

January 19, 2022

The Honorable Ron Highland, Chairperson  
House Committee on Water  
Statehouse, Room 152-S  
Topeka, Kansas 66612

Dear Representative Highland:

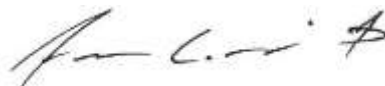
SUBJECT: Fiscal Note for HB 2480 by House Committee on Water

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2480 is respectfully submitted to your committee.

HB 2480 would remove the prohibition of water supply projects from using the Public Water Supply State Revolving Loan Fund if the projects involved a water transfer as defined by KSA 82a-1501, et seq.

The Kansas Department of Health and Environment states enactment of HB 2480 could result in a fiscal effect in FY 2023 and in future years because it would broaden the eligibility of loan applicants and could result in increased expenditures from the Public Water Supply State Revolving Loan Fund and increased revenues from repayment on the loans. However, the potential fiscal effect could not be estimated. The agency does not anticipate many loan applications because water transfers are rare. The agency states there would not be any additional costs to process new loan issuances or manage any revenue from repayments. Any fiscal effect associated with HB 2480 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Dan Thimmesch, Health & Environment