

February 25, 2020

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2717 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2717 is respectfully submitted to your committee.

HB 2717 would create the Kansas Firearms Industry Nondiscrimination Act. The bill would make it unlawful for a person to refuse to provide goods or services, refrain from continuing a business relationship, terminate an existing business relationship, or otherwise discriminate against a person or trade association solely because the person is involved in lawful commerce of firearms or ammunition. A victim of the bill would have a civil cause of action against a person who unlawfully discriminates and would be entitled to recover actual and compensatory damages, punitive damages, injunctive relief, and any other appropriate civil relief. In addition, a plaintiff who prevails in a civil action would be entitled to recover reasonable attorney fees and court costs. A civil action would have to be filed within two years after a person becomes aware of the unlawful discriminatory practices.

The bill would allow the Attorney General to bring action against a person if the Attorney General believes a person is engaging, had engaged, or is about to engage in an act or practice that violates the provisions of the Act. The Attorney General would bring an action against a person in Shawnee County District Court to obtain a declaratory judgment, to obtain a temporary restraining order, or to recover civil penalties not to exceed \$10,000. HB 2717 would also allow the Attorney General to recommend that a person who is a contractor engaging, has engaged, or is about to engage in unlawful discriminatory practices to be debarred.

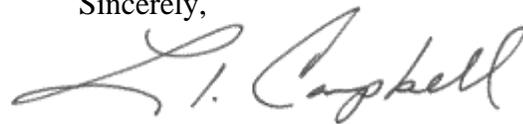
According to the Office of Judicial Administration, enactment of HB 2717 could increase the number of cases filed in district court because the bill would allow for a civil suit to be filed and allows that Attorney General to bring court action. This could increase the amount of time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing

cases. The bill could also result in the collection of additional docket fees. However, a fiscal effect cannot be estimated because the number of cases that would be filed under the provision of the bill is unknown.

The Office of the Attorney General states that enactment of the bill could increase its workload because of additional actions sought by the agency and would include manpower, initial investigation costs, court costs, and outside counsel costs. Enactment of the bill could expose the state to additional liability as an individual could file a lawsuit against a state agency or its employees. The Attorney General would defend the state in those cases. The bill does not provide for the Attorney General to recover investigation or litigation costs. These items could increase the Office's expenditures; however, the number of cases that would be filed is unknown and a fiscal effect cannot be estimated.

The Kansas Association of Counties states that the enactment of the bill would be negligible. The League of Kansas Municipalities state that the bill would have no fiscal effect. Any fiscal effect associated with HB 2717 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. L. Campbell". The signature is written in dark ink and is positioned above the printed name and title.

Larry L. Campbell
Division of the Budget

cc: Willie Prescott, Office of the Attorney General
Lynn Robinson, Department of Revenue
Trey Cocking, League of Municipalities
Jay Hall, Association of Counties
Mary Rinehart, Judiciary