

February 1, 2010

The Honorable Carl Holmes, Chairperson
House Committee on Energy and Utilities
Statehouse, Room 174-W
Topeka, Kansas 66612

Dear Representative Holmes:

SUBJECT: Fiscal Note for HB 2421 by House Committee on Energy and Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2421 is respectfully submitted to your committee.

HB 2421 would allow the Kansas Technology Enterprise (KTEC), the Kansas Bioscience Authority, the Kansas Corporation Commission (KCC) or the Secretary of Health and Environment to request a school of engineering, under the supervision of the Board of Regents, to evaluate innovative renewable or distributive energy generation technology, or innovative energy transmission technology, patented by a Kansas resident. Upon request, the school would evaluate the project and report on its technological feasibility. If it is found to be technologically feasible, the group which made the request would refer the project to the Department of Commerce and to KTEC for possible commercial development. The school of engineering at each Regents university would submit an annual report to the House Committee on Energy and Utilities and the Senate Committee on Utilities on all requests and the school's findings.

The Kansas Department of Health and Environment, Department of Commerce, Kansas Technology Enterprise Corporation, and Kansas Corporation Commission report that the bill would have no fiscal effect. However, the Board of Regent finds the enactment of HB 2421 would require additional administrative work by the state universities' schools of engineering when evaluations are requested. It is difficult to estimate the cost but the Board assumes it would be approximately \$2,200 per request, based on an average of 40 hours per request, costing \$55 per hour for faculty time using an average engineering faculty salary and benefits. There

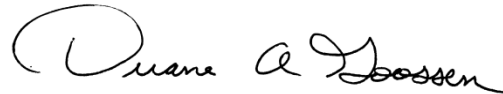
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would also be additional costs associated with the evaluations for materials. Any fiscal effect associated with HB 2421 is not reflected in *The FY 2011 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "Duane A. Goossen". The signature is written in a cursive style with a large initial "D".

Duane A. Goossen
Director of the Budget

cc: Kelly Oliver, Board of Regents
Tom Day, KCC
Pat Kuester, Health & Environment
Jeff Conway, Commerce
Michele Weigand, KTEC