

SESSION OF 2021

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 65**

As Recommended by Senate Committee on  
Commerce

**Brief\***

SB 65 would decouple participation in the Kansas Industrial Training (KIT) program or the Kansas Industrial Retraining (KIR) program as a method to qualify for the High Performance Incentive Program (HPIP) tax credit. The bill also would eliminate the HPIP certification and recertification by a business to dedicate 2.0 percent of payroll for training purposes

The bill would also make several technical amendments.

**Background**

The bill was introduced the by Senate Committee on Commerce at the request of the Kansas Department of Commerce.

[*Note:* SB 65 contains provisions identical to 2020 HB 2702 and 2021 HB 2097, as introduced.]

***Senate Commerce Committee***

In the Senate Committee hearing, **proponent** testimony was provided by a representatives of the Kansas Department of Commerce and the Wichita Chamber of Commerce. Written-only **proponent** testimony was provided by the Kansas Economic Development Alliance, Kansas Chamber of

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\*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>

Commerce, and the City of Overland Park, KS. Proponents generally stated that this is needed because a large portion of the KIT and KIR programs were being utilized exclusively to qualify for HPIP. Furthermore, these changes would allow more companies to qualify for the program.

No neutral or **opponent** testimony was given.

### **Fiscal Information**

In a fiscal note prepared by the Division of the Budget on the bill, the Department of Commerce indicates it is unable to estimate the fiscal impact enactment of the bill would have, noting that the number of applicants that have not qualified due to not meeting the training requirement cannot be determined.

Economic incentive