

February 12, 2024

The Honorable Susan Humphries, Chairperson
House Committee on Judiciary
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Humphries:

SUBJECT: Fiscal Note for HB 2593 by House Committee on Judiciary

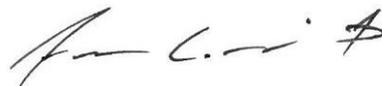
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2593 is respectfully submitted to your committee.

HB 2593 would make certain arbitration provisions in insurance contracts invalid and unenforceable. The bill would exclude contracts between insurance companies.

The Office of Judicial Administration states that enactment of the HB 2593 could increase the number of cases filed in district courts against insurance companies, which would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The bill could also increase the collection of docket fees that are deposited into the State General Fund. However, the agency cannot estimate a precise fiscal effect.

The Insurance Department states that the bill would not have a fiscal effect on its agency operating expenditures. Any fiscal effect associated with HB 2593 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Bobbi Mariani, Insurance Department
Trisha Morrow, Judiciary