

SESSION OF 2006

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR
HOUSE BILL NO. 2727**

As Amended by Senate Committee on
Federal and State Affairs

Brief*

Sub. for HB 2727 as amended, would amend K.S.A. 75-5531 through K.S.A. 75-5534 to add community health charities to the organizations which state employees may voluntarily elect to contribute via payroll deduction. Currently, K.S.A. 75-5531 to K.S.A. 75-5534 provides that state employees may voluntarily elect to contribute to a united way organization via payroll deduction.

Background

Community Health Charities (CHC) is a statewide federation of 31 local Kansas and 50 national voluntary health charities formed in 1993. The following local health charities belong to CHC: ALS Association, Keith Worthington Chapter; Alzheimer's Association; American Diabetes Association; American Liver Foundation; American Lung Association; American Stroke Foundation; Arthritis Foundation; Asthma and Allergy Foundation; Crohn's and Colitis Foundation; Cystic Fibrosis Foundation; Down Syndrome Guild; Envision; Fibromyalgia Coalition International; Huntington's Disease Society; International Essential Tremor Foundation; Juvenile Diabetes Research Foundation; Kansas City Hospice; Leukemia and Lymphoma Society; Lupus Foundation; March of Dimes; Midwest Ear; Muscular Dystrophy Association; National Alliance for the Mentally Ill; National Kidney Foundation; National Marrow Donor Program; National Multiple Sclerosis Society; NOVA Center; Sickle Cell Disease Association, Uriel Owens Chapter; SIDS Resources; Special Olympics Kansas; and Turner Syndrome Society.

Proponents of the bill included Representative Nile Dillmore, the Director of Accounts and Reports, the President of Community Health

*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>

Charities, the President of the American Lung Association, and three other interested individuals.

There were no opponents who testified on the bill.

The House Committee on Federal and State Affairs adopted a substitute bill to specifically name CHC, rather than generally authorizing payroll deductions for all charitable federations which are eligible to be deducted from federal employees payroll pursuant to federal law.

The Senate Committee made two amendments at the request of the Department of Administration. First, the Committee struck the words "or both." The effect would be to only allow the state employee to choose a United Way organization or a CHC. The amendment was requested for ease of administration within the current software system. Second, the money collected by the Department as a fee for administrative costs would be credited to the accounting services recovery fund rather than the State General Fund.

The fiscal note on the original bill from the Division of Budget states the addition of the federal organizations would have a negligible fiscal effect on the Division's operations. It should be noted that K.S.A. 75-5533 requires the Director of Accounts and Reports to charge and collect a fee for making payroll deductions and payments authorized by K.S.A. 75-5531 to 75-5534.