

February 21, 2019

The Honorable Will Carpenter, Chairperson
House Committee on Social Services Budget
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2235 by House Committee on Social Services Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2235 is respectfully submitted to your committee.

Under HB 2235, individuals applying for jobs with the State of Kansas would not be required to provide proof of a tax clearance certificate from the Kansas Department of Revenue as part of an employment application. Instead, applicants who are hired by an agency in the Executive Branch must apply for a tax clearance certificate with 15 days of being hired. If the employee cannot provide proof of a tax compliance certificate, the employee would be required to enter into a payment plan with the Department of Revenue.

All documents or materials used by the Department of Revenue for the purposes of obtaining a tax clearance certificate and the results of the tax compliance review would not be subject to the Kansas Open Records Act (KORA). Excluding these documents from the KORA would expire on July 1, 2024, unless the exclusion is renewed by the Legislature prior to the sunset date.

The Department of Administration estimates the bill would have no fiscal effect on employment procedures of the Department or other state agencies. The Department notes the bill may reduce the amount of time human resource staff spends on answering questions from applicants about the tax clearance certificate requirement and calling or emailing applicants with follow-up reminders to complete the tax clearance process.

According to the Department of Revenue, the bill would require the agency to make changes to its tax clearance online web application and other administrative processes. However,

it is estimated any fiscal effect associated with the changes would be negligible and could be absorbed within existing agency resources. Any fiscal effect associated with HB 2235 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is written in a cursive style with a large initial "L" and a distinct "C".

Larry L. Campbell
Director of the Budget

cc: Colleen Becker, Department of Administration
Lynn Robinson, Department of Revenue