

B. Lane Hemsley, Executive Director

Kansas Dental Board

Sam Brownback, Governor

February 15, 2012

The Honorable Mike Burgess, Chairperson
House Committee on Government Efficiency
Statehouse, Room 151-S
Topeka, Kansas 66612

RE: HB 2726 – Credit cards; forbidding the state to charge a surcharge or fee from a person using a credit card to pay state fees, taxes or other charges by the state

Dear Representative Burgess:

I am the Executive Director of the Kansas Dental Board (Board). The Board consists of six dentists, two hygienists, and one public member for a total of nine members. The mission of the Board is to protect the public through licensure and regulation of the dental professions, which consists of 2,134 dentists and 2,503 hygienists for a total of 4,637 licensees.

I write in opposition to HB 2726, which would prohibit a state agency from imposing an additional fee to recover the actual amount of any cost incurred by reason of the method of payment used by the payee. To renew licenses online with a credit card or electronic check, each dentist pays \$313 and each hygienist pays \$157. The Board only receives \$300 per dentist and \$150 per hygienist, which are the standard renewal fees if paid by any other method. In turn, the Information Network of Kansas, Inc. (INK) receives \$13 per dentist and \$7 per hygienist.

Currently, these additional charges from INK are not assessed to the Board. Instead, each licensee renewing online is responsible for the additional charges. If HB 2726 becomes law and the Board is not granted more spending authority to cover the additional charges from INK, it will have a negative fiscal impact on the Board. In the current fiscal year, INK has already obtained \$3,552 from the online renewal of Board licensees. The Board does not have the spending authority to cover the \$3,552. Moreover, the Board is starting to see an increase in online renewals. Assuming every licensee renewed online because there was no additional fee, the total cost to the Board over a one-year period would be approximately \$20,700. Again, the Board does not have the spending authority to cover the \$20,700 per year.

On behalf of the Board, I respectfully request that the fiscal impact of HB 2726 is considered when making final recommendations. Thank you.

Sincerely,


B. Lane Hemsley
Executive Director