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Division of the Budget

Sam Brownback, Governor

April 17, 2014

The Honorable Richard Proehl, Chairperson House Committee on Transportation Statehouse, Room 581-W Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2777 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2777 is respectfully submitted to your committee.

HB 2777 would amend current law regarding the regulation of private motor carriers. The bill would exempt from regulation by the Kansas Corporation Commission (KCC) those operating in intrastate commerce with a weight of 26,001 pounds or less, except for those vehicles designed to transport 16 or more passengers, including the driver, or those which are used in the transportation of hazardous materials.

The passage of HB 2777 could reduce federal funding available for the Kansas Highway Patrol because the bill's provisions conflict with federal motor carrier regulations. This could reduce funding that the agency uses for highway safety enforcement operations; although the agency was not able to provide a specific estimate of funding reductions. A request for fiscal information was sent to the Kansas Corporation Commission; however, a response has not yet been received. Should the KCC submit a response that would describe a fiscal effect of the bill, a revised fiscal note will be prepared. Any fiscal effect associated with HB 2777 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

Jon Hummell,

Interim Director of the Budget

cc: Tom Day, KCC Kim Torrey, KHP Ben Cleeves, KDOT