

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2342**

As Agreed to March 25, 2025

Brief*

HB 2342 would authorize the Secretary of Commerce to request the Kansas Bureau of Investigation (KBI) conduct a state and national criminal history record check on any final applicant for, or an employee in, a sensitive position within the Department of Commerce and would require the Secretary of Labor to conduct state and national criminal history record checks on employees who have access to federal tax information received directly from the Internal Revenue Service (IRS).

The bill would also amend law in the Kansas Code of Criminal Procedure concerning how non-criminal justice agencies may conduct state and national criminal history record checks and what criminal history record information (CHRI) must be released to such agencies with respect to certain employees and applicants for employment, licensure, or certification.

Criminal History Record Checks

Secretary of Commerce

The Secretary of Commerce would be authorized to use information from a background check in the determination of applicants for, or employees in, sensitive positions. This determination would be required to be in the Secretary's discretion except for a minimum standard requiring that a person in such a position have no misdemeanor conviction for any crime involving theft, fraud, forgery, or other financial crime or any felony conviction.

The bill would define "final applicant" to mean an applicant for a sensitive position with the Department of Commerce that the Secretary has determined is among a select group of applicants most qualified for the sensitive position and to whom the Secretary intends to give final consideration for an employment offer.

The bill would also define "sensitive position" to mean an employee in:

- The positions of division, director, assistant secretary, deputy secretary, information technology manager, and chief counsel;

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- Grant or loan program manager positions directly involved with accounting or disbursement of funds; and
- Any position determined by the Secretary to involve significant financial management responsibilities; the collection or maintenance of, or access to, confidential personal or business information; or a significant risk of fraud or financial liability to the Department of Commerce.

Secretary of Labor

The bill would require the Secretary of Labor to conduct state and national criminal history record checks on employees who have access to federal tax information received directly from the IRS. Such criminal record checks would require fingerprinting of the employee.

Criminal History Record Information to be Released to Certain Agencies

The bill would direct the KBI to release certain types of CHRI of applicants and employees associated with the agencies specified below.

Office of Attorney General

The bill would require the KBI to release CHRI related to adult convictions, adult non-convictions, adult diversions, adult expunged records, juvenile adjudications, juvenile non-adjudications, juvenile diversions, and juvenile expunged records to the Attorney General for the following persons applying to become licensed or certified in Kansas:

- Persons applying for a private detective or private detective agency license [*Note:* Current law requires adult convictions, adult non-convictions, adult diversions, and adult expunged records to be released for these persons];
- Persons applying for a license to carry a concealed handgun [*Note:* Current law requires adult convictions, adult non-convictions, adult diversions, adult expunged records, juvenile adjudications, juvenile non-adjudications, and juvenile diversions to be released for these persons];
- Persons applying to become certified to train private detectives in the handling of firearms and the lawful use of force [*Note:* Current law requires adult convictions, adult non-convictions, adult diversions, and adult expunged records to be released for these persons]; and
- Persons applying for a bail enforcement agent license [*Note:* Current law requires adult convictions to be released for these persons].

State Gaming Agency

The bill would require the KBI to release CHRI related to adult convictions, adult non-convictions, adult diversions, adult expunged records, juvenile adjudications, juvenile non-

adjudications, and juvenile diversions to the State Gaming Agency (SGA) for candidates for employment with the SGA or persons applying for tribal gaming licensure pursuant to a tribal-state gaming compact. Under current law, the SGA is authorized to receive CHRI related only to adult convictions, non-convictions, diversions, and expunged records.

Department of Labor

The bill would require the KBI to release CHRI related to adult convictions, adult non-convictions, adult diversions, and juvenile adjudications to the Secretary of Labor for employees who have been or will be granted access to federal tax information received directly from the IRS.

Department of Commerce

The bill would require the KBI to release CHRI related to adult convictions, adult non-convictions, adult diversions, and adult expunged records to the Secretary of Commerce for final applicants for, or employees in, a sensitive position.

Office of the State Bank Commissioner

The bill would make conforming amendments to law to reflect the type of CHRI that must be released by the KBI with respect to certain employees and applicants associated with the State Bank Commissioner under continuing law.

Effective Date

The bill would be in effect upon publication in the *Kansas Register*.

Conference Committee Action

The Conference Committee agreed to the provisions of HB 2342, as passed by the Senate, and to insert the provisions of SB 30, as passed by the House.

Background

The Conference Committee added the contents of SB 30, concerning criminal history record checks for Kansas Department of Labor employees with access to federal tax information and CHRI that may be released to certain agencies, to the contents of HB 2342, concerning criminal history record checks for sensitive positions within the Department of Commerce.

HB 2342 (Department of Commerce Sensitive Position Criminal Record Checks)

The bill was introduced by the House Committee on Commerce, Labor and Economic Development at the request of a representative of the Department of Commerce.

House Committee on Commerce, Labor and Economic Development

In the House Committee hearing, **proponent** testimony was provided by a representative of the Department, who stated the bill would help protect the State as an employer and reduce potential future hiring risks.

No other testimony was provided.

Senate Committee on Judiciary

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Department, who stated the bill would increase security and promote a positive work environment.

No other testimony was provided.

The Senate Committee amended the bill to be effective upon publication in the *Kansas Register*. [Note: The Conference Committee retained this amendment.]

SB 30 (Department of Labor Employee Criminal Record Checks and CHRI Amendments)

SB 30 was introduced by the Senate Committee on Judiciary at the request of a representative of the Kansas Department of Labor (KDOL).

Senate Committee on Judiciary

In the Senate Committee hearing, representatives from KDOL and KBI offered **proponent** testimony. Proponents stated the bill would help ensure all KDOL employees with access to federal tax information received directly from the IRS have completed the appropriate level of record check. This would allow KDOL to meet the requirements of and continue to participate in the Treasury Offset Program as administered by the U.S. Department of the Treasury.

No other testimony was provided.

House Committee on Judiciary

In the House Committee hearing, representatives of KDOL and KBI provided proponent testimony that was substantially similar to testimony provided in the Senate Committee hearing. The representative of the KBI requested an amendment to authorize the release of additional CHRI to the Attorney General and SGA for certain persons and to make technical changes to

reorganize provisions concerning CHRI that is allowed to be released to the State Bank Commissioner in continuing law. No other testimony was provided.

The House Committee adopted the amendment requested by KBI . [Note: The Conference Committee retained this amendment.]

Fiscal Information

HB 2342 (Department of Commerce Sensitive Position Criminal Record Checks)

According to the fiscal note prepared by the Division of the Budget on HB 2342, as introduced, the Department states the agency would be able to implement the bill within its existing resources. The KBI indicates that revenue received from criminal background check requests would be used to offset any expenditures related to staffing and maintenance of the required systems used to transmit background check information.

Any fiscal effect associated with enactment of HB 2342 is not reflected in *The FY 2026 Governor's Budget Report*.

SB 30 (Department of Labor Employee Criminal Record Checks and CHRI Amendments)

According to the fiscal note provided by the Division of the Budget on SB 30, KDOL indicates that enactment of the bill would have no fiscal effect on the agency.

KBI indicates that enactment of SB 30 would have no fiscal effect on the agency.

Fingerprinting; criminal history record information; Department of Commerce; Kansas Bureau of Investigation; Secretary of Labor; Attorney General; State Gaming Agency; State Bank Commissioner

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