



March 24, 2025

The Honorable Tom Kessler, Chairperson
House Committee on Federal and State Affairs
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Kessler:

SUBJECT: Fiscal Note for HB 2407 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2407 is respectfully submitted to your committee.

HB 2407 would add “sexual orientation or gender identity or expression or status as a veteran” to the classes protected under the Kansas Act Against Discrimination and supplemental acts. The term “sexual orientation” would be defined as actual, or perceived, male or female heterosexuality, homosexuality, or bisexuality by inclination, practice, or expression. The term “gender identity or expression” would be defined as the gender-related identity, appearance, mannerisms, or other gender-related characteristics of an individual, without regard to such individual’s designated sex at birth. The term “veteran” would be defined as a person who served in the active military and who was discharged or released with an honorable discharge.

Under current law, the Kansas Human Rights Commission (KHRC) accepts complaints of discrimination based on sex, which include sexual orientation, gender identity or expression as outlined in the bill. Specifically naming these groups in statute may raise awareness to the public that such cases may be filed with the agency. KHRC anticipates any additional complaints of sexual discrimination could be handled with existing staff.

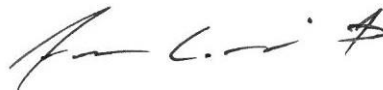
In addition, KHRC estimates approximately 75 complaints would be filed for discrimination based on veteran status under the bill, which would exceed the yearly quota of 72 cases for an investigator. The agency has a work sharing contract with the federal Equal Employment Opportunity Commission (EEOC) to investigate complaints of discrimination filed under the jurisdiction of both commissions. The contract helps prevent duplication of effort in complaint investigations and the KHRC receives federal funds for reimbursement. Because

veteran discrimination is not included under Federal anti-discrimination law administered by the EEOC, receipt, investigation and resolutions of those complaints would not be eligible for reimbursement under the EEOC's work sharing contract. The KHRC would require \$78,424 in FY 2026 and \$67,117 from the State General Fund for 1.00 FTE Special Investigator II position and related operating costs. The position would investigate additional cases filed alleging discrimination based on veteran status.

The Kansas Judicial Branch indicates HB 2407 could increase the number of cases filed in the district courts because it increases the number of protected classes under the Kansas Act Against Discrimination. These provisions of the bill could increase time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The enactment of the bill could result in the collection of docket fees in cases filed, which would be deposited into the State General Fund; however, the agency is unable to estimate a fiscal effect. Any fiscal effect associated with HB 2407 is not reflected in *The FY 2026 Governor's Budget Report*.

The Kansas Association of Counties indicates HB 2407 would have fiscal effect on counties as an employer if discrimination under the bill provision would occur. However, a fiscal effect cannot be estimated. The Kansas League of Municipalities indicates HB 2407 would not have a fiscal effect on cities.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized dollar sign symbol.

Adam C. Proffitt
Director of the Budget

cc: Ruth Glover, Human Rights Commission
Trisha Morrow, Judiciary
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties