

January 30, 2017

The Honorable Jeff Longbine, Chairperson  
Senate Committee on Financial Institutions and Insurance  
Statehouse, Room 341-E  
Topeka, Kansas 66612

Dear Senator Longbine:

**SUBJECT:** Fiscal Note for SB 65 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 65 is respectfully submitted to your committee.

SB 65 would allow creditors that are lawfully entitled to alcoholic liquors that are pledged as collateral for a loan, to request permission from the Director of Alcoholic Beverage Control to take possession of the alcoholic liquors for the purpose of selling the alcoholic liquors to satisfy the debt owed to the creditor. Any amount received as a result of the sale in excess to the debt would be remitted to the debtor.

The Department of Revenue and the Kansas Association of Counties indicate SB 65 would have no fiscal effect. The Judiciary indicates SB 65 would offer an alternative procedure to satisfy a debt. The procedure described in SB 65 could be used in lieu of going through the court system and, as a result, decrease the number of cases that go before the court. Less cases going through the court system would reduce expenses and also reduce certain revenues in the form of fees for the Judiciary. However, the number of court cases that would be avoided by implementing SB 65 is unknown and the amount of cost savings is unknown. Any fiscal effect associated with SB 65 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,  
Director of the Budget

cc: Jack Smith, Department of Revenue  
Melissa Wangemann, Association of Counties  
Ashley Michaelis, Judiciary