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GOVERNOR JEFF COLYER, M.D. LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 7, 2018

The Honorable Kristey Williams, Chairperson House Committee on Local Government Statehouse, Room 165-W Topeka, Kansas 66612

Dear Representative Williams:

SUBJECT: Fiscal Note for HB 2597 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2597 is respectfully submitted to your committee.

HB 2597 would designate Sedgwick County as an urban area. Section 17 of article 2 in the *Kansas Constitution* allows the Legislature to designate certain areas as urban areas. As an urban area, the Legislature can grant powers of local government and consolidation of local government to those urban areas as the Legislature deems proper.

The Department of Revenue indicates enactment of HB 2597 would have no fiscal effect on state property taxes. However, the Department and the Kansas Association of Counties both indicate the bill may have an effect on Sedgwick County. Classifying Sedgwick County as an urban area would allow the Legislature to grant Sedgwick County certain powers. Future powers granted to Sedgwick County by the Legislature could result in future fiscal effects, but those effects cannot be estimated. Any fiscal effect associated with HB 2597 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

Larry L. Campbell Chief Budget Officer

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