

SESSION OF 2020

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2702**

As Recommended by House Committee on  
Commerce, Labor and Economic Development

**Brief\***

HB 2702 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.

**Background**

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

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.

According to the fiscal note prepared by the Division of the Budget on the bill, the Department indicates the bill would not have a fiscal effect on the agency's operations in determining business' qualifications for the tax credit. The

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\*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>

Department of Revenue is unable to estimate the fiscal impact of the taxpayers that could qualify under the bill.