

February 24, 2015

The Honorable Steve Brunk, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2311 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2311 is respectfully submitted to your committee.

HB 2311 would establish the Kansas Firearms Industry Nondiscrimination Act. The bill would make it unlawful for a person to refuse to provide goods and services, refrain from continuing an existing business relationship or terminating it, or discriminate against a person or trade association because the person is engaged in the lawful commerce of firearms or ammunition products or is a trade association. A victim of discrimination would be able to bring a civil cause of action. Also, a civil cause of action would be able to be filed no later than two years after the date when the aggrieved person becomes aware of the discriminatory practice.

The Attorney General would be able to bring an action against a person suspected of discrimination. Civil penalties could be recovered in an amount not to exceed \$10,000 per violation in addition to other damages. Any action, application or motion brought by the Attorney General would have to be filed in Shawnee County District Court.

The Attorney General's Office states that the cost of HB 2311 would come from any legal challenge to the law. The cost could be up to \$25,000 in FY 2015 and up to \$100,000 in FY 2016. The Attorney General would likely be required to utilize the State Solicitor General and associated outside counsel due to the constitutional issues involved to defend a challenge. If enforcement action is required that would be an additional expense. However, the precise cost of this bill cannot be determined in advance.

The passage of HB 2311 could have a fiscal effect on the Judicial Branch expenditures because it creates a new cause of action. If cases were filed in the district and appellate courts as

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a result of the bill's passage, additional work for judges and nonjudicial personnel would be created in processing, researching, and hearing the cases. Because it is not known how many cases would be filed, an accurate estimate of the bill's fiscal effect on expenditures cannot be given. Any fiscal effect associated with HB 2311 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

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