

SESSION OF 2018

SUPPLEMENTAL NOTE ON SENATE BILL NO. 266

As Amended by House Committee on Judiciary

Brief*

SB 266 would amend law governing awards from the Crime Victims Compensation Board (CVCB). Specifically, the bill would amend the definition of “collateral source” to specify it means the “net financial benefit” received by a victim or claimant from various sources and excludes taxes, legal fees, costs, expenses of litigation, liens, offsets, credits, or other deductions from the benefit received. The definition would also be amended to include “damages awarded in a tort action” received by or readily available to the victim or claimant.

Background

The bill was introduced at the request of the Office of the Attorney General (AG’s Office). As introduced and passed by the Senate, the bill would have amended the definition of collateral source to include “any other source.”

In the Senate Committee on Judiciary and House Committee on Judiciary hearings, a representative of the AG’s Office appeared in support of the bill and explained the CVCB is intended to be a payer of last resort, and the law allows CVCB to reduce or deny compensation to the extent a claimant has recovered from a collateral source. Further, the representative explained victims sometimes recover from sources not currently listed and, without this change, victims may recover compensation from other sources as well as from CVCB for the same loss. No other testimony was provided.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The House Committee amended the bill to replace the phrase “any other source” with “damages awarded in a tort action” and to add language regarding net financial benefit and exclusions to the definition of collateral source.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the AG’s Office indicates enactment of the bill could decrease payment to claimants from the Crime Victims Compensation Fund because it would expand the definition of what would be considered a collateral source, thereby enabling the AG’s Office to deny or recover additional payments to claimants who have received compensation. The AG’s Office indicates the fiscal effect would be negligible. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2019 Governor’s Budget Report*.