

February 28, 2022

The Honorable Jim Kelly, Chairperson  
House Committee on Financial Institutions and Rural Development  
Statehouse, Room 218-N  
Topeka, Kansas 66612

Dear Representative Kelly:

**SUBJECT:** Fiscal Note for HB 2664 by Representative Murphy, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2664 is respectfully submitted to your committee.

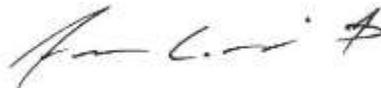
HB 2664 would prohibit unfair or discriminatory practices by banks, trust companies, credit unions, and other business entities either directly or through the use of an outside contractor. The bill details the standards that would not be allowed. The civil penalties for violations established in the bill would be \$50,000 for a first violation and \$250,000 for a second or subsequent violation.

The Office of the State Bank Commissioner states that examiners currently review files to ensure discriminatory or unfair practices are not being used as justification for unfair treatment of customers. Even though the bill includes areas that are not currently being reported by examiners, doing so would not increase the time needed to review files or increase the number of staff needed to conduct examinations. For that reason, any additional staff time would be absorbed within existing resources and any fines collected are estimated to be nominal.

The Kansas Judicial Branch states that HB 2664 would have a negligible fiscal effect on its expenditures and revenues. However, it is unknown how many cases would be heard and therefore a precise fiscal effect cannot be estimated but any additional expenditures could be absorbed within its current operations.

The Department of Credit Unions states the bill would not have a fiscal effect. Any fiscal effect associated with HB 2664 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: Vickie Hurt, Credit Unions  
Vicki Jacobsen, Judiciary  
Barbara Albright, Office of the Banking Commissioner