates the bill would have no fiscal effect on its operations.

The Kansas Department for Aging and Disability Services indicates the bill would increase funding for mental health programs as noted above. The Community Crisis Stabilization Fund was established to support crisis stabilization facilities to care for individuals experiencing a mental health or substance use crisis, while the Clubhouse Model Program Fund was established

to fund certified clubhouse model programs to support people living with mental illness. Any fiscal effect associated with HB 2667 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt  
Director of the Budget

cc: Leigh Keck, Department for Aging & Disability Services  
Keith Kocher, Kansas Lottery