

February 1, 2023

The Honorable Nick Hoheisel, Chairperson
House Committee on Financial Institutions and Pensions
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Hoheisel:

SUBJECT: Fiscal Note for HB 2101 by House Committee on Financial Institutions and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2101 is respectfully submitted to your committee.

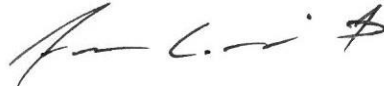
HB 2101 would enact the Kansas Contract for Deed Act. The bill would prohibit a seller from executing a contract for deed with a buyer if the seller does not hold the title to the property. The bill would also require the seller to maintain fee simple title to the property free of any encumbrances. Violations would be a deceptive act and be subject to enforcement under the Kansas Consumer Protection Act. The bill details when a buyer's rights under a contract for deed would not be forfeited.

The Judicial Branch states that enactment of the bill could increase the number of cases filed in district courts due to the violations of the Kansas Consumer Protection Act. This would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The bill could also result in the collection of docket fees that would be deposited into the State General Fund. However, a precise fiscal effect cannot be estimated.

The Office of the Attorney General states that any additional cases generated from the bill would be absorbed within existing resources. The Abstracters Board of Examiners state that the bill would not have a fiscal effect. Any fiscal effect associated with HB 2101 is not reflected in *The FY 2024 Governor's Budget Report*.

The Kansas Association of Counties indicates that the bill could have an impact on counties if current resources are not adequate to handle prosecutions and court needs. Therefore, a fiscal effect cannot be determined. The League of Kansas Municipalities states that the bill would not have a fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Shawn Herrick, Abstracters Board of Examiners
John Milburn, Office of the Attorney General
Vicki Jacobsen, Judiciary
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties