



March 3, 2025

REVISED

The Honorable Larry Alley, Chairperson
Senate Committee on Commerce
300 SW 10th Avenue, Room 159-S
Topeka, Kansas 66612

Dear Senator Alley:

SUBJECT: Revised Fiscal Note for SB 229 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following revised fiscal note concerning SB 229 is respectfully submitted to your committee.

SB 229 would change the state's occupational licensing system. The bill would establish a sunset provision for occupational licensing requirements, meaning they would automatically terminate after five years unless explicitly extended by the legislature. The bill would apply to both existing licenses (which would terminate on July 1, 2030) and new licenses created after July 1, 2025. The bill would exclude several professional categories from these provisions, specifically healthcare providers regulated by boards such as the Behavioral Sciences Regulatory Board, Board of Nursing, Dental Board, Board of Healing Arts, and Board of Pharmacy. The Board of Technical Professions would also be exempt from these requirements. For a licensing requirement to continue beyond its sunset date, a thorough review process would have to be completed. The review process would include examination by relevant standing committees in both the House and Senate, supported by analysis from the Legislative Research Department. The review would assess various factors, including the license's public welfare objectives, its effectiveness, potential alternatives, comparisons with other states' regulations, economic impact, and associated costs and benefits.

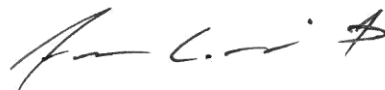
SB 229 would also introduce new oversight mechanisms. The Secretary of State would be required to monitor and provide 18-month advance notice of approaching termination dates to relevant agencies. The Revisor of Statutes would be required to certify to legislative leadership which statutory licensing requirements would be set to terminate in the following year. Any new occupational licensing requirements proposed by state agencies after July 1, 2025, would be

required to receive legislative approval through a joint resolution before taking effect. This process would include a similar comprehensive review of the proposed requirement's necessity, alternatives, and potential impacts.

The Kansas Legislative Research Department states that enactment of SB 229 would add a new task for the analysts within the Department. The Department is unaware of the possible time requirements for the work or possible need for additional FTE to comply with the requirements in the bill. The Office of the Revisor of Statutes states that any fiscal effect resulting from enactment of SB 229 could be absorbed within existing resources.

Since the original fiscal note was issued, the Division of the Budget received information from the Secretary of State and Legislative Administrative Services (LAS). The Secretary of State indicates that the enactment of the bill would require expenditures totaling \$225,000 from the State General Fund in FY 2026. This estimate includes salaries and wages totaling \$210,000 for an additional 2.00 FTE positions, including an attorney (\$130,000) and a paralegal (\$80,000). Both cost estimates include fringe benefit costs. In addition, the agency estimates other operating expenditures for both positions totaling \$15,000 for office supplies, furniture, information technology equipment, and communications. Costs for future years would be approximately the same, with adjustments for inflation. LAS estimates the enactment of the bill would have no fiscal effect for the Legislature's budget. Any fiscal effect associated with SB 229 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 or symbol.

Adam C. Proffitt
Director of the Budget

cc: Tom Day, Legislative Services
Shirley Morrow, Legislative Research
Sandy Tompkins, Office of the Secretary of State