Adam C. Proffitt, Director



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Laura Kelly, Governor

February 12, 2025

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

Dear Senator Alley:

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

In accordance with KSA 75-3715a, the following 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

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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. The Secretary of State's Office and Legislative Services have not yet responded to a request for fiscal information. Any fiscal effect associated with SB 229 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

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Adam C. Proffitt Director of the Budget

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