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Date: January 27, 2021
To: Chairman Olson and the Senate Committee on Commerce
From: City of Overland Park
Re: SB 10 – Written Opposition

Thank you for allowing the City of Overland Park to submit testimony in opposition to SB 10. Cities require occupational licenses in order to protect the public's health, safety, and welfare, as determined by our Mayor and Council. Limiting and proposing administrative burdens on this tool and prohibiting cities from recouping administrative expenses could make Kansas citizens less safe and our communities less appealing to live in.

The City of Overland Park does not require a general business license, but instead uses specific occupational licenses to address public safety, health, and welfare issues. The City requires occupational licenses for massage therapists, adult businesses, pawn shops, scrap metal dealers, payday lenders, solicitors and several other professions. Each of these licenses was created in response to a problem impacting the community. For example, in the mid-2000's massage therapy businesses were being used as a front for human trafficking and prostitution. In response, the City created and enforced an occupational license to prevent these illegal activities. The licenses have been incredibly effective, and these crimes are no longer a major problem in Overland Park.

Compare the results of the City's massage therapy licensing program with the State, which has debated for years about whether to create their own massage therapy regulations, and never settled on any. This is the perfect example of why a local governing body, operating year-round and connected closely to its constituents, is better at responding to local problems. The proposed limitation and repeal on any licensing requirements, and creating the potential for costly litigation, will restrict local governments from responding to future problems within the community. We believe that these types of restrictions are unprecedented in Kansas.

The City is also concerned that the impact of SB 10 will go beyond its intent and will create unanticipated detrimental impacts to the public safety of our communities. For example, Overland Park (like most other cities) has adopted the 2012 International Building Codes to provide safe building and fire code requirements and standards. These codes are drafted by the International Code Council and are a nationally recognized standard that is carefully, reviewed, revised and updated by industry and government experts on 3-year cycles. The definition of "Occupational rule and regulation" is so broad that this legislation will create significant administrative burdens for Overland Park and other cities that attempt to update to a newer building code series or from making smaller specific changes without nullifying their entire building codes.

Further, Johnson County has established Contractor licensing requirements to protect the public welfare by establishing and maintaining minimum standards for licensed contractors and by providing quality education to enhance contractor knowledge of the building codes. Overland Park, like all other Johnson County cities, requires contractors to have a Johnson County Contractor license in order to receive a building permit. The impact of SB 10 will limit or repeal this program and these standards, which will cause a negative and detrimental impact to the public safety of the community.

SB 10 could also conflict with several local activities authorized by state law, such as franchise fees for use of City rights-of-way, transient guest taxes, business improvement district fees, cereal malt beverage licenses, and many others. It is possible that upending the broad scope of state-local licensing partnerships would cause disarray to existing regulatory frameworks and local finances.

For these reasons, the City respectfully requests that you not advance SB 10 to the full Senate. Thank you for your consideration.