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Laura Kelly, Governor

April 29, 2025

The Honorable Bob Lewis, Chairperson House Committee on Corrections and Juvenile Justice 300 SW 10th Avenue, Room 546-S Topeka, Kansas 66612

Dear Representative Lewis:

SUBJECT: Fiscal Note for HB 2328 by House Committee on Corrections and Juvenile

Justice

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2328 is respectfully submitted to your committee.

HB 2328 would provide an exception to restrictions on prison-made housing units under the Prison-Made Goods Act. The bill would allow the Secretary of Corrections to establish a program for delivering prison-made housing units into designated areas that have experienced minimal building activity and home improvements despite community efforts to incentivize improvements. These designated areas would be determined by the Secretary in consultation with the local community.

The bill would require the Secretary to evaluate the program and submit a report to the Governor, the Speaker of the House of Representatives, and the President of the Senate no later than ten years after the program is established. The report would describe the program's impact on available housing in the designated area and the impact on non-prison housing manufacturers and dealers. The report would also evaluate whether participating inmates gained employment in related industries after release from incarceration, the expenses and costs reimbursed to the state by participating inmates, and the amount of earned savings that the inmates had upon release from incarceration.

The Department of Corrections indicates that HB 2328 would have an unknown fiscal effect on Kansas Correctional Industries (KCI). The bill would not have a fiscal effect on State

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General Fund revenues or expenditures, as KCI would recover program costs through the sale of its housing units. Any fiscal effect associated with HB 2328 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt Director of the Budget

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cc: Jennifer King, Department of Corrections