

March 15, 2011

The Honorable Joe McLeland, Chairperson  
House Committee on General Government Budget  
Statehouse, Room 458-W  
Topeka, Kansas 66612

Dear Representative McLeland:

**SUBJECT:** Fiscal Note for HB 2306 by House Committee on Government Efficiency

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2306 is respectfully submitted to your committee.

HB 2306 would require all state agencies to submit to the Secretary of Administration an inspection and condition report of any vehicle that is to be replaced. The report would include warranty and vehicle maintenance history, odometer reading, condition of the interior, exterior, and the mechanical components of the vehicle. In addition, the bill would state that the fact that a vehicle has met or exceeded 100,000 miles on the odometer would not be the only factor in the agency's determination that the vehicle requires replacement. The Secretary would be required to submit the reports to the appropriate budget committee of the House of Representatives for review each legislative session, beginning with the 2012 Session.

Under current administrative practices, the Division of the Budget (DOB) initially receives the requests for most state agencies for the purchase of new passenger vehicles and the request is subsequently sent to the Division of Facilities Management for assigning of a vehicle tag, if approved by the DOB. The current vehicle request form could be changed to accommodate the provisions of HB 2306 at no cost. The Department notes that the collection and submission of the inspection and condition reports to the Legislature could be implemented at no cost.

The DOB notes that under current administrative practice, certain agencies are exempted from prior DOB approval for passenger vehicle purchases, including the Regents institutions and the trooper patrol vehicles for the Highway Patrol. Enactment of HB 2306 would require all state agencies to submit vehicle condition reports to the Department of Administration, including the Regents institutions and the Highway Patrol. Prior to the state's new accounting system launch in July 2010, state agencies submitted paper vehicle authorization request forms to the DOB. However, this request process became paperless when the new accounting system went

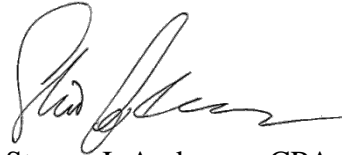
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live, and the DOB no longer required prior vehicle purchase authorization for the Regents institutions. Because the Regents institutions do not utilize the state's new accounting system like all other state agencies, a paper approval process would have to be reinstated for the Regents institutions for the vehicle condition reports. However, a manual paper process could be implemented by the Department of Administration at no cost.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Pat Higgins, Administration