phone: 785-296-2436 fax: 785-296-0231 budget.director@budget.ks.gov

Jon Hummell, Interim Director

Division of the Budget

Sam Brownback, Governor

February 21, 2014

The Honorable Richard Carlson, Chairperson House Committee on Taxation Statehouse, Room 185-N Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2608 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2608 is respectfully submitted to your committee.

Current law authorizes the board of county commissioners of any county to make an annual tax levy on taxable tangible property not to exceed two mills. The proceeds of this levy are used for construction and reconstruction of county roads and bridges and to pay a portion of the interest on bonds. This tax levy may be made annually for a period not to exceed five years. HB 2608 would raise the limit on the levy to five mills and remove the five-year duration limit. The procedure by which the board could implement an increase to the mill levy through resolution, petition, and election is provided in the bill. If an increase above two mills is rejected by the voters, current law prohibits the board from imposing a levy of more than one mill sooner than 18 months following the election. HB 2608 would increase that limitation to two mills.

According to the Kansas Association of Counties, passage of HB 2608 could increase revenues to counties as it increases the maximum mill levy for roads and bridges and removes the levy time restraints which would allow the counties more time to collect money to pay for road and bridge projects.

Sincerely,

Jon Hummell,

Interim Director of the Budget