

SESSION OF 2019

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2235**

As Amended by House Committee on Social  
Services Budget

**Brief\***

HB 2235, as amended, would establish new law regarding tax clearance certificates for state employment.

The bill would require any individual offered a job with the State or any state agency to obtain or provide proof of a tax clearance certificate from the Department of Revenue (Department) as part of an employment application. The bill would specify any individual offered a job by any agency in the executive branch would be required to apply for a tax clearance certificate from the Department within 15 days of the date on which the individual is offered the job.. The tax clearance process would review whether the individual is current and compliant with all Kansas tax laws administered by the Department and taxes, fees, or payments administered by the Department of Labor.

The bill would require documents, materials, or other information obtained by or disclosed to the Department for the purpose of obtaining a tax clearance certificate and the results of the review be confidential and would not be subject to disclosure under the Kansas Open Records Act (KORA). The subsection related to KORA would sunset July 1, 2024.

If an individual could not provide proof of a tax compliance certificate, the individual would be required to enter into a payment plan with the Department and remain current on the plan as a condition of continued employment with the respective agency.

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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>

## **Background**

The bill was introduced by the House Committee on Social Services Budget at the request of Representative Mastroni.

In the House Committee hearing, a representative of the Department was available to answer House Committee questions on the bill and the current tax clearance process. The representative clarified that Executive Order 2004-03, which would be replaced by the bill, is current practice and does not require the tax clearance process be done in the application process for state employment. The Department representative stated the Department was neutral on the bill, but expressed concern with language in the bill referring to “other various fees or charges administered by any other state agency” as the Department did not currently have access to that information. No other testimony was provided.

The House Committee amended the bill by replacing references to job applicants to clarify the bill affects individuals offered state employment, removing language referring to “other various fees or charges administered by any other state agency,” and clarifying the requirements for continued employment are specific to the respective agency employing the individual.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department indicates any fiscal effect associated with enactment of the bill would be negligible and could be absorbed within existing resources. The Department of Administration indicates no fiscal effect. Any fiscal effect associated with enactment of the bill, as introduced, is not reflected in *The FY 2020 Governor’s Budget Report*.