

February 16, 2022

The Honorable Fred Patton, Chairperson
House Committee on Judiciary
Statehouse, Room 582-N
Topeka, Kansas 66612

Dear Representative Patton:

SUBJECT: Fiscal Note for HB 2648 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2648 is respectfully submitted to your committee.

HB 2648 would amend processes for asset seizure and forfeiture to require a conviction for property to be subject to forfeiture, except when property is forfeited in a plea agreement or agreement for immunity or reduced punishment in exchange for testifying or assisting a law enforcement investigation or prosecution. Law enforcement officers would be prohibited from requesting a person waive their interest in property for the purposes of seizure or forfeiture. The bill would outline procedures for holding various hearings and the disposition of seized and forfeited assets, including that proceeds from sales would be remitted to the State Treasurer to the credit of the State General Fund. The bill would also require the Kansas Bureau of Investigation (KBI) to keep records of certain information regarding asset seizure and forfeiture in a repository but would remove the requirement that the KBI provide an annual report to the legislature.

The Kansas Highway Patrol indicates that enactment of the bill could decrease revenues to the agency from forfeitures. The agency receives an average of \$848,970 each year from state forfeitures and indicates enactment of the bill would reduce opportunities to utilize forfeitures, which could reduce revenues. The agency reports it has annual expenditures averaging \$437,240 from state forfeiture funds, which it states would have to shift to another funding source if the bill results in decreased revenue. However, a precise fiscal effect cannot be determined because any potential reduction in revenue cannot be estimated.

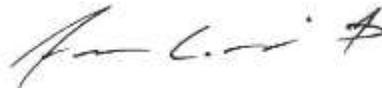
The Kansas Bureau of Investigation indicates it cannot estimate a fiscal effect. However, the Bureau notes that over the past five years, it has acquired a total of 28 federal forfeitures and

11 state forfeitures totaling approximately \$400,000. Of those 39 forfeitures, the largest was \$214,868.

The Department of Revenue indicates that enactment of the bill would increase revenues to the State General Fund. However, a precise fiscal effect cannot be determined because the number of additional forfeitures cannot be estimated. The Office of Judicial Administration indicates enactment of the bill would have a negligible fiscal effect that could be absorbed within existing resources.

The State Treasurer's Office indicates it would have to make minor programmatic changes in its remittance system, but that any effect would be negligible and could be absorbed within existing resources. The Office of the Attorney General indicates it does not pursue or receive any funding using state forfeiture and enactment of the bill would have no fiscal effect. Any fiscal effect associated with HB 2648 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Vicki Jacobsen, Judiciary
Sherry Macke, Highway Patrol
Paul Weisgerber, KBI
John Hedges, Office of the Treasurer
Willie Prescott, Office of the Attorney General