

Approved: 3/28/97
Date

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE & LABOR.

The meeting was called to order by Chairman Al Lane at 9:11 a.m. on March 10, 1997 in Room 526-S of the Capitol.

All members were present except: Rep. David Adkins - excused
Rep. William Mason - excused

Committee staff present: Jerry Donaldson, Legislative Research Department
Bob Nugent, Revisor of Statutes
Bev Adams, Committee Secretary

Conferees appearing before the committee: Dr. Charles Warren, Kansas Inc.

Others attending: See attached list

Hearing on: **SB 135 - Electronic filing of tax records.**

Dr. Charles Warren appeared as a proponent of the bill. He appeared as Chairman of the Board of Directors of the Information Network of Kansas. The statute contained in this bill was amended last year to authorize the secretary of state, the secretary of revenue and the secretary of human resources to adopt rules and regulations for the purpose of authorizing the electronic filing of reports, certificates or other documents which businesses may be required by law to file with such agencies pursuant to statute. When the bill was passed last year, the chapter number for the Department of Revenue was left out. This bill remedies this omission. Mr. Warren finished by answering questions. (see Attachment 1)

No others were present to testify and Chairman Lane closed the hearing on the bill.

Action on: **SB 135 - Electronic filing of tax records.**

Rep. Grant made a motion to pass out the bill favorably and place it on the Consent Calendar. It was seconded by Rep. Wilson. The motion carried.

Action on: **HB 2298 - Permitting certified public accountant examinations to be performed by a private service.**

The committee discussed the balloon amendment prepared by Bob Nugent, Revisor and made several changes. In addition to the changes on the balloon, they are: on page 2, line 11, striking the word "first" and adding the word "initial" before the word "admission", so line 11 reads: "(1) For initial admission to", and renumbering the subsections after new subsection (3), and changing the internal references accordingly. Rep. Geringer made a motion to pass out the bill favorably as amended. Rep. Beggs seconded the motion. The motion passed. (see Attachment 2)

Chairman Lane adjourned the meeting at 9:25 a.m.

The next meeting is scheduled for March 11, 1997.

HOUSE BUSINESS, COMMERCE & LABOR COMMITTEE
GUEST LIST

DATE: March 10, 1997

NAME	REPRESENTING
Connie Hafenstein	KDOT
Nancy Bogina	KDOT
Dean Carlson	KDOT
Charles K. War	

**Senate Bill 135
Amendment to the Electronic Filing Statute**

**Testimony of
Charles R. Warren, Chairman
Board of Directors, Information Network of Kansas**

**House Committee On Business, Commerce and Labor
The Kansas Legislature
March 10, 1997**

Mister Chairman, members of the Committee, thank you for this opportunity to testify on Senate Bill 135. This bill amends a statute passed by the 1995 Kansas Legislature to authorize the Secretary of State, the Secretary of Human Resources, and the Secretary of Revenue to authorize the electronic filing of business documents that are required by law to be filed with those agencies.

The purpose of this legislation is to correct an oversight in the statute that passed last year. The 1996 bill omitted the chapter number that pertains to the Kansas Department of Revenue. Because of this omission there exists doubt over the authority being granted by the Legislature to the Secretary of Revenue. Therefore, Senate Bill 135 simply adds the words "and 79" to the existing statute.

This bill is required to implement fully the Kansas Business Electronic Filing System (KBEFS) under development by the Information Network of Kansas with the cooperation of the Secretary of State, the Department of Human Resources, the Department of Revenue, and the Department of Commerce of Housing. KBEFS is designed to allow a person starting a new business in Kansas to file all of the relevant applications for incorporation, various tax accounts, and unemployment insurance with the three separate departments by completing one form and sending it electronically through INK to each of the agencies. The system is currently being tested and should be fully operational in the Summer of 1997. KBEFS will reduce paperwork and save time and money for new companies, as well as increasing the efficiency of current filing processes.

*Business, Commerce
& Labor Committee
3/10/97
Attachment 1*

Board of Directors

Governor Bill Graves, *Co-Chair*

John E. Moore, *Co-Chair*

Stanley Ahlerich · Barbara Allen · Joe Bauman · Peter Brungardt · Kathleen Clark · John Farmer, III · Greg Jones · Gerald Karr
John Prather · Alicia Salisbury · Warren Schmidgall · Deryl Schuster · Gary Sherrer · Jack Wempe · Larry Williams

1 permit to practice as a certified public accountant in this state. The board
2 may require that fees paid under the state board of accountancy act be
3 paid directly to the examination service by the person taking the exami-
4 nation. Each such fee payable to the board or the examination service
5 shall accompany the appropriate application provided by the board. No
6 portion of either any fee shall be returned to the applicant unless the
7 application is rejected board determines there is just cause for a refund.

8 (b) The board shall adopt rules and regulations fixing the fees pro-
9 vided to be charged and collected under this section, which shall be as
10 follows:

11 (1) For ~~(issuance of a Kansas certificate, including)~~ first admission to
12 any required examination, an amount not to exceed \$200. If an applicant
13 fails to pass the required examination, a complete reexamination may be
14 taken upon payment of an additional fee of not to exceed \$175 for each
15 such complete reexamination. If an applicant fails to pass part of the
16 required examination, a partial reexamination may be taken upon pay-
17 ment of an additional fee of not to exceed \$150 for each such partial
18 reexamination;

19 (2) for issuance of a certificate (initial ~~reciprocal~~ or duplicate) an
20 amount not to exceed \$50;

21 ~~(2)~~ (3) for issuance or renewal of a permit to practice for the holder
22 of a Kansas certificate, an amount not to exceed \$150, subject to para-
23 graphs ~~(3)~~ (4) and ~~(4)~~ (6);

24 ~~(3)~~ (4) for issuance or renewal of a permit to practice for the holder
25 of a Kansas certificate whose permit is issued or renewed for a period of
26 12 months or less, an amount equal to 1/2 the amount of the fee fixed
27 under paragraph ~~(2)~~ (4), subject to paragraph (4) (6);

28 (5) for issuance of a duplicate permit to practice for the holder of a
29 Kansas certificate, an amount not to exceed \$25;

30 ~~(4)~~ (6) for issuance or renewal of a permit to practice in the case of
31 the holder of a Kansas certificate who had in some prior year held a permit
32 to practice but who did not hold such a permit for the year immediately
33 preceding the period for which a permit to practice is requested, or who,
34 if holding a permit to practice for such period immediately preceding
35 applies for renewal subsequent to the expiration date of such permit, an
36 amount equal to 1 1/2 times the amount of the fee then fixed under par-
37 agraph ~~(2)~~ (3) or paragraph ~~(3)~~ (4), whichever is applicable;

38 ~~(5)~~ (7) to proctor the uniform C.P.A. certified public accountant ex-
39 amination to a candidate of another state who is temporarily in this state
40 at the time of the examination an amount not to exceed \$200 per exam-
41 ination.

42 (c) On or before May 30 each year, the board shall determine the
43 amount of funds that will be required during the ensuing year to carry

(3) For issuance of a reciprocal
certificate an amount not to
exceed \$250.00

Business, Commerce
& Labor Committee
3/10/97
Attachment 2