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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 10, 2012

The Honorable Steve Huebert, Chairperson House Committee on Local Government Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2592 by House Committee on Commerce and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2592 is respectfully submitted to your committee.

HB 2592 would prohibit local governments from enacting ordinances or resolutions that would require employers to implement the following labor practices:

- 1. Provide employees leave from work, either with or without pay, unless required by state or federal law;
- 2. Pay compensation to employees for any leave unless required by state or federal law;
- 3. Pay compensation at any higher rate than the minimum wage required by state or federal law; or
- 4. Offer employee benefits other than those required by state or federal law.

Any enacted ordinances or resolutions that conflict with the provisions of the bill would be declared void and against the public policy of the state.

Both the League of Kansas Municipalities and the Kansas Association of Counties indicate that the fiscal effect for local governments cannot be determined because it is not known how many cities or counties would be affected by the provisions of HB 2592. Any local governments that currently have employer requirements beyond the scope of state or federal law would likely incur costs related to repealing and posting the changes to any applicable

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ordinances or resolutions; however, it is presumed that those costs could be absorbed within existing local government resources.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Larry Baer, League of Kansas Municipalities Melissa Wangemann, Kansas Association of Counties