

February 5, 2024

The Honorable Kellie Warren, Chairperson
Senate Committee on Judiciary
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Senator Warren:

SUBJECT: Fiscal Note for SB 394 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 394 is respectfully submitted to your committee.

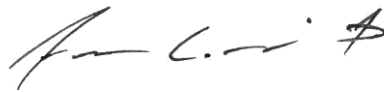
SB 394 would require the use of age verification software on certain websites. If 25.0 percent or more of a website's viewed webpages in any calendar month contain material that is harmful to minors, the owner or host of the website would be required to use commercially available identity verification software to ensure that any person attempting to access the website from Kansas is 18 years of age or older. Existing statute defines material harmful to minors as content containing any description, exhibition, presentation, or representation, in whatever form, of nudity, sexual conduct, sexual excitement, or sadomasochistic abuse.

The bill would require the Attorney General to investigate public reports of noncompliance and allow the Attorney General to seek injunctive relief and the imposition of civil penalties against offenders. The bill would allow for civil penalties of \$500 to \$10,000 for each impermissible visit to offending websites. Additionally, the parent or legal guardian of any minor who is illegally allowed to access a website would be permitted to take private action against the website's owner and seek damages of \$50,000 or more.

The Attorney General indicates that the bill would require State General Fund expenditures of at least \$210,000 in FY 2025 and at least \$220,000 in FY 2026 to support 1.00 new FTE attorney position and 1.00 new FTE legal assistant position. These positions would be required to investigate violations of the provisions of the bill and bring actions against offenders. The Attorney General anticipates legal challenges to the bill, and it would be required to defend against those challenges. However, the Attorney General is unable to calculate the amount of additional State General Fund resources required to defend the bill from any legal challenges.

The Judiciary indicates that the bill has the potential to increase the number of cases filed in district courts. This may increase agency operating expenditures due to the additional time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases; however, the Judiciary is unable to calculate an exact estimate of this effect. The bill has the potential to increase the collections of docket fees that are deposited in the State General Fund; however, the amount of additional docket fee collections is unknown. Any fiscal effect associated with SB 394 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt
Director of the Budget

cc: Trisha Morrow, Judiciary
William Hendrix, Office of the Attorney General