

SESSION OF 2009

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2222

As Amended by House Committee on
Government Efficiency and Fiscal Oversight

Brief*

HB 2222, as amended, would authorize a state department, agency, commission, or authority which is obligated by statute to collect a license, fee, charge, tax, or other exaction to impose a surcharge not to exceed 5.0 percent of the assessment in order to enhance the efficiency of the agency. Agencies would be authorized to establish a discount up to 5.0 percent of the assessment in order to enhance the efficiency of the agency. This authority would be implemented through the adoption of rules and regulations that establish the specific surcharge or discount, state the efficiency goals to be achieved, and state the efficiency goals to be achieved. The goals may include, among other things, that the surcharge or discount has measured benefits to the agency and customers.

Background

HB 2222, as amended, was proposed by the Committee. Proponents of the bill were Representative Jim Morrison and Representative Mike Burgess. A spokesperson for INK also testified in support of the bill. Luke Bell, Kansas Association of Realtors, testified against the bill. There were no other conferees.

The amendments were proposed by members of the Committee. The added introductory phase was suggested by a committee member to provide a clearer purpose of the bill.

*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>

The amendment which replaces “collection” with “agency” was deemed to more accurately reflect the efficiency of the agency rather than the efficiency of the collection. The final amendment insures that a surcharge or discount has measured benefits to the agency and customers rather than whether the surcharge or discount is revenue neutral.

The original fiscal note prepared by the Division of the Budget states that because the bill requires any surcharge or discount to be revenue neutral, enactment of the bill would have no net effect to any state agency’s revenues. However, it could effect what individuals or businesses must pay for fees or taxes, depending on how agencies might choose to implement the bill’s provisions. Determining the bill’s precise fiscal effect is not possible. The fiscal note may not be completely applicable to the bill as amended by the House Committee.