

February 3, 2026

The Honorable Nick Hoheisel, Chairperson
House Committee on Financial Institutions and Pensions
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Hoheisel:

SUBJECT: Fiscal Note for HB 2591 by House Committee on Financial Institutions and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2591 is respectfully submitted to your committee.

HB 2591 would authorize a financial institution to notify the Department for Children and Families, any law enforcement agency, or a trusted contact of an adult account holder of suspected financial exploitation. The financial institution would be authorized to place a temporary hold on a transaction or disbursement from the adult's account for up to 10 business days if the institution believes the transaction could further the financial exploitation of the adult. The financial institution could petition the court to extend the hold. "Financial institution" would mean a bank, savings bank, savings and loan association, trust company, credit union, or any similar institution chartered and supervised under state or federal law. "Financial exploitation" would be defined as the unlawful or improper use of an adult's property, income, resources or trust funds by any other person or entity in a manner that is not for the profit of or to the advantage of the adult.

The bill would direct the financial institution to disclose its suspicion of financial exploitation without disclosing any other details or confidential personal information regarding the adult account holder's financial affairs. A financial institution that acts in good faith would not be liable in any civil or criminal action for claims of negligence, breach of fiduciary duty or privacy arising from reporting any suspected financial exploitation, notifying a trusted contact of an adult account holder, or placing a temporary hold on a transaction or disbursement from the adult's account. The financial institution also would not be liable if the institution chose not to report suspicion of financial exploitation. The immunity from liability would extend to participation in any judicial or administrative proceeding resulting from reporting or not reporting suspected financial exploitation.

The Office of the State Bank Commissioner examines financial institutions for safety and soundness. The provisions of HB 2591 would not affect safety and soundness of the financial institutions. Trusts are generally overseen by trustees, so the bill would be unlikely to affect the examination of a trust company. Therefore, the Office indicates the bill would not have a fiscal effect.

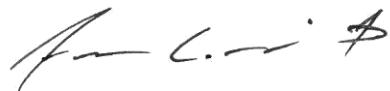
The Department of Credit Unions indicates that during examinations of credit unions, the examiners would review credit unions' disclosures and policies relating to the provisions of HB 2591. The Department indicates that examination of this information would be absorbed within the Department's existing resources.

The Office of Judicial Administration states HB 2591 could increase the number of cases filed in the district courts because the bill allows a financial institution to petition the court to extend a hold placed on a financial transaction. This would increase time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. Enactment of the bill could increase the collection of docket fees from petitions filed that would be deposited into the State General Fund. The agency is unable to estimate a precise fiscal effect.

The Department for Children and Families and the Office of the Attorney General both indicate HB 2591 would not have a fiscal effect. Any fiscal effect associated with HB 2591 is not reflected in *The FY 2027 Governor's Budget Report*.

The Kansas Association of Counties and the League of Kansas Municipalities both state HB 2591 would not have a fiscal effect on local governments.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Julie Murray, Department of Credit Unions
Jesse Becker, Office of the State Bank Commissioner
Kim Holter, Department for Children & Families
Matt Bingesser, Office of the Attorney General
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties
Trisha Morrow, Judiciary