

February 14, 2013

REVISED

The Honorable Ralph Ostmeyer, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Ostmeyer:

SUBJECT: Revised Fiscal Note for SB 135 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following revised fiscal note concerning SB 135 is respectfully submitted to your committee.

SB 135 would transfer all powers, duties, and functions of the Boiler Safety Act from the Kansas Department of Labor to the Office of the State Fire Marshal. The State Fire Marshal would administer the Boiler Inspection Fee Fund and would be responsible for the salaries of all employees who are transferred. The State Fire Marshal would be allowed to assess a civil penalty not to exceed \$1,000 per violation for each day of any unlawful operation. Monies for all violations would be credited to the Boiler Inspection Fee Fund.

Since the original fiscal note was issued, the State Fire Marshal has submitted revised expenditure estimates. In the original fiscal note, the State Fire Marshal indicated there would be additional expenditures of \$630,750 in FY 2014 and \$550,000 in FY 2015 if SB 135 were enacted, along with 7.00 FTE positions that would be transferred from the Kansas Department of Labor. After further review, the State Fire Marshal estimates additional expenditures of \$560,739 in FY 2014 and \$540,129 in FY 2015, along with 7.00 FTE positions. The revised estimates are the result of the agency lowering its other operating expenditure estimate. Also, depending on what equipment associated with the Boiler Safety Act is transferred from the Department of Labor to the State Fire Marshal, the State Fire Marshal indicates that additional funding may be requested by the agency at a later time for additional vehicles. Funding for additional vehicles is not included in the expenditure estimates above for either FY 2014 or FY 2015. Further, the State Fire Marshal estimates additional revenues of \$640,000 in both FY 2014 and FY 2015. All expenditures and revenues are monies from the Boiler Inspection Fee Fund. There would be a corresponding decrease in expenditures, revenues, and FTE positions to the

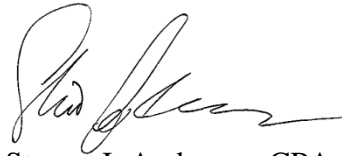
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Kansas Department of Labor so there would be no net change to the state budget. Any fiscal effect associated with SB 135 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

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

cc: Dawn Palmberg, Labor
Becky Bahr, Fire Marshal's Office