

January 31, 2019

The Honorable Rick Wilborn, Chairperson
Senate Committee on Judiciary
Statehouse, Room 541-E
Topeka, Kansas 66612

Dear Senator Wilborn:

SUBJECT: Fiscal Note for SB 46 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 46 is respectfully submitted to your committee.

SB 46 would amend current law regarding pawnbrokers and precious metal dealers by providing that pawnbrokers, along with precious metal dealers, must require sellers to show proof of identification and provide a signed statement attesting that they are the legal owner of the property. SB 46 would also amend the procedures for returning converted or stolen property as follows:

1. The claimant must provide a written demand, copy of the police report regarding any stolen items, and an affidavit with certain information;
2. The pawnbroker or dealer must return the property in the presence of a law enforcement officer within seven days of the demand unless there is reasonable belief that the demand was false including notice from the police chief or sheriff;
3. If the pawnbroker or dealer refuses to return the property, the claimant would be allowed to bring a legal action; and
4. A pawnbroker or dealer who returns an item based on false information would be allowed to bring a legal action.

The bill would also add the pledger or seller as a third party to any action. The bill would include definitions for act, claimant, law enforcement officer and misappropriated.

SB 46 has the potential for increasing litigation in the courts; as a result, the Office of Judicial Administration indicates that there would be a fiscal effect on the operations of the court system. However, it is not possible to estimate the number of additional court cases that would arise or how complex and time-consuming the cases would be. The fiscal effect would most likely be negligible and could be accommodated within the existing budget resources. Any fiscal effect associated with SB 46 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "L. L. Campbell". The signature is fluid and cursive, with the first name "L." and last name "Campbell" clearly visible.

Larry L. Campbell
Director of the Budget

cc: Janie Harris, Judiciary
Chardae Caine, League of Municipalities
Jay Hall, Association of Counties