

January 29, 2016

The Honorable Dennis Hedke, Chairperson
House Committee on Energy and Environment
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Hedke:

SUBJECT: Fiscal Note for HB 2517 by House Committee on Energy and Environment

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2517 is respectfully submitted to your committee.

HB 2517 would amend current law regarding the waste tire excise tax administered by the Kansas Department of Health and Environment, Division of Environment. The bill would reduce the tax established in KSA 65-3424 d (a) from \$.25 per tire sold to \$.15 per tire. The tax is deposited into the Waste Tire Management Fund. The bill would eliminate the Waste Tire Grant Program; however, other uses for the fee revenue would be continued by the Division.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	(\$300,000)
Expenditure	--	--	--	(\$300,000)
FTE Pos.	--	--	--	--

The Kansas Department of Health and Environment indicates that passage of the bill would reduce revenue to the Waste Tire Management Fund by \$300,000 annually, and also eliminate the Waste Tire Grant Program that has provided recycled tire materials to cities, counties, and schools for use as playground cover, park benches, picnic tables, and running tracks, thereby reducing expenditures by \$300,000. The remaining fund balance would be adequate for the continuation of statewide waste tire clean-up projects. Any fiscal effect associated with HB 2517 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Aaron Dunkel, Health & Environment