

March 14, 2016

The Honorable Troy Waymaster, Chairperson
House Committee on General Government Budget
Statehouse, Room 165-W
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Fiscal Note for HB 2721 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2721 is respectfully submitted to your committee.

HB 2721 would effectively implement recommendations contained in Boards and Commissions from the *Kansas Statewide Efficiency Review* by Alvarez & Marsal.

The bill would create three committees to examine ways in which Kansas boards and commissions could share or consolidate resources. The three committees would be the general industry regulatory committee, the public health and welfare regulatory committee and the financial industry regulatory committee. The bill lists the boards and committees that would be studied by each committee. The committees would make recommendations on optimizing resources, preventing redundancies in services, sharing budgets and financial resources, and leveraging shared resources.

Each committee would consist of 15 members chosen from the group of boards and commissions to be studied. Membership for each committee would be selected in the following manner: the Governor would appoint seven members; the Speaker of the House of Representatives and the President of the Senate would each appoint two members; and the Minority Leader of the House of Representatives, the Minority Leader of the Senate, the Chairperson of the House Committee on Appropriations, and the Chairperson of the Senate Committee on Ways and Means would each appoint one member. No board or commission could have more than one member on a committee.

On or after July 1, 2016, each committee would meet annually and elect committee leadership. No additional compensation, mileage, subsistence or any other pay from state resources would be allowed for service on the committees. Beginning on or before January 1, 2017, and annually each subsequent year, each committee would be required to develop a report

requesting any executive or legislative action necessary to accomplish the goals in the bill. The report must be sent to the Governor's Office and the Legislature. The bill would take effect upon its publication in the *Kansas Register*.

The *Kansas Statewide Efficiency Review* did not include specific dollar savings for the board and commission recommendations. The report suggests a framework for systematically evaluating agencies and making recommendations to the Governor's Office and the Legislature regarding possible reforms.

HB 2721 would create additional workloads for board and commission staff relating to serving on the committees; conducting analysis; providing information and data to the committees; compiling information for reports; and creating reports and submitting them to the Governor's Office and the Legislature. However, it is estimated that the responsibilities in the bill can be implemented with existing staff and resources. Any fiscal effect associated with HB 2721 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a long horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget