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Laura Kelly, Governor

Adam Proffitt, Director

January 25, 2023

The Honorable Robert Olson, Chairperson Senate Committee on Utilities 300 SW 10th Avenue, Room 548-S Topeka, Kansas 66612

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 46 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning SB 46 is respectfully submitted to your committee.

On and after January 1, 2024, SB 46 would require any developer, owner, or operator of existing wind energy conversion systems that do not have light-mitigating technology systems, to install these systems, subject to the approval of the Federal Aviation Administration (FAA). Upon approval, the system would be required to be installed within 24 months. The developer, owner or operator of the wind energy conversion system may request a waiver or an extension of time to the 24-month period by submitting a request to the Kansas Department of Transportation.

Estimated State Fiscal Effect				
	FY 2023 SGF	FY 2023 All Funds	FY 2024 SGF	FY 2024 All Funds
Revenue				
Expenditure				\$403,500
FTE Pos.				5.00

SB 46 would require the Kansas Department of Transportation to evaluate requests for waivers or extensions and verify a developer's, owner's, or operator's statements that supply chain or market constraints would delay installation of light-mitigating technology systems. Currently, all aviation regulatory functions in Kansas are performed by the FAA. It is assumed that KDOT would be required to evaluate waivers or extensions for over 3,300 wind turbines.

It is estimated that the Kansas Department of Transportation would require additional expenditures totaling \$403,500 from the State Highway Fund in FY 2024 to carry out its responsibilities associated with this bill. This estimate includes salaries and wages of \$353,500 for 5.00 additional FTE positions plus \$50,000 for other operating expenses. The implementation of SB 46 would require additional expenditures from the State Highway Fund of \$407,035 in FY 2025, \$410,605 in FY 2026, and \$414,211 in FY 2027. Total expenditures from FY 2024 to FY 2027 would be \$1,635,351. Of this total amount, \$1,435,351 would be for ongoing annual salaries and wages expenditures for 5.00 FTE positions and \$200,000 would be for ongoing operating expenditures.

The Kansas Corporation Commission and the Citizens' Utility Ratepayer Board indicate that enactment of the bill would not have a fiscal effect. Any fiscal effect associated with SB 46 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

Adam Proffitt

Director of the Budget

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cc: Peter Barstad, Kansas Corporation Commission Shonda Rabb, Citizens Utility Ratepayer Board Brendan Yorkey, Department of Transportation