

January 22, 2018

The Honorable Kyle Hoffman, Chairperson
House Committee on Agriculture
Statehouse, Room 481-W
Topeka, Kansas 66612

Dear Representative Hoffman:

SUBJECT: Fiscal Note for HB 2478 by House Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2478 is respectfully submitted to your committee.

HB 2478 would amend existing law concerning expiration dates and late fees for certain licenses and registrations issued by the Kansas Department of Agriculture. Under current law, annual licenses for feedlot operators, livestock market operators, livestock dealers, persons and facilities dealing with the disposal of dead animals, and electronic auctions, as well as domesticated deer permits, expire on June 30. HB 2478 would change that expiration date to September 30. The bill would require payment of a late fee equal to 40.0 percent of the current application fee for failure to renew a live plant dealer license prior to February 1 of each year and for failure to renew a pesticide business license prior to January 1. Failure to renew licenses for food establishments and food processing plants within 30 days of the license expiration date would also result in a late fee equal to 40.0 percent of the current license fee. Failure to renew prior to January 1 for pest control technician registrations or within 30 days following the expiration date of licenses issued for lodging establishments would result in a \$25 late fee or 40.0 percent of the current application fee, whichever is greater. Current law requires registration of facilities that manufacture liming materials on July 1 or prior to the manufacture or distribution of the liming materials. The application must be accompanied by a fee of \$30. HB 2478 would reduce that fee to \$25 and would allow the manufacturer to delay registration without halting operations until July 31 of each year without penalty or violation, if the registration is submitted with the annual statement required by law.

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Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	--	\$12,184 - \$40,617
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

According to the Kansas Department of Agriculture, enactment of HB 2478 would cause a slight increase in agency revenues. Based on late applications last year, the agency would receive an additional \$40,617 from the 40.0 percent late fee. However, the agency assumes that fewer people would pay late if there is a penalty or an increase in the existing penalty and bases its fiscal effect on 50.0 percent fewer late applications resulting in revenues of \$12,184. Any fiscal effect associated with HB 2478 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Justin Law, Agriculture