



February 24, 2025

The Honorable William Sutton, Chairperson  
House Committee on Insurance  
300 SW 10th Avenue, Room 218-N  
Topeka, Kansas 66612

Dear Representative Sutton:

SUBJECT: Fiscal Note for HB 2341 by House Committee on Commerce, Labor and  
Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2341 is respectfully submitted to your committee.

HB 2341 would require any surety on certain bonds executed by a contractor to be licensed as required by law to do business in the state of Kansas. If a written demand for payment was made to the principal and surety on a bond and payment was not made within 30 days and the district court rules in favor of the claimant, the district court would be required to award the claimant attorney fees and court costs which would be assessed against the principal and the surety. The bill would require the district court to conduct a hearing within 30 days of the filing for an initial determination by the court of whether the surety should be ordered to pay the amount claimed or, as an alternative, pay the amount claimed into an account to be held by the district court until a final ruling or further order.

The Office of Judicial Administration indicates enactment of the bill could increase expenditures for the Judicial Branch because the bill would require the court to conduct a hearing within 30 days of the filing in a suit regarding certain bonds. However, a fiscal effect cannot be estimated. The Department of Insurance indicates enactment of the bill would not have a fiscal effect. Any fiscal effect associated with HB 2341 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt  
Director of the Budget

cc: Trisha Morrow, Judiciary  
Kyle Strathman, Insurance Department