

SESSION OF 2012

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2572

As Amended by House Committee of the Whole

Brief*

HB 2572, as amended, would create the "Disaster Reimbursement Fund" to be used by the Adjutant General's Department for any emergency declared by the Governor pursuant to KSA 48-924. The bill would also direct \$12.0 million to be transferred annually from the State General Fund to this new fund. Transfers would continue up to a fund balance of \$40.0 million, at which point transfers would cease until the balance of the fund once again decreased below \$40.0 million. The bill would also create the Kansas Emergency Management and Homeland Security Fund, into which any interest generated on the balance of the Disaster Reimbursement Fund would be deposited. Interest accumulated in the Fund would be used to support Emergency Management and Homeland Security operations by the Adjutant General's Department.

Background

HB 2572 was introduced by the House Committee on Appropriations.

At the hearing on the bill, the only proponent testifying in support of the bill was Major General Lee Tafanelli, Adjutant General.

At the hearing on the bill, opponents included: representatives of Verizon, CenturyLink, Sprint, and AT&T.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The House Appropriations Committee amended the bill to remove the Kansas Universal Service Fund (KUSF) as a revenue source and all references to the KUSF, and amended the bill to add the Kansas Emergency Management and Homeland Security Fund and provisions related to its interest accumulation and expenditures for emergency management and homeland security operations of the agency.

The House Committee of the Whole amended the bill to remove language identifying the annual transfer of State General Fund monies as moneys that are received from fees and premium taxes imposed on insurance companies and other entities regulated by the Commissioner of Insurance.

The fiscal note on HB 2572 notes that \$12.0 million, all from the State General Fund, and \$10.0 million, all from the Kansas Universal Service Fund (KUSF), would be transferred to the Disaster Reimbursement Fund annually. The fiscal note indicates that the transfer from the State General Fund will decrease revenues, and the transfer from the KUSF could increase the per line assessment between \$0.23 and \$0.32 per line.