

February 4, 2013

The Honorable Julia Lynn, Chairperson
Senate Committee on Commerce
Statehouse, Room 445-S
Topeka, Kansas 66612

Dear Senator Lynn:

SUBJECT: Fiscal Note for SB 75 by Senate Committee on Commerce

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

SB 75 would prohibit anyone from paying cash when buying plastic bulk merchandise containers. For each transaction, a record of the method of payment would have to be made. When purchasing five or more plastic bulk containers from the same person, extensive information must be collected including proof of ownership, contact information, personal identification, and description of the containers. Any person who violates this act would be liable for a civil penalty of \$10,000 for each violation. Any civil penalty sued for and recovered by the Attorney General would be deposited in the State General Fund. Any civil penalty sued for and recovered by a county or district attorney would be deposited in the county general fund.

The Attorney General's Office estimates it would cost \$1,000 to \$5,000 in staff time and other resources per case to pursue violations of this act. It is estimated there could be ten cases per year at a cost of \$10,000 to \$50,000. The civil penalty sued for and recovered by the Attorney General would go to the State General Fund. Using the estimate of ten cases per year at \$10,000 per case, the recovery would be \$100,000. The act does not contain a provision allowing the Attorney General's office to recover investigative costs from violators. The Attorney General would have to evaluate the number of actual cases to determine the additional number of positions that could be required to enforce the act.

County and district attorneys would be authorized to pursue civil penalties against violators of the act and could incur similar expenses to investigate and litigate cases. Penalties recovered by the county or district attorneys would to be paid to the general fund of their respective counties.

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Page 2—SB 75

The Office of Judicial Administration notes that until the courts have had an opportunity to operate under the provisions of SB 75, an accurate fiscal effect cannot be given. Any fiscal effect associated with SB 75 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Mary Rinehart, Judiciary
Willie Prescott, Attorney General's Office
Melissa Wangemann, KAC