

TO: The Honorable Susan Humphries, Chair

And Members of the House Judiciary Committee

FROM: Joseph Molina

On Behalf of the Kansas Bar Association

**RE:** Sub for SB 54 - Limiting discovery and disclosure of third-party litigation funding

agreements in certain circumstances and requiring reporting of such agreements to the

judicial council for study.

**DATE:** March 11, 2025

Madam Chair and Members of the House Judiciary Committee:

The KBA appreciates the opportunity to provide this written testimony in <u>OPPOSITION</u> to **Substitute** for **SB 54** - Limiting discovery and disclosure of third-party litigation funding agreements in certain circumstances and requiring reporting of such agreements to the judicial council for study

The Kansas Bar Association has a long-standing policy of supporting access to justice and access to the courts. Access to justice commonly refers to an injury consisting of, or resulting from, denial of access to courts, denial of procedural fairness and due process in relation to court proceedings. Requiring a party to disclose third-party agreements may lead to fewer opportunities for meritorious claims to be heard by the court due to a party's inability to fund the action.

SB 54 may curtail that access by limiting a tool the financially underfunded could use to litigate claims. Third-Party financing promotes equal access to the judicial system by assisting with financial barriers that litigants often face. This assistance prevents the legal system from favoring only those with significant financial resources. SB 54 would place plaintiffs at a strategic disadvantage against well-funded defendants and their insurers by forcing the disclosure of valuable information that could be used to force settlements.

It is for this reason the KBA opposes **SB 54** - Limiting discovery and disclosure of third-party litigation funding agreements in certain circumstances and requiring reporting of such agreements to the judicial council for study.

Thank you for your time and attention.

## About the Kansas Bar Association:

The Kansas Bar Association (KBA) was founded in 1882 as a voluntary association for dedicated legal professionals. Its more than 5,500 members include lawyers, judges, law students, paralegal students and paralegals. www.ksbar.org