

Strong Families Make a Strong Kansas

Commerce Committee

February 19, 2015

Testimony on:

SB 198

Presented by:

Trisha Thomas

Director of Child Support Services

Kansas Department for Children and Families

Testimony of:

Trisha Thomas, Child Support Services Director Kansas Department for Children and Families Topeka, Kansas

Testimony on:

SB 198, State directory of new hires, contractors

Chairman Lynn, Vice-Chair Wagle, Ranking Member Holland, and Members of the Committee:

Thank you for the opportunity to provide supporting testimony on SB 198.

SB 198 would amend K.S.A. 75-5743 to include "contractors" in the new hiring reporting requirement for employers. The bill adds definitions for "contractor" and "newly hired contractor".

Under K.S.A. 23-3102 and 3103, employers are already required to withhold support from compensation paid to an independent contractor pursuant to an income withholding order. However, there are no reporting requirements for the hiring of the independent contractors, which results in a time delay in Child Supports Services (CSS) learning of the income being earned by contractors and thus, a delay in issuance of an income withholding order for payment of support. Often a contractor may have moved on to other employment by the time CSS receives the quarterly wage notice.

Reporting newly-hired contractors will bring contract employment in-line with all other employees and allow support to be collected for the child and families needing support in a more timely fashion. We estimate that CSS collections will increase by \$1.5 million a year from timely reporting of these contractors.

In addition, the Kansas Department of Labor is interested in this information to detect fraud.

We are proponents of SB 198. Thank you for the opportunity to address this important issue and I am happy to answer any questions the committee may have.

February 19, 2015 Page 2