

SESSION OF 2020

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2688

As Recommended by House Committee on
Agriculture and Natural Resources Budget

Brief*

HB 2688 would amend the Kansas Veterinary Practice Act (Act) and create law supplemental to the Act to allow the Kansas Board of Veterinary Examiners (Board) to assess the costs incurred by the Board for issuing orders adverse to an applicant, registrant, or licensee against such applicant, registrant, or licensee as determined by the Board as part of any proceeding conducted under the Act. The bill would also allow the Board to retain all moneys collected from fees, charges, penalties, or assessments pursuant to the bill, to the credit of the Veterinary Examiners Fee Fund (Fee Fund). Under current law, 10 percent of moneys collected is remitted to the State General Fund.

The bill would provide, if the Board issues an order not adverse to such parties, any costs incurred by the Board for issuing such order shall be paid from the Fee Fund.

The bill would also provide "costs incurred" includes, but would not be limited to:

- Presiding officer fees and expenses;
- Costs of making any transcripts;
- Reasonable investigative costs;
- Witness fees and expenses;

*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>

- Subsistence and mileage allowances incurred by Board employees, which would include meals and lodging; and
- Fees and expenses of agents of the Board.

The bill would allow the Board to collect moneys received from assessments with the entire amount deposited to the credit of the Fee Fund. The bill would amend the Act to require the State Treasurer to deposit the entire amount of moneys collected from fees, charges, assessments, or penalties to the credit of the Fee Fund. Current law states 10 percent of each deposit shall be credited to the State General Fund and the balance shall be credited to the Fee Fund.

The bill would require the entirety of fines collected during proceedings conducted under the Act and civil penalties received under the Act be deposited in the Fee Fund. Current law requires fines and penalties be deposited to the credit of the State General Fund less the actual costs related to investigation, adjudication, and enforcement which are credited to the Fee Fund.

The bill would also make technical changes.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was introduced by the House Committee on Agriculture and Natural Resources Budget at the request of a representative of the Board.

In the House Committee hearing, the Executive Director of the Board provided proponent testimony, stating the bill would update agency statutes to be similar to other agencies. The representative also stated the agency pays fees to the State for legal representation, human resource services, and

computer services on top of the 10 percent of each deposit credit to the State General Fund. No neutral or opponent testimony was provided.

According to the fiscal note prepared by the Division of the Budget on the bill, the Board states the bill would result in additional revenue for the Board of \$5,666 in FY 2020 and \$34,000 in FY 2021 due to the elimination of the 10.0 percent credit of each deposit to the State General Fund. The bill would cause a reduction in revenue to the State General Fund in the same amounts. Additional revenue and expenditures could be incurred by the Board depending on the outcome of each proceeding. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2021 Governor's Budget Report*.