

January 28, 2013

The Honorable Joe Seiwert, Chairperson
House Committee on Utilities and Telecommunications
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Seiwert:

SUBJECT: Fiscal Note for HB 2026 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2026 is respectfully submitted to your committee.

HB 2026 would require every seller of pre-paid mobile devices or SIM cards in the State of Kansas to collect specific information about the purchaser as detailed in the bill. The seller would be required to maintain the information about the purchaser for one year and the information would be available to law enforcement for inspection during the seller's business hours. No later than 30 days after the sale of a pre-paid mobile device or SIM card, the seller would be required to transmit the record of the sale to the Kansas Bureau of Investigation. Any seller who fails to comply with the requirements in HB 2026 would be subject to a fine of \$500 for a first offense and a fine of \$1,000 upon a second or subsequent offense.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$544,128	\$544,128
FTE Pos.	--	--	7.50	7.50

The Kansas Bureau of Investigation (KBI) indicates it would need \$544,128 from the State General Fund, along with 7.50 new positions (one IT and 6.5 clerical positions) to implement the provisions in HB 2026. Of the above amount, \$270,000 would be for salaries and wages and \$12,228 would be for other operating expenditures. Also, included in the above amount is \$150,000 to create a database to receive and store the data sent to the KBI; \$100,000 to establish a database entry mechanism and to connect a new remote located reception entry unit; and \$11,900 for work stations, computers, and chairs for the new FTE positions. The KBI

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indicates it would need \$282,228 in FY 2015 and future fiscal years from the State General Fund for salaries and wages and other operating expenditures to keep implementing the provisions specified in HB 2026. Any fiscal effect associated with HB 2026 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", written in a cursive style.

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

cc: Linda Durand, KBI