

February 13, 2014

The Honorable Virgil Peck, Chairperson  
House Committee on Transportation and Public Safety Budget  
Statehouse, Room 274-W  
Topeka, Kansas 66612

Dear Representative Peck:

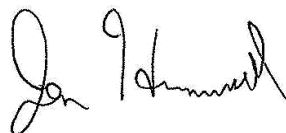
**SUBJECT:** Fiscal Note for HB 2573 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2573 is respectfully submitted to your committee.

HB 2573 would establish the Airport Development Revolving Fund, to be administered by the Kansas Department of Transportation (KDOT). Monies in the fund would make loans for planning, constructing, reconstructing, or rehabilitating the facilities of public use general aviation airports. The bill authorizes a transfer of \$15.0 million from the State General Fund to the Airport Development Revolving Fund on July 1, 2015. The bill would define "public use general aviation airport."

KDOT indicates the Airport Development Revolving Fund would receive a one-time transfer of \$15.0 million from the State General Fund in FY 2016. Each fiscal year following the amount KDOT indicates it would receive and subsequently loan would be dependent upon the issuance of loans and monies collected from the program. The agency estimates an interest rate of 3.0 percent for each loan. The agency states it would need additional expenditures of \$61,572 from the State Highway Fund and an additional 1.00 Public Service Administrator II FTE position in FY 2016 if HB 2573 were enacted. The new position would be necessary to carry out the duties and responsibilities of creating and implementing a program that would solicit applications, evaluate projects, and then make loans for selected projects. The position would oversee the accounting of each loan as well as perform audits to ensure that state funds were utilized in accordance with the terms and conditions of each loan agreement.

Sincerely,



Jon Hummell,  
Interim Director of the Budget

cc: Ben Cleaves, Transportation