

March 9, 2022

The Honorable Renee Erickson, Chairperson
Senate Committee on Commerce
Statehouse, Room 546-S
Topeka, Kansas 66612

Dear Senator Erickson:

SUBJECT: Fiscal Note for SB 505 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 505 is respectfully submitted to your committee.

SB 505 would create the Protect Home-based Work Act with a stated purpose of promoting entrepreneurship and removing barriers to remote jobs by establishing statewide protections for home-based work. Under SB 505, a zoning ordinance, resolution, or regulation could not:

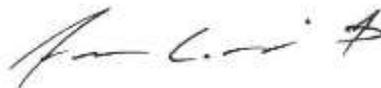
1. Prohibit mail order or telephone sales for home-based work;
2. Prohibit the provision of services to home-based work clients by appointment in the dwelling unit or accessory structure;
3. Prohibit resident or non-resident employees or independent contractors from working in the dwelling unit or accessory structure;
4. Prohibit or require structural modifications to the dwelling unit or accessory structure for the purpose of home-based work;
5. Restrict the amount of floor space for home-based work;
6. Restrict the hours of operation for home-based work; or
7. Restrict storage or the use of equipment that does not constitute a nuisance outside the dwelling unit or accessory structure.

In addition, a local government could not adopt or enforce a zoning ordinance, resolution, or regulation, or take any action to otherwise regulate home-based work in violation of the

provisions of this bill. The bill would authorize any person whose property is or may be reduced in value or restricted in use by a violation of these provisions to bring an action in any court. The prevailing party would be allowed to recover reasonable attorney fees and costs, including reasonable appellate attorney fees and costs. SB 505 would provide that the application of the bill could not supersede any deed restriction, covenant or agreement restricting the use of land or any master deed, bylaw, or other document applicable to a common interest ownership community.

The League of Kansas Municipalities indicates SB 505 could increase costs to cities for litigation to defend against claims brought under the new cause of action created in the bill but is unable to provide a fiscal effect estimate. The Kansas Association of Counties indicates any fiscal effect to counties from the provisions of the bill would be negligible. The Office of Judicial Administration (OJA) indicates the enactment of SB 505 could increase expenditures by district courts for time spent by judicial and nonjudicial personnel processing, researching, and hearing additional civil suits filed. In addition, OJA indicates the bill could increase revenue from the collection of additional docket fees for those cases. However, an estimate of additional expenditures by and revenue to the district courts resulting from the passage of the bill cannot be made. Any fiscal effect associated with SB 505 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Vicki Jacobsen, Judiciary
Dawn Palmberg, Department of Labor
Celeste Chaney-Tucker, Department of Administration
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties