

February 3, 2020

The Honorable Gene Suellentrop, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 441B-E
Topeka, Kansas 66612

Dear Senator Suellentrop:

SUBJECT: Fiscal Note for SB 312 by Senator Pettey

In accordance with KSA 75-3715a, the following fiscal note concerning SB 312 is respectfully submitted to your committee.

SB 312 would require the Kansas Department of Health and Environment (KDHE) to notify a person in writing that a license is required to operate a child care facility if it is found that the person is operating a facility without a license. If the person continues to operate a child care facility after being notified, KDHE may assess a civil fine up to \$1,000. Before assessing the fine, KDHE must provide proper notice and an opportunity for the person to be heard in accordance with the Kansas Administrative Procedure Act. In the case of a continuing violation, every day that the violation continues after notification would be considered a separate violation. Any person aggrieved by an order from KDHE may appeal to the district court.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	\$9,000	\$9,000
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

The Kansas Department of Health and Environment indicates that between FY 2010 and FY 2019 there was an average of nine cases annually of providing child care without a license that required at least two notifications. Using this figure, KDHE estimates the bill would increase fine revenue to the State General Fund by approximately \$9,000 in FY 2021 (9 cases X \$1,000 fine per case). KDHE also indicates the additional cases would increase the workload of legal staff. The

agency estimates the time spent on the additional cases would cost approximately \$2,700 annually. However, KDHE indicates the cost could be absorbed within existing resources.

The Office of Judicial Administration indicates the bill could increase the number of cases filed in district courts, which would increase the time spent by district court personnel to process, research and hear cases. The additional cases would also increase the amount of revenue collected from docket fees. However, the Office of Judicial Administration is unable to estimate the fiscal effect because the number of cases that would be filed as a result of the bill is unknown. Any fiscal effect associated with SB 312 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "L. L. Campbell". The signature is written in a cursive, flowing style.

Larry L. Campbell
Director of the Budget

cc: Mary Rinehart, Judiciary
Dan Thimmesch, Health & Environment