

January 22, 2016

The Honorable Ralph Ostmeyer, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Ostmeyer:

SUBJECT: Fiscal Note for SB 331 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 331 is respectfully submitted to your committee.

SB 331 would establish the Kansas Firearms Industry Nondiscrimination Act. The bill would make it unlawful for a person to refuse to provide goods and services, refrain from continuing an existing business relationship or terminating it, or discriminate against a person or trade association because the person is engaged in the lawful commerce of firearms or ammunition products. A victim of discrimination would be able to bring a civil cause of action for actual and compensatory damages, punitive damages, injunctive relief or any other appropriate civil relief. A private civil cause of action must be filed no later than two years after the date when the aggrieved person becomes aware of the discriminatory practice.

According to the Office of the Attorney General, SB 331 would allow a cause of action to be brought against the State of Kansas if the state or one of its employees was acting in an official capacity. If the state or one of its employees was sued under the provisions of the bill, the Office of the Attorney General would be responsible for providing a defense under the Tort Claims Act. However, the Office is unable to determine whether the agency would be able to handle the cases using existing resources or whether additional staff or outside counsel would be needed. The fiscal effect is difficult to estimate because the number of cases that would occur as a result of SB 331 cannot be predicted with any certainty.

The passage of SB 331 could have a fiscal effect on Judicial Branch expenditures and revenues because it creates a new cause of action. If cases are filed in the district and appellate courts as a result of the bill's passage, additional work for judges and nonjudicial personnel would be created from processing, researching, and hearing the cases. Additional cases would

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also increase revenues from docket fees and penalties. However, the fiscal effect cannot be estimated because the number of cases that would be filed is unknown. Any fiscal effect associated with SB 331 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Willie Prescott, Attorney General's Office
Ashley Michaelis, Judiciary