

March 8, 2011

The Honorable Pete Brungardt, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Brungardt:

SUBJECT: Fiscal Note for SB 181 by Senate Committee on Federal and State Affairs

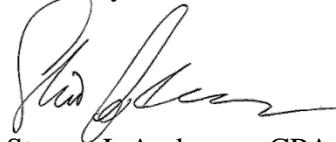
In accordance with KSA 75-3715a, the following fiscal note concerning SB 181 is respectfully submitted to your committee.

On and after January 1, 2012, the bill would require that any state agency, department, board, commission, county, or municipality that is an employer to participate in a federal work authorization program. This would apply to employees hired after January 1, 2012. The bill would also prohibit those employers from entering a public works or purchase contract greater than \$5,000 with a business that does not prove it is enrolled and actively participating in a federal work authorization program with employees hired after January 1, 2012. Any contractor would also be required to ensure that any subcontractor complies with the requirements.

The bill requires a verification of work authorization programs operated by the Department of Homeland Security. According to the Department of Social and Rehabilitation Services, the E-Verify program does not have any cost associated with using the program. Therefore, the verification process would become part of the human resource process for hiring and no additional expenditures would be incurred.

The League of Kansas Municipalities states that passage of this bill could increase expenditures for cities. The League also indicates that it cannot estimate the cost. However, the Division of the Budget estimates the expenditures would be negligible to both cities and counties given there is a free verification program for the cities to use.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Melissa Wangemann, KS Association of Counties
Pat Kuester, Health & Environment
Larry Baer, League of Municipalities
Megan Pinegar, Attorney General's Office

Dan Lewien, SRS
Traci Herrick, Commerce
Jeremy Barclay, Corrections