

February 11, 2013

The Honorable Arlen Siegfried, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Siegfried:

SUBJECT: Fiscal Note for HB 2054 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2054 is respectfully submitted to your committee.

HB 2054 would establish the Community Defense Act to regulate sexually oriented businesses. The bill would prohibit the establishment of a sexually oriented business within 1,000 feet of any pre-existing accredited public or private elementary school, house of worship, state-licensed day care facility, public library, public park, residence, or other sexually oriented business. This provision would not apply to businesses lawfully established before the effective date of this act. HB 2054 would prohibit the establishment of a sexually oriented business if a person with an influential interest in the business has been convicted of certain criminal activities that are specified in the bill.

The bill would prohibit a person from appearing nude in a sexually oriented business. An employee of a sexually oriented business could appear semi-nude only on a fixed stage at least 18 inches from the floor and at least six feet from all patrons in a room of at least 600 square feet. The semi-nude employee would be prohibited from touching a patron or the patron's clothing. HB 2054 would impose certain space, configuration, and monitoring restrictions on a sexually oriented business that shows film or other video reproduction of specified sexual activities or specified anatomical areas.

HB 2054 would require a sexually oriented business to remain closed between midnight and 6:00 a.m., prohibit anyone under the age of 18 from being on the premises, and prohibit the sale, use, or consumption of alcoholic or cereal malt beverages on the premises.

A violation or refusal to comply with these provisions would constitute a class C misdemeanor. Each day that a violation occurs and each separate occurrence would be a separate offense. Finally, the bill would label habitual violations of any law regulating sexually oriented businesses as common nuisances.

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HB 2054 has the potential for increasing litigation in the courts because of the new violations created by the bill. If it does, 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 predict the number of additional court cases that would arise or how complex and time-consuming they would be. Therefore, a precise fiscal effect cannot be determined. In any case, the fiscal effect would most likely be accommodated within the existing schedule of court cases and would not require additional resources.

The League of Kansas Municipalities states that the fiscal effect of HB 2054 on cities cannot be determined at this time. Any fiscal effect associated with HB 2054 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson".

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Mary Rinehart, Judiciary
Melissa Wangemann, KAC
Larry Baer, LKM