Division of the Budget Landon State Office Building 900 SW Jackson Street, Room 504 Topeka, KS 66612

Adam Proffitt, Director



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

February 16, 2023

The Honorable Mike Thompson, Chairperson Senate Committee on Federal and State Affairs 300 SW 10th Avenue, Room 144-S Topeka, Kansas 66612

Dear Senator Thompson:

SUBJECT: Fiscal Note for SB 133 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 133 is respectfully submitted to your committee.

SB 133 would enact the Donor Intent Protection Act. The bill would provide legal recourse to an individual charitable donor when the donor's gift restrictions pursuant to an endowment agreement with a recipient charitable organization are not followed by the recipient's charitable organization. If the restrictions are violated, donors may file suit within six years of discovery of the violation either in the county where the donor resides or in the county where the charity has its principal office or carries out its charitable purpose. If the court determines a violation was made, the bill outlines options for the court to restore the donor's intent to the extent possible. A charitable organization would be able to seek a judicial declaration of its rights and duties.

The Office of Judicial Administration states enactment of SB 133 could increase the number of cases filed in district court because the bill's provisions would allow for a lawsuit to be filed for violations, which would increase the time spent by judges and court employees processing and researching these cases. The Office estimates that enactment of the bill could result in the collection of docket fees in those cases filed under the bill's provisions, which would be credited to the State General Fund. According to the Office, a fiscal effect cannot be estimated until the Judicial Branch has had an opportunity to operate under the bill's provisions. Any fiscal effect associated with SB 133 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

Adam Proffitt

Director of the Budget

cc: Vicki Jacobsen, Judiciary John Milburn, Office of the Attorney General Jay Hall, Kansas Association of Counties