

SESSION OF 2020

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2702

As Amended by Senate Committee on
Commerce

Brief*

HB 2702, as amended, would decouple participation in the Kansas Industrial Training (KIT) program or the Kansas Industrial Retraining (KIR) program as a method to qualify for the High Performance Incentive Program (HPIP) tax credit. The bill also would eliminate the HPIP certification and recertification by a business to dedicate 2.0 percent of payroll for training purposes.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was introduced by House Committee on Commerce, Labor and Economic Development at the request of Representative Tarwater.

In the House Committee hearing, representatives of the Department of Commerce (Department), Kansas Economic Development Alliance, the Kansas Chamber, and the chambers of commerce of Overland Park and the Wichita Region provided proponent testimony, stating the legislation would reallocate funding to companies for training purposes.

No opponent or neutral testimony was provided.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

In the Senate Committee on Commerce hearing, representatives of the Department and the Kansas Chamber testified in support of the bill, stating the legislation would reallocate funding to companies for training purposes. Representatives of the Kansas Economic Development Alliance and the chambers of commerce of Overland Park and the Wichita Region provided written-only proponent testimony.

The Senate Committee amended the bill to change the effective date to publication in the *Kansas Register*.

According to the fiscal note prepared by the Division of the Budget on the bill, the Department indicates the bill as introduced would not have a fiscal effect on the agency's operations in determining business' qualifications for the tax credit. The Department of Revenue is unable to estimate the fiscal impact of the taxpayers that could qualify under the bill.