Adam C. Proffitt, Director



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Laura Kelly, Governor

March 4, 2025

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 2300 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2300 is respectfully submitted to your committee.

HB 2300 would amend the Kansas Consumer Protection Act to require suppliers to first send written information via certified mail to obtain consent before initiating door-to-door sales with consumers who are receiving inpatient services at a hospital or who reside in a nursing home, adult care home, assisted living facility, or residential healthcare facility. The bill would limit suppliers to sending only two such communications per calendar year and cease communication if they become aware that a consumer has diminished capacity unless a representative is appointed, is present throughout all oral communications, and receives copies of all written materials. The bill would expand consumer protections related to wind and solar energy projects and would preserve consumer's rights to bring individual or class action litigation. The bill would also strengthen enforcement mechanisms by allowing the Attorney General and county or district court to take action against violations of the bill.

The Office of the Attorney General indicates that enactment of the bill would increase expenditures in excess of \$500,000 from the State General Fund in FY 2026 and FY 2027 for litigation due to increased responsibilities for reviewing customer complaints related to door-to-door solicitations of those with diminished capacities and seeking court orders revoking leases pertaining to land use for a meteorological evaluation tower or sodar unit or for commercial production or transmission of electricity through wind or solar generation resources. The Office also anticipates enactment of the bill would increase expenditures by \$538,322 from the State General Fund beginning in FY 2026 to hire 5.00 positions in the Public Protection Division, including 2.00 Assistant Attorney General positions for \$133,905 each, 2.00 investigator positions

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for \$60,839 each, 1.00 legal assistant position for \$63,755, and \$85,080 for items incidental to hiring new employees, such as office space, technology, trainings, and other items.

The Office of Judicial Administration indicates that enactment of the bill would increase the number of cases filed in district courts because it authorizes the Attorney General or a district attorney to file an action under the Consumer Protection Act. The bill would also allow a consumer to file a cause of action under the Consumer Protection Act. This, in turn, would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. Nevertheless, the Office states that until the courts have had an opportunity to operate under the provisions of HB 2300, an accurate estimate of the fiscal effect on expenditures by the Judicial Branch cannot be given.

The Kansas Corporation Commission, Citizens' Utility Ratepayer Board (CURB), Kansas Department of Agriculture, Kansas Department of Education, and Kansas State Fair Board indicate that the enactment of the bill would not have a fiscal effect on their operations. Any fiscal effect associated with HB 2300 is not reflected in *The FY 2026 Governor's Budget Report*.

The League of League of Kansas Municipalities indicates that enactment of the bill would not have a fiscal effect on its operations. The Kansas Association of Counties indicates that enactment of the bill would not have a fiscal effect on its operations but would affect counties if there are actions under breach of contract as a result of this bill.

Sincerely,

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Adam C. Proffitt Director of the Budget

cc: Trisha Morrow, Judiciary Ryan Patton, Kansas State Fair Lynn Retz, Kansas Corporation Commission Shonda Rabb, Citizens Utility Ratepayer Board Wendi Stark, League of Kansas Municipalities Jay Hall, Kansas Association of Counties Lita Biggs, Department of Agriculture Matt Bingesser, Office of the Attorney General