

February 11, 2025

The Honorable Rick Billinger, Chairperson  
Senate Committee on Ways and Means  
300 SW 10th Avenue, Room 548-S  
Topeka, Kansas 66612

Dear Senator Billinger:

SUBJECT: Fiscal Note for SB 228 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 228 is respectfully submitted to your committee.

SB 228 would create new regulations for supplemental nursing services agencies and other healthcare worker platforms. The bill would create the Supplemental Nursing Services Agency and Healthcare Worker Platforms Regulation Fund. The Kansas Department for Aging and Disability Services (KDADS) would be responsible for the oversight of supplemental nursing services agencies which could include random surveys, investigations, and other actions to ensure that these agencies comply. If an agency is not in compliance, there would be a system for reporting all complaints against the agency.

The bill would require any person who operates a supplemental nursing services agency or healthcare worker platform to register with KDADS, and provisions for what an application would include are provided. There would be a fee for registering which would be deposited into the fund established in bill. The bill would also require staffing agencies and healthcare platforms to ensure all employees meet licensing, training, and education requirements for the position they are working and not be hired instead of permanent healthcare workers. The bill includes similar requirements for contract staff, including malpractice insurance, registration, documentation, and funding.

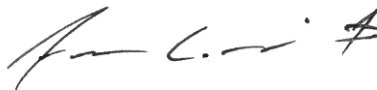
Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund	--	\$1.4 million	\$1.0 million
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Expenditures	--	\$1.4 million	\$1.0 million
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	\$246,345	\$246,235
Federal Fund	--	--	--
Total Revenues	--	\$246,235	\$246,235
FTE Positions	--	7.00	7.00

According to KDADS, enactment of SB 228 would increase expenditures by a total of \$1.4 million from the State General Fund for an additional 7.00 positions to support the licensure, monitoring, and review of regulatory requirements of supplemental nursing agencies in the state as a new regulatory oversight and licensure program. Positions would include two licensure specialists, a program manager, a field staff surveyor, one complaint line support position, a legal assistant, and an attorney. KDADS estimates a cost of \$592,800 for FY 2026 and \$602,100 for FY 2027, assuming a 2.5 percent salary increase. Costs include salary, fringe benefits, and other operating expenses.

KDADS estimates contractual services costs of \$310,000. These contractual services costs would cover analytics and Office of Administrative Hearings costs. An additional \$500,000 would be necessary in the first year as a startup cost for a platform for complaint intake and to track complaints, and \$100,000 in the out-years to maintain the system.

KDADS estimates it would collect \$246,235 of supplemental nursing registration fees to be deposited into the Supplemental Nursing Services Agency and Healthcare Worker Platforms Regulation Fund. The revenue is based on assumed collection of 121 supplemental nursing registration fees of \$2,035 annually. KDADS indicates that enactment of the bill could potentially impact providers if staffing agencies choose not to comply and are not allowed to operate or apply for licensure for five years. This could create a gap in needed healthcare coverage at a hospital or adult care home. Any fiscal effect associated with SB 228 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish.

Adam C. Proffitt  
Director of the Budget

cc: Leigh Keck, Department for Aging & Disability Services